

FREIGHT TERMS: All shipments are F.O.B. shipping point. Shipments from the factory of less than 500 lbs., or \$3,500.00 net are F.O.B. factory. Factory shipments over 500 lbs., \$7,000.00 list or \$3,500.00 net will be prepaid and allowed within Canada when made at the lowest motor carrier transportation rate. Short shipments and/or damaged goods must be reported within 72 hours.

PAYMENT TERMS: Invoices are due and payable 30 days from the date of invoice.

STOCKING WHOLESALE MINIMUM CHARGE: A minimum billing charge of \$75.00 applies to shipments F.O.B. factory. Stocking Wholesaler Customers are encouraged to order sufficient material to avoid this charge which is necessitated by increased costs of processing small orders.

SPECIAL PRODUCTS: Orders for special or modified products are non-cancellable and non-returnable. In the event that an order for such products is cancelled, **Watts Water Technologies (Canada), Inc. shall charge an amount equal to the Company's costs and expenses incurred in performing the purchase order prior to receipt of notice of cancellation.**

LIMITED WARRANTY: This limited warranty is provided by WATTS Water Technologies (Canada) Inc., 5435 North Service Road Burlington, Ontario, Canada L7L 5H7 (the "Company"). The Company warrants each product to be free from defects in material and workmanship under normal usage for a period of one year from the date of original shipment. In the event of such defects within the warranty period, the Company will, at its option, replace or recondition the product without charge.

This warranty may be transferred to subsequent product owners.

Subject to applicable laws, including consumer protection legislation, the limited warranty set forth above is given expressly and is the only warranty given by the Company with respect to the product. The Company makes no other warranties, express or implied. The Company hereby specifically disclaims all other representations, warranties or conditions, express or implied, including but not limited to the implied representations, conditions and warranties of merchantability and fitness for a particular purpose.

Subject to applicable laws, including consumer protection legislation, the remedy described in the first paragraph of this warranty shall constitute the sole and exclusive remedy for breach of warranty, and the Company shall not be responsible for any incidental, special or consequential damages, including without limitation, lost profits or the cost of repairing or replacing other property which is damaged if this product does not work properly, other costs resulting from labour charges, delays, vandalism, negligence, fouling caused by foreign material, damage from adverse water conditions, chemical, or any other circumstances over which the Company has no control. The Company shall not be responsible for shipping or freight changes associated with warranty claims.

The warranty set forth above shall be invalidated by any abuse, misuse, misapplications, improper installation or improper maintenance or alteration of the product.

For claims within the warranty period, contact the Company at 1-888-208-8927.

THE COMPANY MAKES NO OTHER WARRANTIES EXPRESS OR IMPLIED EXCEPT AS PROVIDED IN THIS LIMITED WARRANTY.

RETURNED GOODS RESTOCKING CHARGE: No material shall be returned without authorization. When credit is issued it will be at the price charged, or prevailing price if lower, less handling charges based on costs of reconditioning, boxing, etc. However, a minimum 25% handling charge will apply. A minimum handling charge of \$35.00 is applied whenever the 25% handling deduction does not total \$35.00. Products which are obsolete or made to special order are not returnable.

NOTE: Prices and terms are subject to change without notice and supersede all previous quotations. The right is reserved to change or modify product design or construction without prior notice and without incurring any obligation to make such changes and modifications on products previously or subsequently sold.

WATTS Water Technologies (Canada) Inc. reserves the right to modify or change product design or construction without prior notice and without incurring any obligation to make similar changes and modifications to products previously or subsequently sold.

See your WATTS representative for any clarification.