

Merrill Manufacturing Limited Warranty
To The Original Purchaser

Merrill Manufacturing Company (herein after called "Merrill") warrants the products manufactured by us to be free from functional defects for a period of **ONE YEAR** from the date of shipment by Merrill to the **ORIGINAL PURCHASER ONLY**. This warranty is applicable under normal use and service provided its products are installed, used and maintained in accordance with Merrill instructions, limitations issued by Merrill, and all applicable local codes. The obligation under this warranty is limited to replacing or repairing, without charge, any part manufactured by Merrill proven to be defective at the time of shipment. Immediate written notification must be given by the purchaser to Merrill upon discovery of alleged defect. The company retains the right to have the product returned freight prepaid to establish a claim. All warranty replacements or refunds will be issued to original purchaser only, unless specifically agreed to by Merrill.

This warranty does not cover or apply to any products or material supplied by but not manufactured by Merrill and is limited to actual warranty extended to Merrill by its supplier.

This warranty shall not apply if the product has been modified or altered in any way by others. Merrill will make no allowance for such alterations unless authorized in writing by the company prior to such alterations. In no event shall the company be liable for expenses necessary for the removal or reinstallation of any product supplied by Merrill, or for any damages to other property or equipment resulting from the removal or installation of such product.

The foregoing warranty is only applicable to manufactured products by Merrill and any previous agreements, representations or warranties, oral or written are hereby canceled. No other express or implied warranties shall apply, including but not limited to implied warranties of merchantability and fitness to a particular use.

Merrill's total responsibility for damages whether arising in contract or tort arising out of or relating to its performance or the products covered hereunder, shall be limited to the contract price of the product. In no event shall Merrill be liable for any incidental or consequential damages such as loss of profit, loss of use of production or other facilities or equipment or any expenses incurred in reliance on the company's equipment whether suffered by the buyer or a third party. In no event shall Merrill be liable for expenses necessary to remove or reinstall any product supplied by Merrill, or for any damages to other property or equipment resulting from any such removal or reinstallation, without written consent from Merrill for a specific installation prior to original installation. Nothing in this paragraph shall in any way be construed to affect the liability the company may have for personal injury of any third party. Damages resulting from improper storage, improper handling, freezing, improper installation, fire, or any act of God will not be considered by Merrill as its liability. Merrill will not assume any expense or liability for repairs or modifications made to its products outside its facilities, without a written consent. Equipment and accessories used with the company product and supplies by other manufacturers are not warranted. Any complaint, controversy, or claim arising out of or relating to this warranty, or the breach thereof, shall first be communicated to Merrill's home office in Storm Lake, Iowa.

Under no circumstances should Merrill frost proof yard hydrants be installed where the hydrant is allowed to drain into a water well or the drain water is allowed to come into contact with any drinking water supply. Merrill disclaims all liability of any kind and voids the hydrant warranty for installations of this product where it can or could drain back into a drinking water supply.

Merrill products are not designed or engineered for use in a nuclear facility, or in conjunction with any nuclear facility or support facility. Use of any Merrill products in any such applications is a misuse of these products and voids all warranties contained herein, expressed and implied, of merchantability and fitness for a particular purpose.

MERRILL MANUFACTURING TERMS & CONDITIONS OF SALE

WHEN ORDERING MATERIAL: Please use Merrill Manufacturing Company (herein after called "Merrill") order numbers, size and any other definite information necessary. Merrill reserves the right to correct clerical errors or omissions in quotations or other documents.

ACCEPTANCE OF ORDERS: All orders are subject to acceptance by Merrill's home office in Storm Lake, Iowa and to conditions stated herein. Merrill will not be bound by any terms or conditions on buyer's order which is different from or in addition to the terms and conditions of Merrill unless specifically accepted in writing by Merrill's home office. No changes or additions to current orders will be accepted if placed less than 48 hours prior to shipment. No additional items can be added to freight prepaid back orders.

PRICES AND QUOTATIONS: Orders will be invoiced at the price in effect at the time of shipment. Unless otherwise specified, prices are F.O.B. point of shipment. All prices and quotations are subject to change without notice. Items not listed in this catalog will be quoted on application.

CANCELLATION: Orders accepted by Merrill's home office in Storm Lake, Iowa are not subject to cancellation. But where cancellation is mutually agreed to, the purchaser will be billed for reasonable charges based on expenses incurred or will occur due to commitments made by Merrill for the cancelled order.

SPECIAL PRODUCTS: Products made or ordered to customer's specifications are not returnable or refundable. Requests for cancellation of such orders will not be granted if the manufacture of the product is in process, or if the material necessary to manufacture the product has been purchased when the request reaches Merrill's home office.

PRODUCT CHANGES: The right is reserved to make changes in pattern, design or materials when deemed necessary without prior notice. Products which have become obsolete by reason of design change or discontinued item for any reason, may not be returned for credit.

SHIPPING POLICY: Merrill may prepay and allow transportation charges to common carrier destinations within the continental United States or Canada, excluding Alaska and Hawaii, and pricing will be in accordance with the corresponding freight policy outlined in the Merrill discount schedule. We reserve the right to ship VIA most economical transportation means, routing of the shipment, and to select point of origin for the shipment. **Additional Freight Charges: Additional fees for residential, remote areas, or any special circumstance deliveries from the freight company will be the responsibility of the receiver of the shipment and a separate invoice will be issued upon receipt of notification of such charges. This applies to freight prepaid and allowed, and FOB pricing. The receiver of the shipment is to pay all additional fees.** If special routing or method is requested, resulting in a higher rate, the additional amount will be charged to the customer. Merrill will not be responsible for any extra charges, handling or otherwise, arising out of possible misdirected shipments to any location. If the specific error was Merrill's, only the additional freight charges involved in returning the shipment to Merrill, or the freight costs involved in forwarding the shipment to another location or company will be paid by Merrill. If the error in shipment was not specifically an error by Merrill, then no additional charges will be paid by Merrill.

- A. Merrill shall not be responsible for delays resulting from strikes, accidents, negligence of carriers, or any other causes beyond our control. Merrill may, during a period of shortage due to causes beyond its control prorate the supply of its products among all of its customers in such a manner as may be deemed equitable at the sole discretion of Merrill.

SAME DAY SHIPMENT POLICY: Any orders placed after 12:00 p.m. Central Time that must be shipped out the same day will incur an additional \$25.00 service charge and it must be shipped by next day air service (UPS, FedEx, etc.).

MINIMUM INVOICE: Merrill has no minimum invoice order amount. All accounts with restricted credit that order \$75.00 net or under must be shipped with credit card payment or C.O.D. unless otherwise approved by Merrill's credit department. Prompt paying accounts with open credit will have no minimum order or payment restrictions.

TAXES: Any taxes that may be imposed by law on the sale of articles made or sold by Merrill shall be added to the sale price of such articles.

TERMS OF PAYMENT: 2% 15 Days, Net 30 Days from date of invoice, and subject to approval of Merrill credit department.

TERMS & CONDITIONS OF SALE

INTEREST CHARGES: Merrill will add an 18% per annum handling charge, with a \$2.00 per month minimum, added to all invoices that are 15 days past due. All orders are held from shipment when any invoice on an account becomes 15 days past due.

At 60 days from the invoice date, or 30 days past due, an account is considered severely past due and in jeopardy of being placed for collection. If an account is placed for collection:

1. All future orders will be shipped on terms of prepay cash only. (CIA)
2. The dollar amount placed will include all collection agency fees and late charges.
3. An account will not be considered for open account status until the account is current and the account has submitted an audited current financial statement and credit application.

THE BUYER AGREES THAT PAYMENT OF COLLECTION AND LEGAL FEES IN ADDITION TO ANY UNPAID INVOICE AMOUNT IS REASONABLE IN LIGHT OF THE ANTICIPATED HARM THAT WOULD BE CAUSED BY THE BUYER'S BREACH.

RETURNED GOODS: All following policies must be met—

1. A detailed list of the material to be returned must be submitted, as well as supporting data as to when purchased, dates, and invoice numbers if available. Prior approval must be received in writing from Merrill's home office in Storm Lake, Iowa before any material is to be returned.
2. Credit will be allowed only on material of our manufacture or sold by us, and must be resalable, otherwise only scrap value will be issued.
3. Authorization and shipping instructions must be obtained from Merrill before returning any product. All product being returned must be shipped with transportation charges prepaid.
4. Any material returned to our company and not proven to be a manufacturing defect or not meeting all terms or policies for returned goods will carry a 25% restocking charge.
5. All returned material is subject to our plant count and inspection, and our inspection departments determination will be final.
6. **ONLY OUR ISSUED CREDIT MEMOS WILL BE HONORED. THERE SHOULD NOT BE ANY DEDUCTION MADE BY ANYONE ON THEIR PAYMENTS AGAINST THEIR ACCOUNT WITHOUT OUR CREDIT MEMO NUMBER. ANY SUCH DEDUCTION BEING MADE WILL BE DISREGARDED AND WILL REMAIN OPEN ON THE ACCOUNT.**
7. Merrill will not be responsible for any material returned without written authorization or total compliance with the above terms or policies.
8. All claims must be made within 30 days from the invoice date of the product.
9. Credit for product warranty on items sold by Merrill, but not manufactured by Merrill, will be issued **ONLY** after Merrill has been allowed credit by the manufacturer of the product in question. In most cases this may cause some delay in credit being issued. Warranty determination is at the discretion of the original manufacturer and not Merrill. Merrill can not issue credit on products that are old, abused, or where credit is otherwise not allowed by the original manufacturer.

COMPLAINTS: Complaints, controversy, or claims arising out of or related to Merrill products should be made at once to the Merrill's home office in Storm Lake, Iowa. All reasonable efforts (as determined by Merrill) will be made by Merrill management to correct or settle the complaints, controversy, or claims between directly involved parties without third party, or legal involvement. Any complaint, controversy, or claim arising out of or related to Merrill product, this contract, or the breach thereof, not settled between Merrill and claimant, shall be settled by arbitration, administered by the American Arbitration Association in accordance with its credit account arbitration rules. The judgement on the award rendered by the arbitrator may be entered in the Iowa court having jurisdiction in the Merrill home office area thereof.

ERRORS, SHORTAGES, AND CLAIMS FOR DAMAGED OR LOST GOODS: All claims for shortages or errors must be made within 30 days from the date of invoice and **claims must be placed with the carrier or transportation company within 15 days for damaged or lost goods.** Merrill is not responsible for goods after they have been delivered in good condition to the carrier or transportation company. Merrill does not, unless under previous written agreement, insure shipments beyond the point of delivery to such carrier.

IT IS THE CUSTOMER'S RESPONSIBILITY FOR ORDERING PROPER PRODUCT TO MEET LOCAL, STATE AND FEDERAL CODE REGULATIONS.

2/22/2006