The following terms and conditions of sale apply to all products manufactured, distributed and/or sold by Cerro Flow Products LLC, or its subsidiaries or affiliates ("Seller").

**CERRO FLOW PRODUCTS LLC TERMS AND CONDITIONS OF SALE**

1. These Terms and Conditions supersede all other terms and conditions, oral or written, and all other communications between the parties suggesting additional or different terms and conditions. These Terms and Conditions represent the final and complete understanding of the parties with respect to the matters covered hereby and may be amended or cancelled only by written agreement signed by both parties. These Terms and Conditions expressly limit acceptance to these provisions. Any proposal for additional or different terms or any attempt by Buyer to vary in any degree any of the provisions hereof is hereby deemed material and is objected to and rejected. No terms of any document or form submitted by Buyer shall be effective to alter or add to these Terms and Conditions. Unless otherwise stated herein, Buyer’s receipt of any portion of the products shall constitute acceptance of these Terms and Conditions, unless Buyer immediately returns all such products.

2. Seller’s prices for products are subject to change without notice. All quotations, unless otherwise specified, are binding only for immediate acceptance. Prices are based on products made to Seller’s standard tolerances unless otherwise specified.

3. Unless otherwise agreed by Seller in writing or otherwise stated in Seller’s written policies, all products are sold F.O.B. point of shipment. Shipment routings and rates shall be as normally used by Seller. If Buyer requires alternate methods of shipment, the additional cost of such shipment shall be charged to the Buyer. If products are sold “F.A.S.” at any port in the United States, Seller shall inspect the products and make any claim of shortage, damage, defect, etc., with respect to the products at said port within 15 days after delivery. Buyer’s failure to do so shall constitute waiver of any such rights and claims. Buyer and carrier are responsible for goods lost or damaged in transit. Carrier is Buyer’s agent.

4. Weight figures shown in catalogs, price sheets, and documents of sale may be approximations only. Products sold on a per pound basis will be invoiced based on actual weight shipped. Products sold on a piece or length basis will be invoiced at the appropriate piece or length price.

5. Unless otherwise stated, prices shall include all charges for Seller’s usual packing and crating and for cartage to F.O.B. point. Seller shall not be obligated to provide special containers unless specified and added as an extra charge.

6. If Buyer requires any tests or inspection not regularly provided by Seller, such tests will be done at Seller’s option, and Seller shall be entitled to a reasonable extra charge for such tests.

7. Terms of payment shall be in U.S. funds at the location designated on the invoice. Any exchange or bank charges Seller is required to pay shall be charged to Buyer. All invoices are dated as of date of shipment. The date of payment of an invoice is the date the payment is received by Seller at the location designated on the invoice.

8. Orders may be cancelled by Buyer upon prior written notice to Seller which is received by Seller at least 30 days prior to production, such notice to be sent by mail or facsimile. If Buyer cancels any order without cause, Buyer shall be liable for (i) all completed products, (ii) all additional costs and expenses incurred by Seller in connection with such order, including without limitation the cost of all work in process and the cost of all materials and other items purchased for such order, plus (iii), as liquidated damages and not as a penalty, an amount equal to 20% of the total order price.

9. Products may not be returned without prior written approval by Seller. Authorized returns may be subject to handling and inspection charges and must be returned freight prepaid to the location specified by Seller. Credit will be allowed only for products that (i) are returned in good condition and in their original packaging and (ii) can be returned to stock.

10. Special tools, patterns and equipment furnished by Seller, even though paid for directly or indirectly by Buyer, shall remain the property and in the possession of the Seller at all times. When no orders requiring the use of such items are received by the Seller from the Buyer for one (1) year, they may be considered obsolete and may be disposed of by Seller without liability whatsoever to Buyer.

11. Seller expressly warrants that all products will be free from defects in material and workmanship for a period of one year from the date of shipment. THIS IS SELLER’S ONLY WARRANTY. SELLER MAKES NO OTHER WARRANTY OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED. ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE ARE HEREBY DISCLAIMED BY SELLER AND EXCLUDED.

12. If Buyer notifies Seller in writing within 15 days after receipt of the products of any defect in any products sold hereunder, and if Seller determines that such products are not in conformity with the warranty given hereunder, Seller shall replace, F.O.B. point of manufacture, the defective products, provided Buyer returns such products to Seller's plant, freight prepaid. No products shall be returned without Seller’s prior approval. This shall be Buyer’s exclusive remedy for Seller’s liability hereunder. Any claims not made within the warranty period are deemed waived by the Buyer. In lieu of replacing the defective products, Seller shall have the right, at its sole option, to refund the purchase price thereof.

13. Seller’s liability to Buyer or anyone claiming through or on behalf of Buyer, with respect to any claim or loss arising out of this transaction or alleged to have resulted from an act or omission of Seller, whether negligent or otherwise, and whether in tort, contract, or otherwise, including failure to deliver, delay in delivery, or breach of warranty, shall be limited to an amount equal to the purchase price of the products with respect to which such liability is claimed or, where appropriate and at the option of Seller, to replacement of the products. In no case will Seller be liable for any bodily injury, death, or property damage resulting from or in any way arising out of the products or their sale, use or manufacture. IN NO EVENT SHALL SELLER BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES, OR EXPENSES ARISING OUT OF THIS TRANSACTION.

The Residential Copper Plumbing Products Limited Warranty shall apply to products covered thereby in lieu of the limited warranty set forth above.

14. If shipment is delayed by Buyer, payments shall be due as though shipment had been made, unless prior written agreement has been provided by Seller. If Seller’s manufacture is delayed by the Buyer, payment shall be made promptly based on the contract/order price and percentage of completion. In case of such delay by Buyer, Seller may store the goods for Buyer’s account at Buyer’s risk and expense and may invoice the goods as though shipped. Seller’s rights to be paid the price of the products and storage charges shall be a lien against the products.

15. In making products to Buyer’s specifications it is impractical to produce the exact quantities specified. Therefore, shipment of a reasonable amount over or under the amount specified shall be accepted by Buyer as completing a contract or order for such products, and payment shall be adjusted accordingly.

16. If, in the sole judgement of Seller, the credit of Buyer has or is likely to become impaired, Seller shall be entitled to demand payment in cash or Seller may forthwith cancel the contract/order.

17. All contracts/orders shall be interpreted, construed, and governed by the laws of the State of Illinois. If any one or more of these provisions are adjudicated invalid, all remaining provisions shall remain in full force and effect.