



GENERAL SALES POLICY
Blackmer Products – Domestic – United States

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| Section 001 |

PRODUCT WARRANTY

Blackmer/A Dover Company warrants its products free from defects in materials and workmanship under normal use and service for which its products were designed. This warranty is for a period of 12 months after installation or 18 months after shipment from the factory, whichever comes first. This standard warranty applies unless specific warranty conditions are granted by Blackmer in writing. If its products should fail through defect in workmanship or material within the stated warranty period, Blackmer must be notified in writing within the warranty period of such defects and shall have the option of requiring return of parts or product to its factory for verification of any claim.

The warranty is in lieu of any other liability for defects. BLACKMER MAKES NO WARRANTY OF MERCHANTABILITY AND NO WARRANTY THAT ITS PRODUCTS SHALL BE APPROPRIATE FOR ANY PARTICULAR PURPOSE, nor are there any other warranties, expressed or implied, by operation of law or otherwise. This warranty does not cover any expense (labor, lost production, travel expenses, etc), incurred in repairs or alteration made outside the Blackmer factory without prior authorization, nor does it cover in any way the performance of equipment which has been revised or altered by others. The customer is wholly responsible for establishing the suitability of the product for his particular application and for operating conditions, which do not exceed published product limitations. Blackmer shall not be liable for damages or delay resulting from or related to defective products, nor for consequential, special or contingent damages for breach of warranty.

PRODUCT RETURN FOR WARRANTY INSPECTION

In order to better serve Blackmer distributors and their customers with regard to returning product(s) to Blackmer for warranty disposition, the following guidelines must be followed:

1. Blackmer's Application Engineering Department must be contacted for qualification of request, prior to any product return for inspection or issuance of an RMA (Return Material Authorization). IT IS IMPERATIVE THAT BLACKMER BE PROVIDED ALL APPLICATION DATA REQUESTED FOR PROPER QUALIFICATION. Application data required will include serial number, pump model, and type of application, liquid name, viscosity, suction/discharge conditions, speed of operation, type of drive, installation date, and any other pertinent information.
2. If the Application Engineering Department determines that product return to factory is required, then Blackmer Customer Care Department will issue an RMA. All returns must be shipped freight prepaid.
3. A copy of the completed RMA form, including salvage instructions and MSDS sheet, must be attached to the outside of carton(s), when returning to validate return. Product sent to Blackmer without proper authorization (RMA copy) will not be accepted. The RMA will be valid for a period of 30 days from date of issuance after which time it will be cancelled. For all pumps, compressors, and parts covered under warranty, Blackmer will (at Blackmer's discretion), either issue credit, replace the product, or repair the product and provide a new warranty. Blackmer will, if desired by the customer, repair non-warranty product and provide a new warranty for a charge to be determined at time of evaluation.
4. For all pumps, compressors, and parts not covered under warranty, Blackmer will send a letter of explanation. Salvage instructions are also requested in this letter. If salvage instructions are not received within 30 days after this notice has been given, the returned product will be scrapped.
5. Motors, reducers and package components manufactured by others are not be authorized for return to Blackmer. The original manufacturer's warranty policy applies. The manufacturer's local distributor can better serve you. Please contact them directly for their warranties.
6. All pumps/compressors sent back must be drained and properly cleaned of all contents. In the case of chemical and/or hazardous products, appropriate industry safety procedures such as neutralizing and/or flushing/drainage of pumps must be accomplished.

In all cases an MSDS (Material Safety Data Sheet) must be included with the returned products. The definition of a hazardous product is in accordance with federal and state agencies.

All separately returned pump parts must be cleaned and adhere to the same policy as complete pumps. Rotors, and other internal pump parts must be thoroughly cleaned to remove all residual fluid. MSDS data sheet must be supplied for the fluid the part(s) were in contact with.

Blackmer reserves the right to reject and return all parts received not adhering to the above policy and requested procedures.

Blackmer holds all parties returning pumps/parts responsible for the safety of Blackmer employees regarding any unacceptable material returns which are not properly cleaned or contain residual fluids not disclosed in accompanying paperwork.

PRICING, TERMS, QUOTATIONS, AND OPEN ORDER POLICIES

Order Changes

In the event an order is changed after acceptance by Blackmer the following applies:

1. Changes to an order are subject to factory approval.
2. Changes made to an open order may extend the ship-date.
3. Changes to an open order may affect the product price.
4. Changes to the product ship-date by the distributor may affect the price.
5. Changes will be accepted within 24 hours of receipt for standard catalog items, with more than one-week lead-time, without charge. Changes made after 24 hours will be subject to a change order charge of \$100.00.
6. Changes on non-catalog products will be accepted only up to 48 hours of receipt of order and may be subject to product price change based on the amount of engineering and manufacturing work completed.

Order Cancellation - On-line Ordering, Changes and Cancellations

1. Within 24 hours of order receipt for standard product, with more than one-week lead-time, there will be no cancellation charge in the event an order is cancelled. Motors, reducers and other package components may not be cancelable or subject to the manufacturers restocking fee.
2. After 24 hours of order receipt for standard product, a minimum cancellation charge of \$100.00 will be assessed.
3. Cancellation will not be accepted on any orders with one-week lead-time or less.
4. Cancellation of non-catalog products will result in a minimum cancellation charge of \$100.00 and additional charges will be applied based on the amount of customer care, engineering and manufacturing work completed. The charge can be up to the total price of the non-catalog product.

Published Prices and Shipments

1. The published prices for all Blackmer products are subject to change without notice. All prices exclude sales, excise, use or other taxes, all of which are for the customer's account.
2. Prices are ex-works (manufacturing facility).
3. Minimum billing per order placed is \$100.00 Net.
4. If purchase order does not state "**Ship Complete**", then all available items on orders will ship as the parts become available. (This may result in multiple shipments.) If, however, the order is requested to "**Ship Complete**", the order will ship when ALL parts become available.
5. All expedited orders are subject to an expedite fee of a 10% multiple of the customer's discount. The customer must receive confirmation from Blackmer that the requested delivery can be met prior to placing the expedited order. Purchase order must include Quote Number supplied by Customer Care, if applicable. Typically, this applies to expedited pumps and the Quote Number is a four digit number. An expedited order is defined as any order with a requested delivery less than standard lead-time. This fee will be waived if Blackmer fails to deliver within the confirmed time period.
6. Expedited orders for parts received for same day shipment by 1:00 PM Eastern Time are subject to the expedite fee only. Orders received after 1:00 PM and before 3:00 PM are subject to an additional \$100.00 handling fee. Orders received after 3:00 PM and before 5:00 PM are subject to an additional \$200.00 handling fee. Parts or configured items may not be available for same day shipment due to complexity or quantity of order.
7. Special quotations may be obtained from Blackmer for products not covered by published prices. Validity of quotations will be stated on each quotation or proforma. Quote to accompany order or quote number should be stated on order.
8. Drop shipments within a customer's assigned territory are not subject to a fee. Drop shipments outside a customer's assigned territory are not allowed without Regional Manager approval
9. Shipments, except those placed with UPS, in the U. S. and Canada are sent by common carrier, freight collect, ex-works. All claims for freight damage for common carrier shipments must be made by the distributor per the carrier's instructions.
10. Only UPS shipments are sent prepaid with shipping charges added to the invoices. All claims for freight damage for UPS shipments will be filed by Blackmer. Blackmer must be notified within 14 calendar days of receipt of damaged shipment to file claim. Distributor must keep shipment, including container, and all packaging material until inspected by UPS.
11. All shipments are made in accordance with Incoterms® 2010.



TERMS

1. Payment Terms are per agreed upon PSG contract.
2. Open account shipments are subject to approval by Blackmer's Credit Department.
3. Orders placed by Visa, MasterCard or American Express will be invoiced at net pricing. The 2% cash discount does not apply to credit card orders.
4. Credit Hold Policy: If a distributor has been placed on the "Hold Shipment" list by our Credit Manager because of past due receivables:
 - a) No orders will be shipped until the distributor is removed from the "Hold Shipment" list.
 - b) In order for a distributor to be removed from the "Hold Shipment" status, all past due account balances must be brought to current terms.
 - c) While a distributor is on the list, Blackmer reserves the right 1) to not process any new orders, 2) stop progress on any open orders and 3) to reschedule the shipment of any open orders according to published standard product lead-times from the date the distributor is removed from the list.
5. **Cash In Advance Terms** – Sales order will **NOT** be entered until full payment is received. Lead-time begins when payment is received.

INSTRUCTIONS, PARTS LISTS, TESTS AND DRAWINGS

A copy of Blackmer's standard instructions and parts list is packaged and shipped with cataloged products. When special instructions or parts lists are required, a request, with complete specifications, must be submitted to Blackmer Application Engineering Department for quotation. Please refer to Price List No. 001-020 for more information on tests, drawings and services offered by Blackmer.

RETURNED GOODS POLICY

Approval of returned goods for credit by Blackmer would be considered when the following conditions are met:

1. Blackmer's error: Items shipped to distributors due to a Blackmer error in entering or filling an order are returnable for full credit, including transportation, provided the error is reported promptly. Please contact Blackmer's Customer Service Department for return authorization (RMA).
2. Distributor's error: Returnable goods must be current products, which Blackmer has not declared to be obsolete.
 - a) A 25% restocking charge will apply. The return value is based upon the original net purchase price. To receive correct credit original order number and date must be provided.
 - b) Transportation costs must be prepaid by the distributor and all risks of loss or damage to the goods in transit are the distributor's responsibility. Customs clearance charges and inland freight inside the U.S. will be deducted from the final credit value.
3. All parts must be in "like new" and saleable condition without the necessity of repackaging.
4. Selected repair parts are not returnable; example parts with limited shelf life – mechanical seals, elastomers, O-rings and gaskets – are not returnable. Repair parts listed in the Blackmer Master Parts Price List 10-RSPP-01 that contain a pound (#) sign after the part numbers are not returnable. Note: if the error is by Blackmer, this condition is waived.
5. All returns must be authorized by the Customer Care Department, who will provide you with a Return Material Authorization (RMA).
6. Motors, reducers and package components manufactured by others are not be authorized for return to Blackmer. The original manufacturer's warranty policy applies. The manufacturer's local distributor can better serve you. Please contact them directly for their warranties.
7. A copy of the RMA and MSDS sheet should be affixed to the outside of carton to show proper authorization and to assure proper and timely handling of the carton (return). Returns will not be accepted without an authorized RMA number indicated on the packing list or bill of lading at time of return. Returned goods shipments, which are not properly marked, will be refused and returned to the distributor.
8. RMA will be cancelled if return is not made within 30 days of issuance.



DISTRIBUTOR INVENTORY EXCHANGE PROGRAM

Blackmer is committed to working with distributors to maximize profits of both parties through the orderly management of inventory at the distributor's warehouse and at Blackmer's factory.

1. Annual Inventory Exchange Program - A Blackmer distributor may return excess or slow moving product to the factory once a year. Under the program, the distributor may return up to 15% credit value of the previous year's purchases of Blackmer product. Return will be accepted from January 15 through and up to October 15 of each calendar year.
 - a) Repair Parts: Re-stocking fee of 5% of the net price at time of purchase (\$100.00 minimum fee).
 - b) Pumps and Gearboxes: Blackmer, at its discretion, may allow the return of these products. Contact Customer Care prior to return for approval. Due to inspection and re-certification requirements a re-stocking charge is required. All pumps must be standard product, current, like new and unused.
 - i. Pumps and gearboxes up to twelve (12) months from shipment: The re-stock charge is 25% of the net price at time of purchase.
 - ii. Pumps between twelve (12) and twenty-four (24) months from shipment. The re-stock charge is 50% of the purchase net price at time of purchase.
 - iii. Pumps beyond twenty-four (24) months from shipment are NOT eligible for return.
2. All returned product is to be shipped freight prepaid.
3. The conditions – 3, 4, 5, 6, and 7 - stated in RETURNED GOODS POLICY applies. If returned products do not meet these conditions, Blackmer reserves the right to dispose of goods at our factory. Please contact the Customer Service Department at Blackmer if clarification of parts eligibility is required before returning to factory.
4. An order for an equal or greater dollar value of the approved returned products must be placed before a credit is processed and available in account.

OBSOLESCENCE POLICY

In order to meet changing market needs, Blackmer makes improvement changes to existing products, introduces new products, and discontinues old products. If a product is to be replaced or eliminated, it will be changed from current to obsolete status. Blackmer will notify distributors at least 60 days prior to the effective date of the change of status (the "Notice Date"). Distributors shall have 30 days from the Notice Date to place a final order for the obsolete product. After this 30 day period, all orders must be placed for the replacement product. Distributors will have two weeks from the Notice Date to cancel an open order for obsolete products on a no-charge basis.

The following schedule will be used for repair parts for obsolete products, in the absence of a new interchangeable replacement part or assembly being available:

| <u>TYPE OF PARTS</u> | <u>TIME OFFERED</u> |
|----------------------------|---------------------|
| Cylinders/Casing and Heads | 2 years |
| Rotor and Shafts | 3 years |
| Wear Parts | 5 years |

During the time periods listed above, delivery time for individual parts will be presented in the parts price pages. After this period, Blackmer will only fill orders for these replacement parts at its sole discretion.

Blackmer will publish pricing for all parts for obsolete products in Blackmer Parts Price List 10-RSPP-01.

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