



VALVE &
HYDRANT

TERMS AND CONDITIONS OF SALE

Effective Date: January 1, 2017

1. Controlling Provisions. U.S. Pipe Valve & Hydrant's ("USPVH") Terms & Conditions of Sale (these "Terms") will govern all sales of USPVH's products, including products, equipment and parts, or services manufactured or sold by Mueller Co. (Mueller) (together, "Products") to Buyer (this "Order"). These Terms supersede any prior written or oral agreement, understanding, representation or promise, and any pre-printed or standard terms and conditions contained in Buyer's request for quote, purchase order, invoice, order acknowledgement or similar document. These Terms may not be amended, supplemented, changed or modified, except by concurrent or subsequent written agreement, signed by an authorized representative of Mueller and Buyer. Mueller's acknowledgement of Buyer's purchase order will not constitute acceptance of any terms and conditions contained therein, regardless of how such terms and conditions may be prefaced or described.

2. Delivery. For shipments of Products within the continental United States, all shipments are F.O.B.* factory. Full freight is allowed, however, for orders (i) of meter pits or Hydro-Guard Products from the Cleveland, TN facility with a list price in excess of \$15,000; (ii) of iron Products from the Chattanooga, TN and Albertville, AL facilities and of Products related to the U.S. Pipe Valve and Hydrant business with a weight in excess of 10,000 lbs.; (iii) of brass Products from the Decatur, IL facility and pipe repair Products from the Cleveland, TN facility (excluding meter pit and Hydro-Guard Products) with a list price in excess of \$7,000; and (iv) of butterfly valves from the Aurora, IL and Hammond, IN facilities with a weight in excess of 3,000 lbs; (v) of plug or check valves from the Aurora, IL or Hammond, IN facilities with weight in excess of 3,000 lbs. and (vi) all other orders having a list price value in excess of \$3,500 and a weight in excess of 10,000 lbs. per branch. In the case of (ii) and (iii) above, Products may be combined between the respective locations to reach the level specified per branch. Buyer may request that deliveries be made by a particular method, but Mueller's determination of the method of shipment will be final and conclusive. An order that specifies a future shipping date will be shipped on or near the date specified. Any change in the shipping date to be valid must be made at least 30 days prior to the specified shipping date. Mueller reserves the right to invoice Buyer for Products on the valid specified shipping date. In the event Buyer requests a delay or suspension in completion and/or shipment of the Products or any part thereof for any reason, the parties will agree upon any cost and/or scheduling impact of such delay and all such costs will be assessed to Buyer's account. Any delay period beyond 30 days after the original scheduled shipment date will require Buyer to take title and risk of loss of Products and make arrangements for storage. Mueller's invoice will be issued upon Mueller's readiness to ship Products.

3. Cancellation. Buyer may cancel this Order only with the prior written consent of an authorized representative of Mueller. Orders that involve special material or that are not normally inventoried by Mueller will require payment of a reasonable cancellation charge payable by Buyer. Determination of Products that are considered special along with the amount of the charges, if any, will be provided by Mueller to Buyer prior to the actual cancellation of the Order.

4. Force Majeure. Mueller will not be liable for delay in delivery due to causes beyond its reasonable control, including, but not limited to, acts of God, acts of government,

acts of Buyer, fires, labor disputes, boycotts, floods, epidemics, quarantine restrictions, war, insurrection, terrorism, riot or military authority, freight embargos, transportation shortages or delays, unusually severe weather or inability to obtain necessary labor, materials or manufacturing facilities due to such causes. In the event of a delay, the date of delivery will be extended for a length of time equal to the period of the delay.

5. Payment. All prices are subject to change and all Products will be billed at prices in effect on the date of shipment, unless Mueller otherwise agrees in writing. All Orders are subject to a minimum order amount from any one shipping point of \$50.00 net. Terms of payment are as follows, unless otherwise agreed in writing: 2% cash discount 15 days from invoice date net amount 30 days from invoice date. Should Buyer fail to pay Mueller as specified herein, Buyer agrees to pay all collection costs, attorney fees and expenses incurred in collecting payment, including interest on the amount due at the maximum legal rate. All transportation, insurance and similar charges incident to delivery of Products will be paid by Buyer. Any taxes and excises levied by any governmental or municipal authority involving the sale of transportation of Products must be borne by the Buyer. Mueller will issue its invoice upon shipment or upon notice to Buyer that Mueller is ready to ship, whichever is earlier. Depending on the value of the order, Mueller may at its sole discretion require progress payments. If Buyer's financial condition is or becomes unsatisfactory to Mueller in Mueller's sole discretion, Mueller reserves the right to: (a) require payment from Buyer on a cash-in-advance basis; (b) require a letter of credit or other acceptable security before shipment; or (c) cancel shipment at any time prior to delivery of Products without further obligation or liability.

6. Changes. Buyer may request modifications as to the amount scope and/or nature of Products by a written change request. If, in the sole opinion of Mueller, any modification will affect the agreed fixed price and/or time of delivery, Mueller will notify Buyer thereof in writing and will not be obligated to perform any modification unless agreed to by Mueller. Buyer will confirm that such change is authorized and accepted by issuing an Order revision.

7. Returns. No returns will be accepted by Mueller without Buyer first obtaining Mueller's written consent. Unused standard catalog items, delivered as ordered, may be returned, with proper authorization, for credit. Non-catalog or specially manufactured items, delivered as ordered, may not be returned, unless Mueller can reasonably locate an alternative purchaser. All authorized returns are subject to inspection to verify merchantability and will be assessed a minimum 20% restocking charge.

8. Indemnity. Buyer agrees to indemnify, hold harmless and defend Mueller, including its affiliates, officers, employees, agents, subcontractors, suppliers and representatives, against any and all judgments, losses, damages, expenses, costs, including defense costs and legal fees, arising from any and all lawsuits, demands, or claims for personal injury, death, property damage, or other liability arising or claimed to arise from any act or omission of the Buyer or Mueller in any way related to this Order or Products, whether such claims are based upon contract, warranty, tort (including but not limited to active or passive negligence), strict liability, failure to comply with any applicable law, or other allegation of fault. To the extent the aforesaid obligation of the Buyer to so indemnify



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Mueller is prohibited by the laws and statutes of the state(s) where this Agreement is in effect, then the obligation created under this provision will, but only to the extent of such prohibition, be null and void. The remainder of the Buyer's indemnity obligations will remain in effect and be binding upon the parties.

9. Insurance. Buyer agrees to look exclusively to Buyer's insurer to recover for injuries or damage in the event of any loss or injury and Buyer releases and waives all right of recovery against Mueller arising by way of subrogation.

10. Limitation of Liability. The remedies set forth herein are exclusive, and the total liability of Mueller, including its affiliates, officers, employees, agents, subcontractors, suppliers and representatives with respect to this Order or any breach thereof, whether based on contract warranty, tort, indemnity, strict liability or otherwise, will not exceed the Order price of the specific Products which gives rise to the claim. In all cases where Buyer claims damages allegedly arising out of defective or nonconforming Products, Buyer's exclusive remedies and Mueller's sole liability will be those specifically provided for under the Warranty Section. IN NO EVENT, WHETHER ARISING BEFORE OR AFTER COMPLETION OF ITS OBLIGATIONS UNDER THE CONTRACT, WILL MUELLER BE LIABLE FOR SPECIAL INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES OF ANY KIND (INCLUDING BUT NOT LIMITED TO LOSS OF USE, REVENUE OR PROFITS, INVENTORY OR USE CHARGES, COST OF CAPITAL OR CLAIMS OF CUSTOMERS) INCURRED BY BUYER OR ANY THIRD PARTY.

11. Warranty. Subject to the limitations in the Limitation of Liability section of these Terms, Mueller warrants the Products as outlined in the attached pages detailing the specific terms of its Warranties.

12. Set-Off. All amounts that Buyer owes Mueller under an Order will be due and payable according to the terms of the Order. Buyer may not set-off such amounts or any portion thereof, whether or not liquidated, against sums that Buyer asserts are due it or any of its affiliates under other transactions with Mueller or any of its affiliates.

13. Non-Disclosure and Non-Use of Mueller's Information. Buyer agrees that it will not disclose or make available to any third party any of Mueller's data or other information pertaining to this Order without obtaining Mueller's prior written consent.

14. Export/Import. Buyer agrees that it will comply with all applicable import and export control laws and/or regulations, including without limitation those of the United States and/or other jurisdictions from which Products may be supplied or to which Products may be shipped. In no event will Buyer use, transfer, release, import, export or re-export Products in violation of such applicable laws and/or regulations.

15. Taxes. Mueller's price, unless otherwise agreed, will be fixed and does not include, and Mueller is not responsible for, payment of any tax levied for sales, use, excise, value-added, goods and services, business (franchise or privilege) or any

duties, charges or other such taxes.

16. Assignment. Buyer will not assign an Order or any portion thereof without the advance, written consent of Mueller.

17. Waiver. Failure by Mueller to assert all or any of its rights upon any breach of an Order will not be deemed a waiver of such rights either with respect to such breach or any subsequent breach, nor will any waiver be implied from the acceptance of any payment of service. No waiver of any right will extend to or affect any other right Mueller may possess, nor will such waiver extend to any subsequent similar or dissimilar breach.

18. Severability. If any portion of these Terms is determined to be illegal, invalid or unenforceable for any reason, then such provision will be deemed stricken for purposes of the dispute in question and all other provisions will remain in full force and effect.

19. Time Limitation to Bring Action. It is agreed that no suit or cause of action or other proceeding will be brought against either party more than 1 year after accrual of the cause of action or 1 year after the claim arises, whichever is shorter, whether known or unknown when the claim arises or whether based on tort, contract or any other legal theory.

20. Choice of Law. These terms will be governed by and construed in accordance with the laws of the State of Tennessee (without giving effect to conflict of law principles) as to all matters. The parties irrevocably submit to the exclusive jurisdiction of the United States District Court for the Eastern District of Tennessee.

21. Compliance with Laws/Ethical Practices. Mueller and Buyer agree to comply with all applicable laws, regulations, codes and standards, including but not limited to those of the United States and other jurisdictions where the parties conduct business. Additionally, Buyer has not and will not offer, promise authorize or make, directly or indirectly, any payments (in money or any other item of value), contributions or gifts to any non-U.S. government agency, department official or government owned or controlled entity in order to obtain or retain business, or secure any other Improper business advantage, which would violate the U.S. Foreign Corrupt Practices Act and/or any other applicable anti-bribery laws. In the event Mueller has reason to believe that a breach of any of the covenants listed above has occurred or will occur, (a) Mueller may withhold further delivery of Products to Buyer until such time as it has received confirmation to its satisfaction that no breach has occurred or will occur, and Mueller will not be liable to the undersigned for any claim, losses or damages whatsoever related to its decision to withhold delivery under this provision, and (b) Mueller will have the right to audit Buyer in order to satisfy itself that no breach has occurred, and Buyer will cooperate in such audit.