

Basic Sales Policies

General

Bowsmith sells its products only through authorized equipment distributors for resale in the agricultural and landscaping irrigation markets, plus other markets. Credit sales are made only to authorized distributors with established open accounts, subject to applicable credit limits. All other sales are COD or prepaid by buyer, as determined by Bowsmith. Merchandise held for pickup at our plant is deemed to be sold when the distributor has been notified that the merchandise is ready for pickup.

USA Sales Regions

The "Western USA" sales region is defined as all states west of the eastern boundaries of Texas, Oklahoma, Kansas, Nebraska, South Dakota and North Dakota. The "Eastern USA" sales region includes all states east of those boundaries. The "Export" sales region is represented by all other non-USA countries.

Minimum Order Amount

Minimum invoice order amount is one hundred dollars (\$100). A twenty dollar (\$20) per order charge will be assessed on all orders less than the one hundred dollar (\$100) minimum.

Prices

All prices shown are recommended retail prices, and are subject to change without notice. Orders will be invoiced at the prices and discounts in effect at the date of shipment unless a written quote has been issued. In the case of a written quote, the price remains firm to the expiration date of the quote. Prices do not include freight, taxes, or other surcharge.

Delivery

Delivery estimates are made in good faith, but are subject to delay due to government restriction, failure of our suppliers to deliver, fires, strikes, or other causes beyond our control.

Freight

F.O.B. Factory, unless otherwise specified in marketing programs.

Returned Merchandise

No merchandise may be returned without Bowsmith's written consent and authorization. Any approved returns, must be shipped on a prepaid freight basis, and accompanied by a Return Authorization (RGA) number, or the shipment will not be accepted. Request must be made within ninety (90) days of receipt and refer to the invoice number and billing date. All merchandise must be new, unused, clean, and in salable condition. All returns are subject to a twenty five percent (25%) of invoice restocking fee.

Custom Order Items

Custom made items may not be returned for credit. Custom made items are identified on the Bowsmith Retail Price List. All custom orders must ship within two weeks after the "ready to ship date."

Basic Sales Policies

Claims for Shortage

All claims for shortage should be made in writing to our Customer Service Department within 15 days of receipt of goods.

Claims for Credit

All claims for credit should be made to our Customer Service Department immediately upon receipt of potential discrepancy.

Product Changes

Bowsmith reserves the right to redesign, alter, or modify its products at any time, without notice. Any catalog, design material, price sheets, and/or other written material are subject to withdrawal or change at any time without prior notice.

Basic Sales Policies

Credit Sales Account Terms

General

Authorized distributors may open a credit sales account with Bowsmith by completing a Confidential Open Account Agreement and having the account approved by Bowsmith. The credit customer shall be bound by all of the terms and provisions of Bowsmith's Discount, Open Account Terms, and Sales Policies contained herein.

Credit Limits

The establishment of any credit limits by Bowsmith and any decisions regarding the extension or continuation of credit limits are within the sole discretion of Bowsmith. The continued availability of any credit limit is subject to re-determination each time that an order is placed, and any credit limit may be terminated at any time and for any reason in the sole discretion of Bowsmith.

Over Credit Limit Sales

When an order or group of orders causes the account balance to exceed the established credit limit, you have the option of reducing the account balance by making a payment, accepting any new orders on a COD basis, or furnishing Bowsmith with an Irrevocable Letter of Credit in the amount you would like us to allow for credit purchases. When a single order, for a specific project, exceeds the established credit limit, you may furnish Bowsmith with sufficient information to allow us to notify the property owner of our right to lien. If an order exceeding the established credit limit is for inventory purposes, you may be required to furnish Bowsmith with a Security Agreement and UCC1 filing document to support our position. Upon the sale of said inventory or any portion thereof, payment-in-kind on the account will be immediately due and payable.

Credit Sales Accounts Conditions

1. Bowsmith, Inc., is hereby authorized to investigate the credit information and references listed pertaining to the distributor's credit and/or financial responsibility.
2. The undersigned shall be bound by all of the terms and provisions of Bowsmith Inc., Discount and Sales Policies, a copy of which has been supplied to the undersigned.
3. The undersigned shall pay when due all invoices from Bowsmith Inc.
4. The undersigned shall be bound by all of the terms and provisions of Bowsmith Inc., invoices, including, without limitations, terms of payment and late charges on past due accounts.
5. Bowsmith Inc., in the event of legal proceedings arising from this Agreement and/or account, shall be entitled to receive its reasonable costs and expenses, including attorney's fees, incurred in connection therewith.
6. In the event legal action becomes necessary to enforce any of the provisions of this Agreement and/or related account, all such legal action shall be held in the County of Tulare, State of California.
7. This Agreement shall be governed by the Uniform Commercial Code as enacted and in force in the State of California.
8. This Agreement may be modified or rescinded only by a writing signed by Bowsmith Inc., and the undersigned or their duly authorized agents.
9. This agreement and the provisions hereof shall inure to the benefit of and shall be binding upon the heirs, personal representatives, partners, directors, officers, shareholders, employees, beneficiaries, trustees, agents, successors, and assigns of the respective parties hereto.

Basic Sales Policies

Bowsmith reserves the right to terminate the account and the distributor relationship if there has been no order activity for two years, or if sales in the second successive year are reduced to such a low level that it is no longer economically feasible for Bowsmith to keep the account open.

Terms

Unless otherwise agreed to in writing by Bowsmith, all invoices are due and payable within 30 days from the invoice date.

Payment

A payment is deemed to be made when it is received by Bowsmith, not when it is mailed. Our terms never allow less than 30 days for payment, which is adequate time from anywhere in the USA. Payments on delinquent accounts will be applied to account balances in the following order:

- (1) To late charges, in chronological order, oldest first
- (2) To invoice amounts, in chronological order, oldest first

Exceptions to this application policy must be approved by Bowsmith in advance of payment.

Delinquent Accounts

A 1½% late charge will automatically be assessed on the last day of each month on all past due amounts. Late charges will only appear on the month-end statement when added to the account balance. Delinquent accounts will not be eligible for any special or supplementary discounts beyond the Standard Distributor Discounts applied to List Prices on each invoice.

Termination of Open Accounts

Bowsmith reserves the right to terminate the account and the distributor relationship if there has been no order activity for two years, or if sales in the second successive year are reduced to such a low level that it is no longer economically feasible for Bowsmith to keep the account open. Accounts are reviewed annually to determine annual volume discount levels and which accounts have sufficiently reduced ordering levels to consider terminating the account. Terminated accounts will continue to have late charges assessed, if applicable, until the account is paid in full.