

BERNARD DAL SIN MANUFACTURING

Preferred Customer Program

"It's All About Value"

At BDM, it is our belief that our customers' success is the cornerstone of our own success. In the hearth business everyone knows that products and services are becoming ever competitive and that the best way to stay ahead in a competitive environment is to offer "value added" benefits to the end user. When you become a preferred customer at BDM that "value added" philosophy is a little easier to accomplish. That is because we strive to offer true value to you, our customer, which in turn will allow you to bring added benefits to your customer. You see, we look at each individual customer and attempt to build a relationship with them. One

that is mutually beneficial to both BDM and the customer. We accomplish this with straight forward and honest communication, technical support, preferred buying programs, product support and materials, and fast, courteous customer service.

Any supplier – customer relationship starts out with both parties understanding each others expectations. This Preferred Customer Program details some of the things that you can expect from BDM and in turn what BDM asks of you, our "preferred" customer.

BDM[®]
BERNARD DAL SIN MFG. CO.

Value Added Benefits



Free freight program

All BDM products ship free on orders \$500.00 and above to anywhere in the lower 48 states, shipped to one location. Any order under \$500.00 shipped to the lower 48 states will ship for a fee equal to 10% of the invoiced amount. This means the most you will ever pay for freight any order is \$49.99. This standardized shipping model makes it easy to save on freight. And when you do have a small order, it's simple to compute your freight costs. *Example: You need a box of (4) Pro-Form elbows immediately. Your dealer cost is \$104.00 and your freight is \$10.40 (\$104.00 x 10% = \$10.40). Simple and cost effective!*

Locked-in preferred pricing structure for an entire year

When your yearly sales orders meet one of our preferred customer levels your price structure is locked in for a full calendar year. See preferred customer incentive schedule in this program.

Sales Literature

As a preferred member you are able to receive any available product and sales literature.

Product Demos

As a preferred member you may request any available product demo for your sales needs.

Product presentations (Power Point Based) — customized to your needs

As a preferred member you may request a customized powerpoint presentation prepared by BDM sales staff for your sales meetings.

Company contact information listed in our searchable web-site

As a preferred member you will automatically be included in our searchable online referral database at www.dalsinmfg.com.

Purchase incentives

Exclusive to preferred members, BDM will offer early buy incentives and special discount programs periodically throughout the year.

Preferred customer advisory counsel discussions

Each year BDM will put together and request certain preferred members participate in an advisory council to voice product needs, value added ideas for the program going forward, and industry news and events.

Online order fulfillment

BDM offers a searchable online ordering site through the BDM web site.

New product development input

All preferred members are encouraged to provide input on new product development initiatives.



Standard Dealer Price is 50% off MSRP

Double Platinum

64%

Discount off MSRP

Double Platinum Member benefits provide you the most value that BDM offers. You will receive a 64% discount off MSRP on all orders for an entire calendar year when you have either ordered \$25,000.00 (net) the previous calendar year, or at such time that you reach \$25,000.00 (net) in sales during the current year.

Example: If you reach \$25,000.00 in sales in October, you are locked in at a 64% discount for the rest of the year plus the entire next calendar year.

Members receive free freight on all orders \$500 (net) and over, to one location anywhere in the lower 48 states. Any order under \$500 will incur a freight charge equal to 10% of the order amount.

Members in Canada must order \$3000.00 net to one location to receive free freight.

BDM representative support at dealer meetings

As a double platinum member you may request that a BDM representative be present at your dealer meetings, customer appreciation events, or sales meetings. (based on availability and certain conditions apply).

Platinum

62.5%

Discount off MSRP

Platinum Member benefits provide you with outstanding value. You will receive a 62.5% discount off MSRP on all orders for an entire calendar year when you have either ordered \$15,000.00 (net) the previous calendar year, or at such time that you reach \$15,000.00 (net) in sales during the current year.

Example: If you reach \$15,000.00 in sales in October, you are locked in at a 62.5% discount for the rest of the year plus the entire next calendar year.

Members receive free freight on all orders \$500 (net) and over, to one location anywhere in the lower 48 states. Any order under \$500 will incur a freight charge equal to 10% of the order amount.

Members in Canada must order \$3000.00 net to one location to receive free freight.

BDM representative support at dealer meetings

As a platinum member you may request that a BDM representative be present at your dealer meetings, customer appreciation events, or sales meetings. (based on availability and certain conditions apply).

Gold

57.5%

Discount off MSRP

Gold Member benefits give you the third tier value that BDM offers. You will receive a 57.5% discount off MSRP on all orders for an entire calendar year when you have either ordered \$10,000.00 the previous calendar year, or at such time that you reach \$10,000.00 in sales during the current year.

Example: If you reach \$10,000.00 in sales in October, you are locked in at a 57.5% discount for the rest of the year plus the entire next calendar year.

Members receive free freight on all orders \$500 (net) and over, to one location anywhere in the lower 48 states. Any order under \$500 will incur a freight charge equal to 10% of the order amount.

Members in Canada must order \$3000.00 net to one location to receive free freight.

Silver

55%

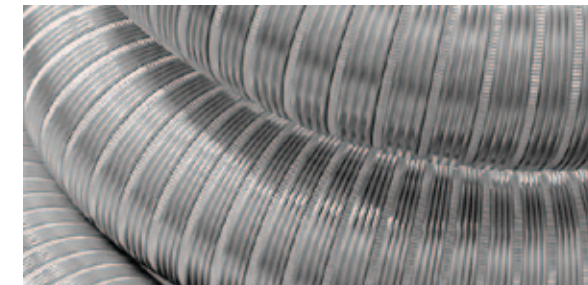
Discount off MSRP

Silver Member benefits provide the fourth tier value that BDM offers. You will receive a 55% discount off MSRP on all orders for an entire year when you have either ordered \$5,000.00 (net) the previous calendar year, or at such time that you reach \$5,000.00 (net) in sales during the current year.

Example: If you reach \$5,000.00 in sales in October, you are locked in at a 55% discount for the rest of the year plus the entire next calendar year.

Members receive free freight on all orders \$500 (net) and over, to one location anywhere in the lower 48 states. Any order under \$500 will incur a freight charge equal to 10% of the order amount.

Members in Canada must order \$3000.00 net to one location to receive free freight.



* Please note that each level of preferred membership may be progressively attained during the calendar year. For example you may qualify for the silver member status by doing \$5,000.00 the previous year and still get to the gold status after reaching \$10,000.00 in the current year. Remember, you will automatically renew based on the previous years sales.



Ordering

How to order:

Call our toll-free number 1-800-729-9505 (answered 24 hours a day) or FAX 651-460-6080 or place an order online at www.dalsinmfg.com, call for your username and password.

Office Hours:

Our office hours are 7:30 – 4:00 Central Time. An answering service is on for 24-hour service.

Drop Shipments:

There is a \$6.00 charge for drop shipments UNDER \$200.00

Price Changes:

We make every effort to keep our price list current but due to changing material costs, prices are subject to change without notice.

Terms:

All orders placed without prior credit approval must be either pre-paid, VISA/MAS-TERCARD/DISCOVER/AMERICAN EXPRESS or COD.

Return Goods:

15% restocking charge may apply for returned goods. Original invoice must accompany product. Obsolete items cannot be returned for credit. Material must be in saleable condition and return freight paid by customer. Please call for RGA #.



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