

TO: All Weil-McLain Distributors and Agents

FROM: Tony Curran – VP Sales
Dave Dolan – VP Marketing

SUBJECT: New Weil-McLain Freight Schedule (TPS #45) – Effective August 1, 2006

Over the past two years with the costs of transporting goods and services soaring, Weil-McLain has honored its Freight Schedule originally drafted on March 10th of 2004 to its customers. Since this date, our industry has seen diesel prices rise from \$1.62 to \$2.91 per gallon (DOE data: 3/1/2004 – 6/19/2006) and insurance costs escalate at a rate not seen before in the transportation industry.

With market conditions showing no sign of relief, coupled with Weil-McLain's objective to secure and increase our level of customer service in the shipment of hydronics products and supplies, we will be implementing the following new freight schedule effective August 1, 2006.

*** Supersedes all previous Weil-McLain Freight Schedules*

Net Order Value	Shipping & Handling Charges		
Per each order and ship-to location shipped at one time.			
** Only available for orders that meet UPS air shipment requirements	Ground Shipment	UPS 2 nd Day Air**	UPS Next Day Air**
Up to \$200 net*	\$15.00	\$18.75	\$22.50
\$200+ to \$500 net*	\$30.00	\$37.50	\$45.00
\$500+ to \$1000 net*	\$60.00	\$75.00	\$90.00
\$1000+ to \$2500 net*	\$90.00	\$112.50	\$135.00
\$2500+ to \$5000 net*	\$210.00 for ground shipment only		
\$5000+ to \$10,000 net*	\$240.00 for ground shipment only		
\$10,000+ to \$15,000 net*	\$275.00 for ground shipment only		
\$15,000+ to \$50,000 net*	\$150.00 per truck stop off		
Customer Requests for Emergency or Immediate LTL or TL shipments	For orders up to \$50K net, requests for Emergency or Immediate Shipment (other than at Weil-McLain discretion) will be invoiced Actual Freight - Prepaid & Billed		
\$50,000+ net	Freight Free – Shipped at one time to one location		
Customer Special Requests	Actual Freight Prepaid & Billed + \$150.00 Handling		

Additional Freight Schedule Details:

- ◆ Shipping and handling charges are based on individual orders for shipment to a single location at one time and are calculated based on the schedule shown above. No pooling of orders allowed for shipping and handling charges determination.
- ◆ Shipping and handlings charges to be applied on initial invoice for each entire order.
- ◆ Charges shown apply to shipments in lower 48 U.S. states only.
- ◆ Shipments of Weil-McLain products are F.O.B. Weil-McLain shipping point.
- ◆ Weil-McLain reserves the choice of transportation carrier and shipping point.
- ◆ Commercial burners ordered for use with Weil-McLain iron provided from distributor stock will be shipped from burner manufacturer to the distributor with the actual freight charges billed to the distributor (*regardless of where the burner is actually shipped*).
- ◆ Weil-McLain's Freight Schedule is subject to change without notice.