

Chris Baichoo Federal Industries VP Sales & Marketing 215 Federal Ave, Belleville, WI 53508

January 15, 2018

To: Federal Field Sales Organization

RE: Change in policy for Returned products

In an effort to streamline operations while at the same time meeting customers' needs, Federal has amended its return policy. Going forward we will strictly enforce the policy around cases being returned in the original factory crate and in unused condition. Product not being returned in the original factory crate will not be accepted at our dock and will be returned to the Buyer. Lastly, any product that has been found to be used will not be restocked due to the potential failure risk for other customers.

The new policy has been amended to as follows with the modification stated in red.

No returns will be accepted without the prior approval of the seller. A Return Authorization Number must be given by the Seller prior to Products being shipped, freight prepaid, by Buyer. Any damage in transit to Products being returned is Buyer's responsibility. All accepted returns are subject to a 35% restocking charge. Returns that have approved been by Seller must be received within (30) days after approval. Returns will not be considered after (90) days from assignment of RMA number. Returns must be made in original factory crate and must not have been used

Please communicate with your dealers on this policy change.

Sincerely,

Chris Baichoo

VP Sales & Marketing