

2/14/2017

TO: All Utica Boiler International Distributors

FROM: Dave Walsh, Director of Sales

RE: End-of-Season Buy Up Incentive

ECR continues to enjoy the synergies and advantages of being a member of the BDR Thermea Group. Our MAC condensing boilers continue to gain market share in the heat only and combi markets. The repriced SSC models have allowed our distributors to offer a condensing boiler to contractors that includes built-in primary/secondary piping and Low Water Cut Off at a price point on par with competitors in that segment that do not include such features. While the SSV is now priced several hundred dollars less than many competitors that are trimmed out equivalently. In 2017 we will continue to expand and enhance our condensing product offering.

In April we will launch the UCS heat-only condensing boilers in 240 and 380MBH to further expand our condensing offering. The 240MBH will be a wall mount and the 380 is in floor standing configuration. Additionally, we will be providing a "Labor Saver" primary/secondary manifold standard on the 240MBH.

On the warm air side of the business, we will launch the Olsen LRF low boy oil furnace that features the same advanced multi-pass stainless steel heat exchanger. The LRF is of the same chamberless heat exchanger design as our recently launched UML furnace.

Due to the timing of the release of these products we will push back our typical Preseason Buy Up Program from March to May 2017. This will allow you to plan for the arrival of these new products and to fully take advantage of the Preseason Buy Up Program.

We realize this delay in the Preseason Program may impact your normal buying pattern of ECR products and could potentially leave holes in your inventory for the remainder of this heating season. In order to bridge inventory until our Preseason Program, ECR is offering the following End-of-Season buying incentive. All orders OF \$40,000 or more for immediate release received NO EARLIER THAN FEBRUARY 15 AND LATER THAN MARCH 3, 2017 will receive 2%/90 DAY DATING TERMS.

FAX ALL ORDERS TO: (315 724-9319) OR EMAIL TO: <u>ECRORDERENTRY@ECRINTERNATIONAL.COM</u> REFERENCE: <u>ES17</u> ON ALL END OF SEASON PURCHASE ORDERS.

Note: Multiple ECR brands may be combined to achieve \$40,000 minimum threshold. All brands are not available in all markets. Please contact your ECR Regional Sales Manager regarding the availability of brands other than those you are currently purchasing from ECR.

Combined Heating Equipment End-of-Season Terms

- 1. The End-of-Season Program is valid for orders received by ECR no earlier than February 15 and no later than March 3, 2017.
- 2. Freight is prepaid on all qualified orders to a single destination (in lieu of any freight allowance). ECR will coordinate product shipment points as needed to support manufacturing schedules.
- 3. Credit rating must be in good standing. All orders are subject to credit approval.

In the coming weeks your ECR Sales Representative will meet with you to communicate all the new products and product enhancements and begin 2017 sales and marketing planning.