# STATEMENT OF POLICY Effective March 1, 2025

# I. Selling Policy

- a.) All terms, specifications, discounts and prices are subject to change without prior notice.
- b.) The RH Peterson Co. (RHP) sells through wholesale distribution. Our regular sales channels are to those qualified selling outlets that **distribute and service** our product in accordance with our policies as we determine them.
- c.) RHP does not sell products on its web site. The web site is available to provide information about Fire Magic, American Outdoor Grill, American Fyre Designs or Real Fyre products and to guide consumers to authorized Peterson retailers. RHP maintains a dealer locator for Real Fyre Vented and Vent-Free Gas Logs; Fire Magic Grills and American Outdoor Grills; and American Fyre Designs Outdoor Fire Features. Sellers listed on our locator are **Authorized Dealers**. They comply with RH Peterson Co. policies and are able to support the Peterson products they sell.
- d.) RHP is committed to maintaining (i) the integrity of RHP's selling and advertising policies, including MSP (Minimum Sales Price), (ii) clarity in RHP's selling channels and pricing, and (iii) fair treatment of RHP's distributors, dealers and consumers. Therefore, the use of the words and terms: Peterson, Peterson Company, RH Peterson, Robert H Peterson (collectively the "Peterson Names"), "Real Fyre", "Fire Magic", "American Outdoor Grills", or "AOG" or "American Fyre Designs", or "AFD" (collectively the "Peterson Brands"), or any derivative thereof, in any advertising, promotion, marketing, or domain name, which may confuse consumers or other third parties as to the actual direct seller of Peterson Brands, as determined solely by RHP, is strictly prohibited.
  - If those terms are used in any manner, the user must <u>prominently display its own name</u> next to the "Peterson Names" or the "Peterson Brands", and the user must make it <u>abundantly clear</u> that they are a third-party seller and not RHP. Prominent use of the words "operated by......", or similar qualifying terms as determined solely by RHP must be placed in an <u>easily visible</u> location and size next to the Peterson Names and/or the Peterson Brands.
- e.) All **active** customers of RHP are granted a revocable, non-exclusive authorization to <u>use</u> our copyrighted/trademarked property including, brand names, logos, photographs and printed materials <u>only</u> as long as they are used in compliance with Advertising and Promotion Policies, and Selling Policies. Such rights may be revoked by us at any time in our sole discretion.
  - Distributors <u>may **copy**</u> trademarked/copyrighted material **only** to provide it to their dealers for their dealers use.
  - Dealers <u>may use</u> trademarked/copyrighted material as long as they abide with Advertising and Promotion Policies, and Selling Policies. Dealers may not copy this information for anybody's use but their own.
- f.) No one company or person is authorized to register a **domain name** which utilizes Peterson's Names or Peterson Brands in any manner without the express written permission of the RHP.
- g.) No Distributor or Dealer shall sell **current** RH Peterson Co. Real Fyre, Fire Magic, American Fyre Designs, or American Outdoor Grill products to any dealer that is not on the Recognized Internet Seller list.
- h.) <sup>1)</sup> RHP has established a Minimum Sales Price (MSP) for Real Fyre Gas Logs, Fire Magic Grills American Outdoor Grills, American Fyre Designs. MSP is the <u>minimum</u> price that any of the above branded products may be advertised, promoted, offered, or sold.
  - MSP for all advertising, promotion, or sales of Real Fyre Gas Logs and accessories, or Fire Magic Grills and accessories and American Outdoor Grills and accessories and American Fyre Designs products and accessories shall not be more than 10% less than the list price in effect at the time of sale
  - <sup>4)</sup> MSP does not apply to multi-user customers such as multi-family dwelling complexes, hotels, fire stations, or police stations, or to persons or companies that resell such products to consumers such as contractors, builders, landscapers, hardscapers, and others as determined by RHP.
  - 5) Exceptions to MSP may only occur when a special Peterson sponsored program offering a discount or free goods is used, or written permission is given by RHP.
  - <sup>6)</sup> All MSP pricing must be adjusted within 30 days of the effective date of price changes instituted by RHP
- i.) If a dealer violates Peterson's Advertising and Promotion Policy, or Selling Policy, the dealer may become ineligible for all Co-op Advertising funds and all other special programs, including early buy programs for a year.
- j.) "Bundling" of products or services, or other considerations given in lieu of price, (including, but not limited to, rebates, free or discounted accessories, no charge or reduced priced product of any other manufacturer tied-in to the sale of a Peterson product or any other manipulation which clearly circumvents RHP's MINIMUM SALES PRICE (MSP policy), is **not allowed** [See Advertising and Promotion Policy Section III].

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- k.) Dealers who continue actions in violation of Advertising and Promotion Policies or Selling Policies will be notified by the distributor or by RHP directly. Upon notification, the dealer must remedy the situation. If the dealer does not remedy the situation in a reasonable time period, Peterson and its distributors will take all necessary actions to stop violations of our policy. Termination of sales of RHP products may occur if a dealer consistently violates our policies.
- I.) RHP Distributors **must** co-operate in following Advertising and Promotion Policies and Selling Policies and in **making certain** that these policies are followed by their dealers.
- m.) To be sold by a RHP Distributor and qualify for all special programs (including Co-op advertising, displays, freight, etc.), a dealer must operate a retail establishment in the primary distribution area of the servicing distributor, where the product can be shown and demonstrated. No exceptions to this rule will be made without the express written consent of RHP and the Distributor. (see n. below)
- n.) Distributors may sell to internet dealers, provided that the internet dealer abides by RHP policies, including, but not limited to Selling Policy (including MSP) and RHP's Advertising and Promotion Policy. However, **NO Distributors shall have an internet presence**, website, or a direct affiliation with such, where current Peterson products are sold directly to consumers.
- o.) Dealers are prohibited from selling, or otherwise transferring Peterson products to other dealers without express written authorization from RHP and the Distributor.

# **II. Literature and Sales Supplies**

Customers may order literature up to 1% of 2024 purchases, by product group. Orders in excess of 1% will be billed at our cost.

## **III. Advertising and Promotion Policy**

- a.) RHP provides a Co-op Advertising and Promotion Fund to **build brand awareness** among end-users and **to assist dealers in selling our product**. Advertising submitted for credit must directly benefit the dealer and Peterson. To obtain credit, the "Co-op Advertising Claim Form" must be completed. Requests coming directly from a distributor's customer will be returned.
- b.) Ads must prominently list Peterson Names, or Peterson Brands.
- c.) Requests for Co-op funds may be submitted any time during the year. All requests for 2025 ads must be submitted by March 31, 2026.
- d.) 1) The following Advertising media are examples that qualify for Co-op credit: local or regional radio, television, magazines, direct mail advertising, digital media, newspapers, and flyers.

  Search Engine Marketing (SEM) will be supported per our Co-op policy provided the landing page for the ad is an exclusive RHP product specific page.
  - <u>With prior written approval of RHP</u>, local or regional show booth space, truck graphics, outdoor media (e.g. billboards) or other advertising and promotional activities may also qualify.
  - Non-Qualifying items include: Mailing cost, dealer entertainment, gifts of any type, production and creative cost or any other advertising or promotion not expressly permitted.
- e.) 1) Advertising or promotional activities of any sort offering, selling, showing or announcing prices of Peterson products lower than MSP, WILL NOT qualify for advertising Co-op funds without the prior express written consent of RHP and the
  - <sup>2)</sup> Any **national** advertising or promotion **must** have the prior written consent of RHP to qualify for Advertising Co-op funds.
- f.) Failure to abide with RHP's Advertising and Promotion policy will immediately disqualify the violating dealer from <u>all</u> advertising Co-op funds, all display allowances and all special programs provided by RHP (or our Distributors), for the year. The dealer will also be prohibited from using RHP's copyrighted and/or trademarked property including brand names, logos, photographs and printed material.

# **IV. Freight Policy**

- a.) All Peterson Products are shipped F.O.B. shipping point, unless otherwise stated.

  Unless specific routing is requested, all shipments will be made via most economical land route.
- b.) All shipments will be sent directly to the distributor except shipments made under special drop ship programs established by RHP. Under special circumstances, shipments not to exceed \$2,500 (net) may be sent to the servicing distributor's dealer, if the dealer is in the primary distribution area of the distributor. Shipments, including warranty shipments, will **not** be made to **consumers**.
- c.) We attempt to ship all orders complete. When this is not possible, back orders will be shipped F.O.B. shipping point, as soon as possible, <u>unless otherwise requested.</u>
- d.) All materials are guaranteed to be in first-class condition when they leave RHP. Our responsibility ends upon acceptance by the carrier. Claims for shortages or damages must be filed by the recipient of the freight. RHP <u>must</u> <u>be informed</u> of any error in shipment, or shortages or damages <u>within 10 days of receipt</u> of merchandise by customer. Freight carriers will not accept later claims. RHP will not be able to adjust the bill accordingly. Under no circumstances will RHP accept a reduced payment, if discrepancy was not reported within that time period. RHP is not responsible for product damage if item is not shipped by RHP.
- e.) Expedited shipments may be charged a shipping and handling fee.

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#### V. Returned Goods Policy

- a.) No products may be returned without an assigned Return Material Authorization (RMA) number. Unauthorized returns will be refused.
- b.) Where the return is necessitated other than by an act or omission of the RHP, a 25% charge will be made. When permission to return is granted, items must be shipped freight prepaid to a point designated by us.
- c.) Only stock items in the original container will be accepted for return. Merchandise shipped prior to 2024 will not be accepted. Discontinued products will not be accepted under any circumstances.
- d.) Returned goods & parts under warranty will be either credited, or replaced, at factory discretion.

#### VI. Credit Policy

- a.) Customers must furnish the information requested by our Credit Department to establish <u>and maintain</u> an open account. RHP "Credit Application and Account Agreement" form must be completed and signed by an authorized official of the company before an open account can be established.
- b.) Any account that becomes past due or exceeds credit limits will be placed on a cash basis.
- c.) Discounts taken beyond terms will not be allowed. A customer taking improper discounts will be charged accordingly.
- d.) Personal guarantees of owners will be requested on new accounts, and on accounts that have become past due.
- e.) Customer must be current to take advantage of anticipation or early shipment discounts. All invoices due must be paid before an anticipation discount is taken. Partial payments **do not** qualify for any anticipation discount.

## VII. Minimum Order Policy

On orders under \$50 net, a 20% surcharge will be added to the invoice with minimum billing of \$10 per invoice.

#### VIII. Credit Policy Disclosure

The billing cycle of RHP runs from the 1<sup>st</sup> of the month through the end of the same month. A monthly statement of all charges due will be sent by the 15<sup>th</sup> of each month. All credits and payments made or received after the end of the month will appear on the next month's statement. At the close of business each month, a service charge computed on the basis of 1½% per month on all sums due to RHP, which have not been paid within terms from the invoice date, will be made. The service charge will be due and payable on the 31<sup>st</sup> day after the invoice date, and an additional service charge, computed on the same bases, will be due and payable every 30 days thereafter. Waiver of any service charge, in full or in part, shall not be deemed to be a waiver of future service charges.

# IX. Limited Warranty Policy

#### Real Fyre® Gas Logs and Contemporary Alternatives

#### **Indoor Vented Gas Logs**

- Vented refractory gas logs are warranted as long as the original purchaser owns them (Lifetime).
- Vented fiber-ceramic blended gas logs are warranted for five years.
- Vented gas log burners excluding controls are warranted for ten years.
- Vented stainless burners are warranted for ten years.
- The SPK-26 is warranted for three years and APK-17 (including 17 valve) is warranted two years.
- All other valves and controls are warranted for **one year** (excluding batteries).

## **Indoor Vent-Free Gas Logs**

- Vent-Free refractory gas logs are warranted for as long as the original purchaser owns them (Lifetime).
- Vent-Free fiber-ceramic blended gas logs are warranted for five years.
- Vent-Free gas log burners and stainless steel burners excluding controls are warranted for ten years.
- All other valves, pilots and controls (excluding batteries), are warranted for one year.

## **Outdoor Vented or Vent-Free Gas Logs and Burners**

- Vented or Vent-Free refractory gas logs are warranted for three years.
- Vented or Vent-Free fiber-ceramic blended gas logs are warranted for three years.
- Vented or Vent-Free gas log stainless steel burners excluding controls are warranted for five years.
- All other valves, pilots and controls (excluding batteries), are warranted for one year.

#### Peterson Glass, Gems, and Nuggets are warranted for ten years.

#### **Fyreside Vented and Vent-Free Gas Logs**

- Fyreside vented and vent-free ceramic refractory gas logs are warranted for **five years**, when installed indoors and **two** years when installed outdoors
- Fyreside vented and vent-free burners and component parts, except valves, ODS pilots, and controls are warranted for **two years.**
- Fyreside valves, ODS pilots, and controls are warranted for **one year** (excluding batteries).

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#### Fire Magic® Grills

- Cast Stainless Steel Gas Burners, Choice Stainless Steel U-shaped Burners, Cooking Grids and Barbecue housings are warranted as long as the original purchaser owns them (Lifetime) (Except as described below).
- Brass Valves, Manifold Assemblies, Inner Liners, porcelain housings (including ovens and barbecue faces) and Backburner
   Assemblies (except ignition systems) are warranted for fifteen years.
- Electric grill Stainless Steel Cooking Grids and Stainless Steel Housings are warranted for ten years. (Except as described below)
- Built-in and portable griddles, and pizza ovens (except ignition system) are warranted for ten years.
- Heating elements, infra-red burners, flavor grids and charcoal stainless steel grills are warranted for five years.
- Side burners, exterior Glass Fiber Reinforced Concrete (GFRC) grill island systems and all other grill, pizza oven and griddle components (except ignition systems and electronic parts, including the Magic View Window) are warranted for **three years**.
- Echelon gas grill, pizza oven, griddle and EL500 electric grill under glass touch screen controls are warranted for two years.
- Charcoal Stainless Steel Grills are warranted for **five years**, except for the Charcoal Pan, Charcoal Grid, Thermometer and Ash Catch Tray, which are warranted for **one year**.
- Grill, pizza oven and griddle ignition systems (*exluding batteries*), electronic components (including lights, thermometers, and thermostats), and accessories are warranted for **one year**.
- When in a commercial/multi-user setting, stainless steel gas grill housings, burners, stainless steel rod cooking grids, brass valves, inner liners and manifold assemblies are warranted for **five years**. All other components, *excluding batteries*, are warranted for **one year**; Electric grill stainless steel housings and cooking grids are warranted for **three years**; heating elements are warranted for **years**; all other components are warranted for **one year**.

## **American Outdoor Grill**

- Stainless steel burners are warranted as long as the original purchaser owns them (Lifetime).
- Infrared burners and vaporizer panels are warranted for three years.
- All other American Outdoor Grill parts are warranted for **ten years**, except ignition systems (excluding batteries), and accessories (including side burners, motors, and thermometers), are warranted for **one year** from the date of purchase.
- When in commercial/multi-user settings, stainless steel grill housings, burners, stainless steel rod cooking grids, brass valves, inner
  liners and manifold assemblies are warranted for three years. All other components, except batteries, are warranted for 90 days.

## American Fyre Designs

- All Fireplaces, Fire Tables, Fire Urns, Fire Pits, Firewalls, Pedestals, Fire Bowls, Lanterns, Firefalls, gas logs, burners and stainless steel firepit burners for outdoor installations are warranted for three years.
- All Electrical Components, Valves, accessories and controls (except batteries) are warranted for one year.
- When used in a commercial/multi-user setting, all American Fyre Designs components, except electrical components, are warranted for **one year**. Electrical components are warranted for **ninety days**.

This warranty applies to the original purchaser for products which are installed and maintained as intended for **single family residential usage\***. This warranty is valid only with proof of purchase, commences on the date of purchase, and terminates (both as to original and any replacement products) on the anniversary date of the original purchase of the product per the above schedules.

This warranty covers defects in material and workmanship. This warranty does not cover parts which become defective as a result of negligence, misuse, use not in compliance with the Installation and Owner's Manual, accidental damage, improper handling, improper storage, improper installation, lack of required routine maintenance (as specified in the Installation and Owner's Manual), electrical damage, local gas impurities or failure to protect against combustible materials. Product must be installed and gas must be connected, as specified in the Installation and Owner's Manual by a **qualified professional installer**. This warranty does not apply to rust, corrosion, oxidation, or discoloration unless the affected part becomes inoperable. Peterson products including valves, pilots and controls, are designed and certified (or listed) to be used as a system. Modifications to products which are not specifically authorized will void this warranty and could render the product to be unsafe. Burners, valves, parts, accessories, remotes, etc. used with this product must be Peterson products or this warranty is void.

Warrantied items will be repaired or replaced at Peterson's sole discretion. This warranty does not cover labor or labor related charges, except as provided by separate specific written programs from the RH Peterson Co. All repair work must be performed by a qualified professional service person and requires prior approval of Peterson.

Peterson may require the defective product or part to be returned to the factory to determine the cause of failure. Peterson will pay freight charges if the product or part is determined to be defective. This warranty does not cover breakage in shipment from our independent distributor to its customer if the damage is determined to have occurred during that shipment.

This warranty specifically excludes liability for indirect, incidental, or consequential damages. Some states and provinces do not allow the exclusion or limitation of incidental or consequential damages, so the above exclusion may not apply to you. This warranty gives you specified legal rights, and you may have other rights that vary from state to state or province.

For additional information regarding this warranty, or to place a warranty claim, contact the R.H. Peterson dealer where the product was purchased.

All claims for warranty replacement must be resolved by the dealer or his/her distributor that sold the product. The distributor may then submit a claim to Peterson by obtaining a Return Material Authorization (RMA) number for the defective part(s) and returning them to the factory. If defective, credit or replacement part(s) will be sent to the distributor. Products may be registered at www.rhpeterson.com.

\*See separate Multi-User warranty for Fire Magic, AOG grills and American Fyre Designs

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