

December 1, 2010

To Our Valued Distributors,

Noritz America would like to announce several changes to our price sheet for the upcoming year.

1) **Price Change**

Effective January 1, 2011, we will be implementing price changes on select models in our Commercial and Residential lineup. The prices will be affected as follows:

<u>Noritz Heaters</u>	<u>Model Numbers</u>	<u>Price Change</u>
Hydronic Boilers	NH Series	No change
Commercial ASME	NC380 and NC250 Series	5% increase
Commercial Condensing	NCC199 Series	No change
Commercial 199K Btuh	NC199 Series	DVC = 5% increase, OD = 7% increase
Residential Condensing	NRC111 Series	14.7% DECREASE!!
Residential 9.8 Gpm	NR98 Series	DVC = 1.2% increase, OD/SV = 3.8% increase
Residential 8.3 Gpm	NR83-DVC	No change
Residential (all others)	NR66, NR71, NR111 Series	No change

2) **Price Reduction on Water Heater Accessories**

Effective January 1, 2011, we will lower the price on our Isolator Valves and Scale Shield Accessories as follows:

<u>Item</u>	<u>Model Number</u>	<u>2010 Price</u>	<u>2011 Price</u>
Isolator Valve	IK-WV-7-(TH)/(SW)	\$59.94	\$42.00
Isolator Valve	IK-WV-8-(TH)/(SW)	\$79.94	\$57.00
Isolator Valve (Lead-Free)	IK-WV-7-(TH)/(SW)-LF	\$67.00	\$59.00
Isolator Valve (Lead-Free)	IK-WV-8-(TH)/(SW)-LF	\$107.00	\$99.00
Scale Shield Water Treatment	SS-HB-1	\$150.00	\$115.00
Scale Shield Water Treatment	SS-HB-2	\$168.00	\$133.00

3) **Distributor Price Column**

One of the more notable changes on our 2011 Price List is the absence of column pricing, or “volume discounts”. There will be just one Distributor Price, regardless of the amount of heaters or venting purchased. We have also waived the 2-unit minimum for 2011.

4) **Six Month Purchase Commitment**

Please see our 2011 Price List for details on how to receive a 1%-3% heater discount off invoice through our Six Month Purchase Commitment Program.

We have enclosed our new price list which goes into effect on January 1, 2011. Any orders received and shipped between now and December 31, 2010 will be honored at the 2010 price.

Thank you for your continued support.

Jay Hassel
 Vice President – Sales Division
 Noritz America Corporation