

2001

PROFIT MAKER

Supersedes all previous Profit Maker programs



A Distributor Program That Features...

- A yearlong discount of 50/10/10%
- Extended dating
- Early payment discounts
- Planned, market-timed shipments
- Flexible order adjustments
- Generous Market Maker funds
- Multiple rebate opportunities
- No penalties on inventory refresher orders
- No rebates tied to product categories

Irritrol[®]
SYSTEMS

effective november 1, 2000



Profit Maker 2001 — A Tradition of Customer Profitability

Our 2001 program creates an exceptional profit opportunity for our distribution partners. It features many of the industry's most popular products, funds for exciting new promotional programs and a series of outstanding financial incentives.

Ranging from deep yearlong discounts to two rich rebate opportunities, Profit Maker 2001 sends an unmistakable message - Irritrol Systems is a brand that recognizes the importance of a strong, mutually profitable relationship with its customer, the distributor. Plus, Profit Maker 2001 offers outstanding bottomline opportunities to those distributors that aggressively promote our products, actively support our promotions and vigorously work with contractors, specifiers, and municipalities on behalf of Irritrol Systems.

Profit Maker 2001 - Carrying on the tradition of outstanding customer profitability.

Yearlong Discounts

You can earn a fixed yearlong discount on whole goods of 50/10/10%.

You earn your discount by committing to 100% of a net purchase annual commitment goal. The annual commitment goal is determined either by your actual purchases for the last program year extending from November 1, 1999, through October 31, 2000, or by your average actual purchases for the last two program years extending from November 1, 1998, through October 31, 2000, whichever goal is greater.

Place orders that fit best with your company's internal inventory management strategy. It is **not** required for you to give us firm up-front purchase orders or provide scheduled monthly order commitments.

- Delivery of 80% of your annual commitment must be taken by July 31, 2001.
- Delivery of your entire annual commitment must be taken by October 31, 2001.



Long Dating to Match Your Commitment — Scheduled Orders

Irritrol Systems is offering you the opportunity to plan your season, avoid stock-outs of popular items, and lock-in yearlong prices by placing scheduled orders. We are aware that large, early orders during the winter can place an added burden on the distributor. Therefore, as an added program benefit, Profit Maker 2001 rewards your strong commitment by offering you a very attractive cash discount and dating program.

Annual Commitment	Scheduled Order Qualifier (Minimum Percent of Annual Commitment)
\$25,000 or more	50% or more

If you elect to take advantage of the Profit Maker 2001 Scheduled Order option, simply...

- Place scheduled orders equal to at least 50% of your annual commitment goal.
- Schedule orders for any month of the program year between November 2000 and October 2001.
- Submit all scheduled order purchase orders by November 30, 2000.

There are no monthly scheduled order 'minimums' or 'maximums'.

By placing the scheduled order option, you earn the opportunity each month to choose between a cash discount for early payment or attractive dating terms.

Scheduled Order Shipments	Payment Terms
November	4% 10th prox net 180
December	4% 10th prox net 180
January	4% 10th prox net 150
February	3% 10th prox net 120
March	3% 10th prox net 120
April	3% 10th prox net 90
May	3% 10th prox net 90
June	3% 10th prox net 90
July	3% 10th prox net 90
August	3% 10th prox net 90
September	3% 10th prox net 90
October	3% 10th prox net 90

Take advantage of this Scheduled Order Option to guarantee that you have Irritrol Systems product on your shelves to start the season. And, best of all, pay during the season when your customers are paying you.

Scheduled Order Adjustments

Any scheduled order can be adjusted or increased up to 14 days prior to shipment. You can change the part numbers or quantities on any scheduled order as long as the overall dollar amount of the order is not reduced. You can also increase the dollar amount of any scheduled order.

Should it become necessary to reduce the dollar amount of any scheduled order, please note that such a change will result in the conversion of the order's terms to 2% 10th prox net 90.

Adjust Your Stock In-Season

Placing early-order buys, just like forecasting, is not an exact science. No matter how hard you try, you are going to either order too much or not enough of some products. Irritrol Systems allows you to adjust your inventory through its convenient Inventory Refresher Program.

- All inventory refreshers are 1:1. [For example, if you return \$10,000 worth of current product, you simply order \$10,000 of additional product.]
- Simply request a Returned Goods Authorization (RGA) number from the Irritrol Systems Order Services Department and submit it with the return.
- Only product with date codes of September 1, 2000, or later, will be accepted.
- The product must be new, in 'as new' condition, and in the original master carton.
- A total of two inventory refresher orders may be submitted between March and August 2001.



In-Season (Non-Scheduled, Fill-in) Orders

During the year, you may find it necessary to order product outside of one of your scheduled monthly orders. Or you may elect to make "Just-in-Time" purchases throughout the year instead of placing pre-season Scheduled Orders. Irritrol Systems makes in-season ordering equally profitable for you.

- In-season orders will be entered at your established yearlong discount.
- Terms on all in-season orders will be 2% 10th prox net 90.
- Prepaid freight will be provided on in-season orders of \$1,000 net or more.

Multiple Rebate Opportunities

All of Irritrol Systems' current products offer the opportunity for significant growth. And the addition of several new products during the 2001 season makes this growth even easier. Profit Maker 2001 provides rich rewards in the form of great rebate opportunities for achieving that growth.

Again in 2001, Irritrol Systems does not tie its rebates to numerous product categories. Simply grow your sales in accordance with simple rebate parameters, remain current on all your Toro Company bills each month, and reap the benefits of your labors in 2001.

Irritrol Systems Annual Growth Rebate

Irritrol Systems will continue to reward those customers that grow their Irritrol Systems business in 2001. Simply grow your total shipments by a minimum of 15% over an established historical goal, remain current on your Toro Company bills each month, and earn a rebate paid back to dollar one!

Annual Growth (%>Base Goal)	Rebate Percentage
≥15%	3%

- Your annual growth rebate base goal is 100% of your actual purchases for the last program year extending from November 1, 1999, through October 31, 2000, or your average actual purchases for the last two program years extending from November 1, 1998, through October 31, 2000, whichever base goal is greater.
- Your annual growth rebate qualifier is a minimum 15% growth in shipments over your base goal.
- Your rebate is calculated on net shipments for the entire 2001 buying program year of November 1, 2000, through October 31, 2001.
- You must bring in 80% of your annual commitment by July 31, 2001, to be eligible for the annual growth rebate.
- Your fourth quarter net shipments (August 1, 2001, through October 31, 2001) may not be the highest quarterly dollars purchased during the 2001 buying program year without the prior written consent of the Irritrol Systems Director of Sales.
- Shipments in the fourth quarter of 2001 (August 1, 2001, through October 31, 2001) that exceed the shipments of the highest previous quarter will be excluded from the rebate calculation unless waived in writing by the Irritrol Systems Director of Sales.
- Rebates are calculated on total shipments and not on select products or key product categories.
- Rebates are paid back to "dollar one" shipped during the 2001 buying program year.
- Rebates will be paid by December 31, 2001.
- Rebates will be paid if you remain current on your Toro Company bills each month.



Toro Corporate Rebate

Finally, another incredible rebate opportunity. The Toro Irrigation Division is proud of both our Irritrol Systems and Toro Res/Com brands. Depending on your particular market conditions, participating in both the Irritrol Systems and Toro Res/Com 2001 Buying Programs can be more profitable to you than ever before.

We are excited to offer you for the first time, our Toro Irrigation Division Corporate Rebate opportunity. Simply grow both your Irritrol Systems and Toro Res/Com sales a minimum of 15% each above their respective annual growth rebate goals and receive an additional 2% rebate on the total sales of both brands paid back to dollar one!

If market conditions do not make it viable for you to carry both brand lines, we will still give you a Corporate Rebate opportunity. Just grow your Irritrol Systems sales a minimum of 25% and still receive the 2% Corporate Rebate paid back to dollar one on your Irritrol Systems sales only.

- Meet all conditions listed under the Annual Growth Rebate sections of the Irritrol Systems and Toro Res/Com 2001 Buying Programs.



Price Protection

Irritrol Systems will give you a minimum of 60 days notice of any in-season price increase.

3% Market Maker Funds

Irritrol Systems believes in supporting programs that promote the Irritrol Systems brand name and move product off distributor shelves. Irritrol Systems will provide 3% in Market Maker matching funds to all participating distributors. The 3% matching funds will be based on your actual Irritrol Systems shipments between January 1, 2001, and April 30, 2001. The more you ship during these four months, the more Market Maker matching funds you earn. And there is no cap.

All Market Maker matching fund programs and promotions must be pre-approved by the local Irritrol Systems District Sales Manager or claims may be denied.



Freight

Irritrol Systems uses surface freight as the primary means of shipment to distributors. Surface freight charges for all shipments of \$1,000 net or greater are paid by Irritrol Systems. The distributor pays freight charges on shipments of less than \$1,000 net. Freight charges for emergency order shipments are paid by the distributor. This includes next-day delivery, second-day delivery and any premium service or delivery request. A 3% shipping and handling charge will be added to orders of less than \$1,000 net.

Delivery

Irritrol Systems' shipping goal on regular orders is three business days after receipt of the order. We will schedule the most economical shipping method.

Products

All products featured in the 2001 Irritrol Systems Catalog and Price List and all Irritrol Systems parts count towards the achievement of your annual commitment and rebate goals.



Conditions of Participation

Profit Maker 2001 asks you for a strong yearlong commitment to Irritrol Systems. In return, the program provides you the opportunity to enjoy deep, season-long discounts, long payment terms, early payment discounts, Market Maker matching funds, and rich, achievable rebate goals.

In order to remain eligible to earn the various rebates, Irritrol Systems requires that you:

- Meet any and all conditions of the 2001 program agreement.
- Remain current on all your monthly bills from the Toro Company.
- Take delivery of 80% of your annual purchase commitment by July 31, 2001.
- Take delivery of your entire annual purchase commitment by October 31, 2001.
- Assume responsibility for the annual purchase commitment and rebate goals of any existing distributorship(s) acquired during the program year.

In fairness to those who comply with the Profit Maker 2001 guidelines, participants who fail to meet any of the above "Conditions of Participation" will be:

- Disqualified from any outstanding rebate programs.



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