



DEALER POLICIES AND PROCEDURES

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1 INTRODUCTION

This is a guide to certain policies and procedures of Hyster Company. These policies can be modified, replaced or withdrawn by Hyster Company at any time, with or without notice, and with or without written revision. The Dealer Sales and Service Agreement between Hyster Company and each of its Dealers, as may be modified, amended or terminated from time to time in whole or in part, is the contract that governs the sale and service of Products (as defined in the Dealer Sales and Service Agreement).

In the event of any conflicting terms between the provisions of these policies and procedures and the provisions of the Dealer Sales and Service Agreement, the provisions of the Dealer Sales and Service Agreement shall control. This is a Procedure as defined in the Dealer Sales and Service Agreement. By submitting orders to Hyster Company after the effective date of this policy, Dealer agrees that the provisions of this policy, including but not limited to those portions which address National Accounts and Dealer Managed National Accounts supplement rather than conflict with the provisions of the Dealer Sales and Service Agreement.

2 DEALER PROGRAM

2.1 LEAD TIME QUOTATIONS

- A. Hyster Company provides Dealers with an [Availability Listing](#) approximately every week. This provides guidance on the current standard product delivery.
- B. Dealers may contact the Order Management department for an estimated delivery date. However, lead-time quotations are just estimates based on the then current availability and is not binding on Hyster Company.
- C. Pricing and lead-time quotations for non-price book options must be obtained using a [Special Options Request \(SOR\)](#) submitted to Applications Engineering using the Hyster Truck System (eHERO). A current SOR response from Applications Engineering is required to receive a truck lead-time quotation or place an order.

2.2 TRUCK ORDER ENTRY

- A. eHERO is the required means of order entry, except during rare occurrences when hardware or software problems are encountered. Alternative means, such as faxing orders, will be accepted only under these circumstances.
- B. eHERO order entry is an electronic purchase order system. Use of the system constitutes agreement that the transmission of an order with a Dealer purchase order number is a valid binding purchase order. Refer to the [eHERO Configurator Training](#) for details. All orders are firm and may not be cancelled or changed except as provided in this policy.
- C. Dealers are responsible to check acknowledgments to ensure that they are accurate and complete within five (5) business days of receipt. If Dealer fails to notify Hyster Company of any error within five (5) business days of issuance of an acknowledgement, it shall be deemed accurate and complete.
- D. All truck orders are subject to a "Lock-Up Period". "Lock-up Period" refers to the point in time where component planning for truck orders are firm.

Lock-up periods for orders are as follows:

- For US-built trucks: 60 days before “Customer Acknowledgment Date” (CAD).
- For non-US built trucks: 120 days before CAD which is determined based on the anticipated date of importation into the U.S.

E. Any order cancelled prior to the Lock-up Period will incur a minimum \$250 cancellation fee.

2.3 ORDER SPECIFICATION CHANGES FOR US-BUILT TRUCKS

A. Changes in specifications will result in a charge to the Dealer by Hyster Company as follows:

1. Absolutely no specification changes are allowed within 45 days of the CAD. Requests between 60 and 45 days prior to the CAD will be reviewed for component and capacity availability and evaluated based on that availability and the Dealer will be notified if a specification change will be permitted.
2. One specification change will be allowed at no charge, if the change request is made prior to the Lock-up Period. Thereafter, a \$250 (U.S.D.) net charge per order will be assessed for each approved specification change. Note: Converting a stock order to a customer order is not considered a specification change.
3. Specification change requests that will result in a change to the build schedule will not be allowed.

B. Changes requested by the Dealer are not final until receipt of a new acknowledgment from Hyster Company. The Dealer is responsible to ensure the new acknowledgment is accurate and complete and must notify Hyster’s Order Management department, using the Contact Management System,

within three (3) business days of any inaccuracy. After 3 days, the acknowledgement will be deemed accurate and complete.

2.4 ORDER SPECIFICATION CHANGES FOR NON US-BUILT TRUCKS

- A. Absolutely no specification changes are allowed within 120 days of the CAD.
 - 1. One specification change will be allowed at no charge, if the change request is made prior to the Lock-up Period. A \$250 (U.S.D.) net charge per order will be assessed for each approved specification change thereafter. Note: Converting a stock order to a customer order is not considered a specification change.
 - 2. Specification change requests that will result in a change to the build schedule will not be allowed.
- B. Changes requested by the Dealer are not final until receipt of a new acknowledgment from Hyster Company. The Dealer is responsible to ensure the new acknowledgment is accurate and complete and must notify Hyster's Order Management department, using the Contact Management System, within three (3) business days of any inaccuracy. After 3 days, the acknowledgement will be deemed accurate and complete.
- C. There will be no specification changes allowed within 90 days of the CAD for the J45-70XN models.

2.5 CANCELLATIONS FOR US-BUILT TRUCKS

- A. No order may be cancelled within 45 days of the CAD. Any cancellation prior to that time, including any cancellation during the 5 business day order review period (section 2.2C above), will incur the cancellation fee provided for in section 2.2E above.
- B. Any order cancelled prior to the Lock-up Period will result in an administrative cancellation charge of \$250 per truck plus all costs incurred by Hyster Company, including but not limited to, SPED cost, manufacturing cost, and

transportation charges. Replacement orders will not result in the waiving of cancellation charges.

- C. An order cancellation request between 60 and 45 days prior to the CAD requires the written approval from the VP of Dealer Sales. If approved, the cancellation will result in a charge of up to 15% of the Hyster invoiced price plus any SPED inventory cost. Hyster Company will notify the Dealer of the cancellation charge and Dealer must confirm its request to cancel within three (3) business days or the order will not be cancelled.
- D. Dealer cancellations due to the introduction of a new model will not be accepted.

2.6 CANCELLATIONS FOR NON US-BUILT TRUCKS

- A. All order cancellations will result in a \$250 cancellation fee. Cancellation fees will apply during the 5 business day review period as identified in section 2.2C above.
- B. No order may be cancelled within 120 days of the CAD. Any cancellation prior to that time, will incur the cancellation fee provided for in section 2.2E above.
- C. Any order cancelled prior to the Lock-up Period will result in an administrative cancellation charge of \$250 per truck plus all costs incurred by Hyster Company, including but not limited to, SPED cost, manufacturing cost, and transportation charges. Replacement orders will not result in the waiving of cancellation charges.
- D. Dealer cancellations due to the introduction of a new model will not be accepted.
- E. There will be no cancellations allowed within 90 days of the CAD for the J45-70XN models.

2.7 OPTION RETURNS

- A. Option returns from units manufactured outside the United States will not be authorized. For new units manufactured in the United States, new production (non-special) masts, carriages, and counterweights displaced from current model new units may be returned only with the written approval of Hyster Company, freight prepaid by Dealer. Contact the Order Management department, using the [Contact Management System](#), for further information and to request approval.
- B. Credits issued will be reduced by a restocking fee of 15% and the amount of refurbishing costs incurred.

2.8 LOAD BACKRESTS

- A. Where applicable, lift trucks ship with a Load Backrest Extension (LBE) as standard equipment. All carriages and side shifting carriages that can be equipped with load backrest extensions must ship from the factory with the LBE installed.

Hyster Company does offer a “Less Load Backrest Extension” option for situations where the customer and the Dealer agree that the Load Backrest Extension can be removed. These situations are outlined below:

1. When the carriage will have an attachment installed that restrains the load when the mast is tilted rearward, or if the Load Backrest Extension is not compatible with the attachment. A factory installed carriage, side shifting carriage or other attachment similar in function or purpose will be equipped with a load backrest extension.
2. When the Dealer will install a current Hyster® load backrest extension out of Dealer’s own stock.
3. When customer applications prevent the use of a load back rest extension because of low overhead clearance, e.g. some trailer loading applications.

4. When customer applications do not involve loads that exceed the height of the carriage and/or forks, e.g. fork-suspended material bags or low-stacked pallets.
5. Any lift truck applications where it is not necessary to minimize the possibility of a load falling rearward toward the operator pursuant to ITSD/ANSI B56.1-2005 (refer to sections 4.5.2(customer) and 7.28 (manufacturer)) and OSHA 1910.178.

By placing an order with a “Less Load Backrest Extension” option, the Dealer certifies that one or more of the above conditions are met.

2.9 OPERATOR RESTRAINT SYSTEMS

All new sit-down rider Class I, IV and V lift trucks are equipped with an operator restraint system as standard equipment. The restraint system consists of a seat belt, hip restraint, warning labels, operating manual and certain associated hardware, (e.g. hood and seat latches and a battery restraint for electric trucks) if applicable.

2.10 CUSTOMER REQUESTED EXTENDED DELIVERY

Hyster Company’s Order Management department must approve delivery beyond normal lead-time prior to order entry. The Dealer may incur additional costs and the order may be subject to future price increases as described in Section 2.14 Pricing.

2.11 INDUSTRIAL TRUCK ASSOCIATION REPORTING

Retail market share is an important measure of a Dealership’s performance. The Hyster® Retail Order Activity report deserves the highest commitment to accurate, complete and timely reporting and recording of retail booking and shipment activity. Dealers will accurately and completely report all transactions as may be requested for Industrial Truck Association reporting or as otherwise requested by Hyster Company. In addition, Hyster Company requires that the installation process be completed on Retail transactions within 90 days of the ship date from a U.S. plant or arrival at a North American port. Retail units, where Hyster Company has not approved an extension of time to install, will be reviewed with the Dealer and Hyster Company, at its discretion, will

cancel the Retail booking and any additional discount provided by Hyster Company over and above Standard Dealer Net will be charged back to the Dealer. The Dealer may re-book the unit once and obtain another 90-day window to install the truck. Any unit not installed within this 180-day period will automatically result in a chargeback.

For Stock units converted to a Retail transaction, the installation process must be completed within 30 days of delivery to the end customer.

2.12 SERVICE AND WARRANTY

Authorized Hyster® Dealers are responsible for providing installation and warranty service for the products they sell and for all products located within the Dealer's territory as described in the Dealer Sales and Service Agreement and Hyster Company's warranty procedures. Terms and conditions regarding current installation and warranty policy may be found in the [Warranty Policy Procedures Manual](#).

2.13 HYSTER FINANCIAL SERVICES

Hyster Company provides rate price protection on orders financed by Hyster Capital on Tax Lease transactions, subject to qualification. To qualify for this rate price protection, the Dealer must place the order for delivery within normal product lead time identifying it as a Tax Lease, and receive from Hyster Company a confirming order with the scheduled ship date that will allow the Dealership to make delivery to the customer prior to December 31 of the order year. If the scheduled ship date is delayed by Hyster Company, causing the truck to be delivered to the customer after December 31 of the order year, rate price protection will be applied. This rate price protection is limited to the original equipment ordered and to the tax lease rate agreed to by the customer in the Hyster Capital Lease Agreement. Dealers must re-confirm with Hyster Capital all tax lease trucks on order on or before October 15 each year to receive firm rate price protection. This rate price protection applies to Hyster® equipment financed through Hyster Capital only.

For additional information regarding Hyster Capital rates, Merchandising Training, Remarketing and more, please refer to the Hyster Capital section of [Hyster Company's Digital Dealer site](#).

2.14 PRICING

- A. Orders from Dealers for products shall be upon the terms and conditions of sale and payment established by Hyster Company and in effect at the time of acceptance of the order (Terms of Sale). The price for products shall be determined from Hyster Company's suggested list prices in effect at the time of acceptance of an order less the then applicable Dealer discount(s).
- B. Except as provided below, the price for products is the price in effect at the time of order entry except as otherwise specifically agreed by Hyster Company in writing.
- C. Changes in list prices or Dealer standard discounts are generally announced 30 days prior to the effective date. Price increases may apply to the backlog of stock and rental orders.
- D. Published price reductions from either manufacturer's suggested list price or Dealer standard discount will apply to all new orders entered on or after the effective date. Price reductions will not apply retroactively to orders previously accepted by Hyster Company except as announced in the notice of price change issued by Hyster Company.
- E. Published price increases shall apply as of the effective date to all new orders placed on or after the effective date of the price increase; and, may apply, at Hyster Company's discretion, as indicated in the price change announcement issued by Hyster Company, to orders accepted prior to the effective date of a price increase but not yet shipped as of the effective date of the price increase.

2.15 CREDIT TERMS –TRADE ACCOUNT

2.15.1 Trucks

One-half percent (0.5%) discount in 10 days, Net 30. Hyster Company may issue and Dealer agrees to accept paper or electronic invoices. Payment must be received at the designated Hyster Company bank account on or before 10 calendar days from invoice date to qualify. Any payment deposited in Hyster Company's bank account after the 10th calendar day will be billed back for the discount taken. Payments not made within

the discount period must be deposited in Hyster Company's bank account no later than 30 days from the invoice date.

If the Dealer, with its payment, does not clearly indicate application to particular invoice(s) or credits, Hyster Company may apply the payment against any outstanding invoice at its discretion. Failure to comply with the credit terms may result in the suspension of credit facilities, termination of the Dealer Sales and Service Agreement or such other remedy as Hyster Company may elect.

2.15.2 Parts

One-half percent (0.5%) discount in 10 days, Net 25 DOS (Date of Statement).

2.15.3 Late Payment

In all cases, late payment of amounts due or other failure to comply with credit terms may result in limitation or suspension of the Dealer's credit facilities as well as late payment charges and charges for interest on past due amounts should the delinquency persist.

2.15.4 Credits

Credits may only be deducted after receipt of a Hyster Credit Memo. Unauthorized deductions by a Dealer may result in suspension of credit facilities and the right to participate in all Hyster Company marketing programs including but not limited to the Special Pricing Request (SPR) program.

2.16 FLEET MANAGEMENT

For information on Hyster Fleet Management Services, please refer to the Hyster Fleet section on the Hyster Company Digital Dealer.

2.17 PARTS SALES POLICY

- A. Dealers are authorized by Hyster Company to sell Hyster® and Unisource™ Parts to end user locations within the Dealers' authorized territory.
- B. Dealers are required to negotiate with the local authorized dealer, and to compensate the local authorized dealer as may be necessary for customer

satisfaction, if the parts sold will be installed in trucks outside of the Dealer's authorized territory.

- C. Sale of Hyster and Unisource Parts to third party parts distributors or parts resellers, whether within or outside the Dealer's territory is prohibited. (This provision excludes local competitive OEM Dealers and Service Independents operating within the confines of Dealer's assigned territory and servicing end-user equipment within the Dealer's authorized territory).
- D. Wholesaling of Hyster or Unisource Parts, sales by Dealer of Hyster or Unisource parts to non-end users (except as specifically provided for in Section 2.17 B above) or sales of Hyster or Unisource Parts to end-users outside Dealer's territory will result in Dealer's disqualification from rebate or other marketing incentives offered by Hyster Company, loss of parts return privileges, prompt payment discounts and other such programs as Hyster Company may determine, in its sole discretion and may result in termination of the Dealer's Sales and Service Agreement.

2.18 TERRITORY LIMITATION

- A. Dealers are authorized to sell, rent, lease or otherwise market Hyster® products for use in only the Dealer's authorized territory.
- B. A Dealer must notify Hyster Company if they have reason to believe a Hyster product will be installed or used outside of a Dealer's authorized territory.
- C. For all transactions where a truck is ITA reported as shipped or installed outside of a Dealer's territory, but ITA retail booked inside a Dealer's territory, the booking Dealer is responsible for paying the installing Dealer an agreed upon installation payment. The payment should be 50% of the available profit except as otherwise agreed by the Dealers or otherwise approved by Hyster Company on a SPR approved transaction. Except for export transactions described in Section 2.19 and DMNA transactions described in Section 5.3, the booking Dealer is responsible to make arrangements with the authorized

Hyster Dealer in the installation location and to pay for such installation services directly to the installing Dealer.

2.19 EXPORT COMMISSION POLICY

- A. If a truck will be installed outside of the United States or Canada, whether exported by the selling Dealer, a third party agent or the end user, it must be serviced per the Dealer Sales and Service Agreement.
- B. If a truck is to be installed outside of the United States or Canada, the selling Dealer must pay a minimum of 5% of the list price to the installing Dealer outside the U.S. and Canada unless otherwise approved on a special pricing request (Section 3.0) or as otherwise agreed upon between the selling and installing Dealer when no special pricing request has been made or approved in accordance with the following:
 - 1. When the selling Dealer has knowledge of the customer and destination, he must notify the local Dealer at time of quotation and time of order.
 - 2. When the customer is known, but the destination is not, the selling Dealer should reserve 5% (or the percentage approved on the special pricing request if applicable) of the list price for the local Dealer if and when the trucks are installed.
 - 3. When dealing with brokers or export companies, when neither the customer nor the destination is known, 5% (or the percentage approved on the special pricing request if applicable) of the list price should be reserved in the event a local Dealer installs and services the trucks (completed installation report is required).
 - 4. If the installing Dealer does not receive payment from the selling Dealer within 30 days of notification to the selling Dealer, at the installing Dealer's request, Hyster Company will debit the selling Dealer's account for the payment and credit the installing Dealer. The selling

dealer is responsible for all other direct costs associated with local importation, transportation, etc. except as otherwise agreed between the selling and installing dealer. Please refer to the recommended reimbursement schedule for prep and local freight in section 5.3.

5. The installing Dealer must notify the Director of Latin American Marketing by submitting a completed installation report within 6 months from the time of factory shipment to be eligible to receive the commission payment.
6. The applicable customer warranty is based on the installed location of the truck.
7. Sales to re-sellers outside of the United States, whether directly or through a broker, freight forwarder or other third party is not permitted.

3 HYSTER SPECIAL PRICING

3.1 PURPOSE AND REQUEST PROCEDURE

A Dealer may request special pricing when an authorized Dealer manager (see Section 3.4 below) represents that special pricing is necessary to meet competition on a specific transaction, and the Dealer agrees to a reduced profit margin in consideration of Hyster Company lowering its profit margin on the transaction.

Dealer must complete the Competitor Information section of the eHERO Special Pricing Request (SPR) when requesting special pricing with sufficient information to establish the need to meet competition for a particular transaction. Supporting documentation establishing the competitive need, including, but not limited to a copy of the Customer's purchase order, Dealer's signed proposal to the customer or other document evidencing customer acceptance and documentation establishing the competitive need for the special pricing, must be maintained by the Dealer for three years following the request for special pricing and made available to Hyster Company upon request. When both Hyster Company and the Dealer agree to lower margin levels under the special pricing program, the final price quoted to the user is expected to meet the competitive situation and is subject to audit.

Special pricing is not available to Dealers for accounts designated as U.S. Government or National Accounts or for customers that are not the end-user of the product, including resellers, retailers, wholesalers or other entities engaged in the sale or lease of new material handling equipment. For purposes of this policy, a re-seller is an entity that will sell, lease or rent the truck to others in the ordinary course of its business and does not use the truck in the operation of its own core business operations. Special pricing is available for accounts designated Dealer Managed National Accounts (DMNA).

3.2 GEOGRAPHIC AREA

Special pricing may be available for trucks ordered by an end-user customer located in a Dealer's Authorized territory(s) or for trucks delivered and installed in a Dealer's Authorized territory(s). In the event special pricing is approved for a truck ordered in a Dealer's Authorized territory but to be installed outside of that territory, the payment to

the installing Dealer should be 50% of the available profit except as otherwise agreed by the Dealers or otherwise approved by Hyster Company on a SPR approved transaction. The booking Dealer is responsible to make arrangements with the authorized Hyster Dealer in the installation location and to pay for commissions and any other installation services directly to the installing Dealer.

3.3 DOCUMENTATION AND COMMUNICATION

eHERO must be used for all Special Pricing Requests (SPRs).

3.4 AUTHORIZED PERSONS

Only the Principal Manager, General Managers, Sales Managers or Branch Managers may request SPRs. SPRs will not be accepted from salespeople.

3.5 AUTHORIZATIONS

Upon receipt and approval by Hyster Company, a SPR authorization number will be issued via eHERO and confirmed to the Dealership.

3.6 TERMS OF AUTHORIZED REQUEST

SPR quotations are approved for 60 days from the date of issue. There are no automatic extensions unless Dealer reapplies and the request is approved again by Hyster Company via eHERO. Authorizations are only for the customers, quantities, and models approved. Orders for lesser quantities, different model(s) or different customer(s) will require a new SPR from the Dealer and will result in a chargeback to standard Dealer net for the original request.

3.7 APPLICABLE HYSTER PRODUCTS

Special pricing applies only to the base capacity option price of new Hyster® powered trucks.

3.8 VERIFICATION BY AUDIT

All special pricing transactions are subject to audit by Hyster Company. Any documentation that serves to confirm the terms of the special pricing transaction must be provided by the Dealer to Hyster Company, including, but not limited to any document

relating to Dealer's selling price to the end customer, cost of sale, e.g., trade-in appraisals.

Hyster Company may also elect to verify and/or audit special pricing transactions directly with end user customers. Failure to provide documentation acceptable to Hyster Company that demonstrates Dealers' compliance with all special pricing and subsidy terms including gross profit restrictions will result in elimination of the approved discount on the audited transaction and a charge-back to the Dealer's account.

For audit purposes, special pricing includes, but is not limited to, any transaction where allowable Dealer profit is restricted. Any amounts due to Hyster Company as a result of an audit are due within thirty (30) days of invoice. Hyster Company may, at its discretion, debit or otherwise set-off any chargeback amounts due from Dealer as a result of an audit against any amount which may be due from Hyster Company to Dealer. Hyster Company may audit only a sample of Dealer's special pricing transactions, but reserves the right to audit all transactions if compliance is deemed unsatisfactory.

3.9 SPECIAL PRICING – CALCULATION OF GROSS PROFIT

To verify Dealers' compliance with agreed upon gross profit limits, gross profit will be determined by subtracting the Dealer cost of purchasing and delivering a customer ready unit to the end customer from the total amount invoiced to the end user for such unit.

3.10 ALLOWABLE DEDUCTIONS

3.10.1 Attachments and other Accessories

The gross profit from batteries, chargers or non-Hyster® products applicable to purchase orders transacted in conjunction with the authorized discount will not be included in the calculation of the gross profit received by the Dealer for products provided by Hyster Company unless this profit exceeds the 15% guideline described in this section. To participate in this program, a Dealer agrees that it will not obtain greater than 15% total gross profit on non-Hyster provided products and services when receiving special pricing on the same transaction.

If proper documentation is not provided to Hyster Company for verification of a 15% gross profit on accessories and attachments, special pricing will be eliminated. Documentation may include, but is not limited to, vendor invoices, service shop work orders, etc. Dealers may also obtain 15% gross profit on a Hyster Company Extended Protection Plan. All profit on these items in excess of 15% will be viewed as part of the profit on the Hyster® product and the special pricing allowable profit on the Hyster® product(s) will be adjusted to reflect the excess profit on accessories and attachments.

3.10.2 Freight

Inbound freight deduction from the selling price may not exceed the actual direct cost incurred by the Dealer (as invoiced by Hyster Company or paid directly to a common carrier plus one-half hour Dealer labor per truck at the allowable rate for unloading unit(s)). Local freight charges will be calculated at round trip miles per unit, calculated by use of *MapQuest* or other mileage estimating program approved by Hyster Company, multiplied by \$1.50 per mile or \$125 for class I, II, IV, or V units and \$50 for class III units, whichever is greater.

3.10.3 Labor

The allowable labor rate is the documented Dealer warranty rate at the time the work is performed on the unit(s).

3.10.4 Prep and Installation

Two hours of labor for Class I, II, IV, or V units and one hour of labor for Class III units will be allowed. For VNA trucks or trucks of capacities greater than 12,000 pounds, reasonable costs for time and materials will be allowed with supporting documentation, including but not limited to, time sheets and work orders. If supporting documentation is not provided, Hyster Company will default to the standard allowance described above for prep and installation.

3.10.5 Trade-ins

Overtrades will be allowed only after Hyster Company's Remarketing Department evaluates the Wholesale Fair Market Value of the truck based on information provided in the Hyster Financial Services Equipment Return Inspection Form. Verification may

include identification of the dollar value amount booked into inventory and the final sale price to the end user.

3.10.6 All Other Charges

All other incidental costs or expenses, including, but not limited to, loaners or rentals, incurred by the Dealer to secure the transaction are prohibited unless reviewed and approved by Hyster VP of Sales in writing within 30 days of retail installation.

3.11 FINANCING

No rate participation or overage will be allowed on any financed or lease transactions involving special pricing, regardless of financing source.

3.12 CHARGEBACKS

Violations of any special pricing program requirements, including, but not limited to, minimum quantities and authorized customers, will result in a chargeback of any special pricing discount to the Dealer and the Dealer will remit the discounted amount to Hyster Company.

3.13 NETTING

Hyster Company recognizes that Dealers cannot always project the actual gross profit that will be achieved on every transaction. Hyster Company will net all positive and negative variances (allowable negative variance for netting purposes not to exceed the allowable gross profit granted in the special price request) across the audit sample. If the portion of total netted chargeback due only to excess agreed gross profit on all audited transactions together is less than \$1000, the chargeback may be waived entirely.

3.14 CANCELLATION OF A SPECIAL PRICING ORDER

If a customer order with Special Pricing is canceled prior to delivery, it is the Dealer's responsibility to notify the Order Management department of the cancellation. The Dealer should also advise the Order Management department to change the order to standard discount, to refund the added discount to Hyster Company if a Special Pricing discount was already credited to the Dealer's account, and, if appropriate, to cancel the order (a cancellation fee may be required, see Section 2.5/2.6 above). At that point, the

unit is considered a Dealer stock unit and is then eligible for end customer pricing on an SPR as approved.

SPRs are granted for sales to a specific customer and may not be transferred to a different customer or transaction. If Hyster Company has not been notified of the cancellation of a customer order with Special Pricing and that unit is sold to a different customer or if a canceled unit is sold to another customer, the SPR does not apply and the SPR discount will be reversed. At that point, the unit is considered a Dealer stock unit and may be eligible for end customer pricing on an SPR if approved.

3.15 SPECIAL PRICING – SALE OF NEW UNITS FROM DEALER INVENTORY

Special Pricing may apply to new trucks sold from Dealer inventory. The Dealer must receive proper SPR authorization and request credit using the Hyster Company Reimbursement Request Form. To receive credit, the truck must be eligible for Special Pricing as provided in Section 3.0 above.

3.16 SPECIAL PRICING – RENTAL UNITS

Special Pricing is available for trucks subject to a written long-term rental agreement (defined as a minimum rental period of 12 months or longer) which are retail booked to the end user customer. Special Pricing is not available for short-term rentals or trucks to be installed in a Dealer's short-term rental fleet.

3.17 DEALER SALES PROGRAMS

Dealer must comply with all terms and conditions of any program which may be offered by Hyster Company. For audit purposes, Hyster Company may audit any transaction for compliance with the sales program guidelines. If documentation required to participate in a program offered by Hyster Company is not submitted by a Dealer on or before the deadline specified in the program materials or within 60 days of the end of the program if no deadline is specified, Dealer will not be eligible to receive the program benefit, including, but not limited to, any credits or reimbursements as described in the program materials.

Additional discount for units purchased under special marketing programs is not transferable to other Dealers unless so noted in the individual program announcement and/or as communicated in writing by Hyster Company. Only the Dealer participating and qualifying under the program is entitled to the applicable program discounts. Therefore, units purchased under a special marketing program are only transferable to other Hyster® Authorized Dealers at Standard Dealer Net Discount. Once the program unit is transferred to another Dealer, the program dollars must be returned to Hyster Company. It is the transferring Dealer's responsibility to invoice the receiving Dealer for the unit at Standard Dealer Net and notify Hyster Company to remove the special marketing program discount from the unit. The receiving Dealer may then re-apply for a special discount if applicable.

4 NATIONAL ACCOUNTS PROGRAM

4.1 PURPOSE

Hyster Company primarily markets its products through authorized Hyster Dealers and for qualified customers, directly through Hyster Company's National Accounts Program. Hyster Company's National Account program may include three different types of accounts (Centralized National Accounts, Decentralized National Accounts and Corporate Accounts). National Account customers are those, which, on average, purchase 50 trucks or more per year and have centralized corporate purchasing (Centralized National Accounts) or centralized vendor qualification with multiple locations where the decision is made at the location instead of corporate (Decentralized National Accounts). Even if Hyster Company quotes an account, this does not preclude or prevent a Dealer from bidding the same business. Hyster Company may offer its Dealers the opportunity to participate in a Decentralized National Account. Participating Dealers in such a Decentralized National Account would be able to sell directly to the Decentralized National Account customer at the negotiated customer price. A Corporate account may also contract for the purchase of Yale® brand equipment and/or may be global.

A [complete listing of all current National Accounts](#), along with the responsible National Account Manager is available on the Hyster Company Digital Dealer website.

4.2 COMMUNICATIONS

- A. Hyster Company will notify Dealers of any National Account trucks to be installed in the Dealer's territory. The Dealer will timely install the truck and complete the installation report. In the event the installation report is not completed within five (5) business days of delivery to the customer, installation credit may be reduced or eliminated.
- B. Additional information regarding specific accounts policies and procedures will be distributed to the Dealers, as needed.

4.3 INSTALLATION CREDIT

- A. When a Dealer installs a Hyster® National Account truck sold by Hyster Company directly to a customer, Hyster Company will pay the Dealer, via a credit to the Dealer's trade account, based on the current National Accounts policy, an installation fee. This amount covers Dealer costs incurred for the prep., local delivery and installation of National Account units.
- B. Deviations to this policy will be communicated by the assigned National Account Manager to the installing Dealers.
- C. The Dealer will be paid the applicable installation fee upon receipt by Hyster Company of the new unit installation report (PDI). Payment will be via credit memo to Dealer's trade account with Hyster Company.
- D. Any discrepancies in payment of the installation fee will not be considered unless submitted in writing to Hyster Company National Accounts, Americas HQ within 60 days of the installation date of the truck(s) in question.

4.4 DEALER RESPONSIBILITIES

- A. The Dealer will provide effective local sales, parts, rental and service coverage.
- B. The assigned National Account Manager is to be informed of account activities within the Dealer's territory and will be promptly notified of any quotations requested or orders attempted to be placed with a Dealer.
- C. The Dealer will thoroughly prep and promptly deliver and install new equipment as required. Any delay in promptly installing new equipment will be reported to the assigned National Account Manager, and may result in a commission reduction.
- D. The Dealer will assist with pre-sale forecasting, provide post-sale follow-up and communicate to the National Account Manager where assistance is required.
- E. The parts used on or otherwise provided to National Accounts must be genuine Hyster Company or Unisource parts and must be purchased by the

Dealer from Hyster Company. Dealer shall not represent replacement parts purchased from third parties as parts sold by Hyster Company.

4.5 ITA REPORTING AND LOST SALE REPORTING

- A. National Accounts bookings are recorded in strict accordance with ITA published policies for ITA purposes.
- B. The Dealer is responsible to report all competitive delivery or lost sales information to Hyster Company's assigned National Account Manager.

4.6 NATIONAL ACCOUNTS DEMONSTRATIONS

- A. The National Accounts Demonstration Fleet is to be used exclusively for demonstrations to qualified National Accounts. The Dealer must complete and return to Hyster Company a National Account Demonstration Evaluation report for each demonstration to acquire valuable product performance information.
- B. Except as otherwise agreed by Hyster Company, the Dealer will pay one-half of inbound and local freight costs for all National Account demonstrations. Hyster Company may pay total inbound freight where a demonstration is being performed in one Dealer's territory, but the actual sale and delivery of equipment that would result from a successful demonstration would occur in another Dealer's territory.

4.7 NATIONAL ACCOUNTS DEMO FLEET REIMBURSEMENT POLICY

National Accounts Reimbursement Policy				
Item	Specification Changes	Demos – Dealer Owned and Nat'l Account Trucks	Local Modifications	Customer Rework
Parts	Dealer Net + 10%	Dealer Net + 10%	List Price	Hyster Company List or equal (for non-Hyster)
Labor	Std. Warranty Rate	Std. Warranty Rate	Std. Warranty Rate	Published Rate
Freight	Hyster Company National Accounts pays	Hyster Company National Accounts pays or splits as described in Section 4.6 B of this policy.	Included in Dealer quote	Customer Pays – Included in Dealer quote

- A. Modifications and repair work performed by Dealers on National Account units, at Hyster Company's request, will be reimbursed per the above matrix.
- B. All requests for reimbursement must be submitted on the National Accounts customer/demo truck maintenance authorization form.
- C. All modifications and/or repairs must be approved, in writing, in advance by Hyster Company's Director, National Accounts Sales.
- D. No authorization will be approved without submitting a current Equipment Return Inspection Report, including hour meter reading. When required, if a Dealer invoice is not submitted within 60 days of completed modification and/or repair, the invoice will not be accepted for payment. Failure to comply with this process may result in reduction or elimination of any payment.
- E. Dealer utilization of Hyster Company National Accounts Demonstration Fleet will be the responsibility of the Dealer, provided approval is received from Hyster Company National Accounts prior to the demonstration. All expenses

associated with the demonstration, including the restoration of the units after the demonstration, will be paid by the Dealer.

- F. If a Hyster Company National Accounts Demonstration Fleet unit is utilized by a Dealer without prior written approval from Hyster Company, title to the unit will be transferred and invoiced to the Dealer at current book value or, at Hyster Company's sole discretion, an appropriate rental fee will be calculated by Hyster Company, invoiced to Dealer and due to Hyster Company.

5 DEALER MANAGED NATIONAL ACCOUNTS (DMNA) PROGRAM

5.1 PURPOSE

The Dealer Managed National Accounts (DMNA) Program is available to Hyster® Dealers for those prospects/customers headquartered in, or who have centralized lift truck procurement in a Dealer's authorized territory. In addition, these prospects/customers, should purchase 25 trucks or more a year, have centralized purchasing or centralized vendor qualifications with multiple locations and have a minimum fleet size of 150 units.

Lead Dealer designation of an account under the DMNA Program does not preclude or prevent another Dealer from bidding the same business within the Dealer's authorized territory. The DMNA Program is subject to all requirements of the Special Pricing policy.

A list of current [Dealer Managed National Accounts](#), along with the lead DMNA Dealer, is available on the Digital Dealer website.

5.2 COMMUNICATIONS

- A. Prior to an account being designated as a DMNA, the Lead Dealer requesting DMNA status will provide to Hyster Company's Vice President, Sales a copy of the written agreement between the Dealer and the account confirming the Dealer as the preferred source for Hyster® brand new trucks. Designation of an account as a DMNA shall be at Hyster Company's discretion. Hyster Company will notify the Lead Dealer that an account has been approved as a DMNA and discount levels communicated as provided in Section 3.0 above.
- B. The [DMNA Approval Request Form](#) must be completed by the Dealer. The approving Vice President of Dealer Sales will notify, in writing, all Hyster® Dealers that an account has been approved as a DMNA. Hyster Company will, upon request, communicate this status to the qualifying customer. Hyster

Company may assign a Regional Sales Manager to assist the Lead Dealer with respect to its DMNA customer.

When a customer is approved for DMNA status, pricing is established. Pricing will be established based upon information as submitted via the SPR process. Once pricing is approved and communicated back to the Lead Dealer, it is subject to adjustment at least annually upon review of each account's annual performance compared to forecast.

- C. Additional information regarding specific accounts, policies and procedures will be distributed by the Lead Dealer to the other Hyster® authorized dealers, as needed. In addition, the Lead Dealer will be required to provide the other dealers with an annual update on each DMNA account. The Lead Dealer will notify the installing Dealer in advance of any shipments and installation requirements.
- D. DMNA accounts will be reviewed on an annual basis for compliance to annual forecasted volume. Pricing discounts may be adjusted if the required minimum volume quantities are not achieved. An account may lose its status as a DMNA at Hyster Company's sole discretion if the Lead Dealer does not comply with the terms of this program or the account does not qualify as a DMNA as described above.

5.3 SALES ASSISTANCE, INSTALLATION AND PREPARATION FEES

- A. A sales assistance fee will be credited, as designated in the Special Pricing approval (SPR), to the installing Dealer by Hyster Company upon installation of the lift truck. In addition, except as otherwise agreed upon by the Lead Dealer and the installing Dealer, the Lead Dealer will be responsible for paying the installing Dealer for local preparation, installation and other services provided by the installing Dealer in accordance with the recommended schedule below.

Dealer Prep & Freight		
Class	Recommended Prep \$ amount	Recommended Freight \$ amount (w/in 30 mi)
Class I	\$200	\$100
Class II	\$200	\$100
Class II Stand up	\$300	\$100
Class III	\$75	\$50
Class IV to 7K	\$200	\$100
Class IV 8 - 15.5K	\$250	\$150
Class V to 7K	\$200	\$100
Class V 8 - 15.5K	\$250	\$150
Class V 17K to 36K	\$500	quote
Class V - 17K to 36K Mast Install	\$550	quote

Distances >30 miles must be negotiated with the installing dealer

- B. The Lead Dealer will notify the installing Dealer of any deviations to this policy.
- C. The installing Dealer should invoice the Lead Dealer for the local preparation, installation and other services described in section 5.3(A) above. Payments for these services are to be managed between the installing and Lead Dealer.
- D. To qualify as a DMNA, an annual retail booking forecast must be provided by the Lead Dealer to Hyster Company for approval in the first quarter of each year. Forecasted sales goals must be achieved in each calendar year. In the event the Lead Dealer fails to achieve 60% of the forecast in a calendar year, all of the Dealer booking profit (as a % of dealer list price), provided pursuant to the applicable SPR will be charged back to the Lead Dealer and will be due upon receipt of the charge. If more than 60% but less than 100% of the forecast is achieved in a calendar year, one-half of the Dealer booking profit (as a % of dealer list price) provided pursuant to the applicable SPR will be charged back to the Lead Dealer for all sales during the calendar year and will

be due upon receipt of the charge. No chargeback will occur for DMNA accounts achieving forecasted volume.

5.4 LOCAL/INSTALLING (OTHER THAN THE LEAD DMNA DEALER) DEALER RESPONSIBILITIES

- A. The local Dealer will provide effective local sales, parts, rental and service coverage.
- B. The Lead DMNA Dealer is to be informed of account activities within the local Dealer's territory and will be promptly notified of any quotations requested.
- C. The local Dealer will thoroughly prep and promptly deliver and electronically install new equipment as required. The local Dealer will report any delay in promptly installing new equipment to the Lead DMNA Dealer.
- D. The local Dealer will provide post-sale follow-up and communicate to the Lead DMNA Dealer where assistance is required.

5.5 ITA REPORTING AND LOST SALE REPORTING

DMNA bookings are recorded in strict accordance with ITA published policies for ITA purposes. The Lead Dealer is responsible to report all competitive delivery or lost sales information to Hyster Company's assigned Regional Sales Manager.

6 UNITED STATES GOVERNMENT

In most instances, Hyster Company conducts business with the United States Government through its National Accounts department to accommodate the special nature of the varied business activities of the Government. Prime Contractors to Government activities may be handled in the same manner when they are authorized to make purchases on federal contracts or supply services under contract to a federal government activity.

Selling direct is the most effective strategy due to the volumes and complexity of these orders, particularly as they relate to large agencies with varied requirements such as collecting and remitting agency fees and surcharges, Mil-Spec compliance, testing, extended warranties, technical manuals, and provisioning.

Dealers are encouraged to pursue U.S. Government business in cooperation with Hyster Company's Government Sales Manager and also to pursue aftermarket opportunities as aggressively as commercial accounts. It is important to note that the U.S. Government has established strict requirements to ensure its approved vendors compliance with federal regulations and procedures. Dealers' cooperation is essential to avoid violations, which may result in serious penalties.

6.1 DEPARTMENT OF DEFENSE

Normally the Department of Defense (DOD) enters into contracts that do not require Dealer installation. Accordingly, Dealers should not expect installation fees on orders received from the central buying location at Defense Supply Center (DSCP), Philadelphia, PA, or Tank and Automotive Command (TACOM), Warren, MI, unless a specific requirement for installation services is in the contract. In such cases, a percentage of the list price may be paid to the installing Dealer, with notification normally being given at the time the truck is scheduled to deliver.

Where services that are beyond normal installation and follow-up are required by the contract, an appropriate fee will be negotiated with the Dealer involved prior to quotation. The Dealer will be advised of the destination, model number and quantity to encourage follow-up for potential parts and service business as the information becomes available.

On all other DOD business including Army-Air Force Exchange Service (AAFES), Navy Exchange Command (NEXCOM) and all civilian agencies, installation fees based on a predetermined percentage of the list price are paid to the installing Dealer. Normal installation and warranty service is expected to be provided by the Dealer. The installing Dealer will be notified with the order acknowledgment and also by letter giving the user location, model, quantity, Hyster Company order number, scheduled ship date, and the amount of the installation fees as well as any special obligations incurred.

6.2 U.S. POSTAL SERVICE

Orders for the U.S. Postal Service (Post Office) are placed directly with Hyster Company. For these trucks, a percentage of the list price may be paid to the installing Dealer, and the installing Dealer will receive commercial booking credit. The Dealer will provide installation and warranty services on Post Office trucks. The Post Office is the only agency of the U.S. Government whose retail bookings are counted in the ITA geographic statistics.

6.3 GSA, OTHER GOVERNMENT AGENCIES AND PRIME CONTRACTORS TO GOVERNMENT

GSA Federal Supply Schedule Contract orders, orders from all other U.S. Government agencies, and orders received from prime contractors to the U.S. Government where title for the equipment ultimately will be transferred to the U.S. Government, generally require installation services. For these trucks, a percentage of the list price may be paid to the installing Dealer, unless special arrangements are made. Currently, Hyster Company does not hold a multiple award schedule with GSA. Dealers are not authorized to hold a multiple award schedule with GSA for Hyster® products without the consent of Hyster Company.

6.4 WARRANTY

If the Dealer provides warranty service on U.S. Government trucks where no installation fee was paid, Hyster Company warranty procedure requires that the local Hyster Company Dealer perform the warranty work, but provides for reimbursement at the customer billing rate plus labor & parts at net + 10%. Prior authorization is not required.

Further clarification concerning U.S. Government business can be directed to Hyster Company's Government Sales Manager or Hyster Company National Accounts Management in Greenville, NC.