IMPORTANT INFORMATION ABOUT THIS SALES POLICY MANUAL

Please Read Carefully

This Hyster Company New Truck Sales Policy Manual is not a contract, either express or implied. The manual is only a guide to certain sales policies of Hyster Company. The manual and the policies it contains can be modified, replaced or withdrawn by Hyster Company at any time, with or without notice, and with or without written revision to the manual.

The Dealer's 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 Agreement). In the event of any conflicting terms between the provisions of this manual and the provisions of the Dealer's Sales and Service Agreement, the provisions of the Dealer's Sales and Service Agreement shall prevail and apply.

I. Lead Time Quotations

A. Hyster Company provides dealers with a bi-weekly availability report via the Hyster Satellite Network (HSN).

B. Dealers may contact the Product Supply Department for a specific delivery lead-time estimate. Estimates are based on chassis/mast availability at the time. Estimates are not guaranteed. Estimates are also subject to prior sale of the truck or trucks.

C. Non-price book options must have a current price and lead time quotation (obtained from a SPED Application Engineer) prior to order entry.

II. Truck Order Entry

A. HERO is the required means of order entry, except when hardware or software problems are encountered. Alternative means, such as faxing orders, must be authorized by the Product Supply Department prior to being submitted.

B. HERO order entry does not include a signed purchase order. Your use of the system constitutes your agreement that the transmission of an order with a dealer purchase order number is a firm purchase order and order entry. Refer to the HERO User Manual for details.

III. Hyster Company Special Pricing (Special Commitment Discount (SC) Program)

A. Purpose and Request Procedure

Dealers may request SC pricing when necessary to meet the competition on a specific transaction. The dealer must commit to a reduced profit margin in consideration of Hyster Company lowering its profit margin on the transaction. The SC price is only intended to meet the competitive situation and is subject to audit. SC pricing is not available to dealers for U.S. Government sales or Hyster National Accounts. Pricing for dealer major accounts shall be coordinated through the assigned dealer for that account.

B. Geographic Area

Hyster Company SC pricing is applicable to trucks booked, shipped and installed at end user locations within the dealer's service territory. SC pricing is not available for bookings outside of the dealer's service territory unless approved by Hyster's Vice President of Counterbalanced Product and Warehouse Product or the Director of Big Trucks. When orders are booked in one dealer's territory and shipped to another, a minimum of four percent (4%) of list should be available for the delivering dealer unless a pre-agreed upon amount has been worked out between the two parties prior to order entry. A copy of the agreement must be supplied to the Hyster Company sales department.

C. Documentation and Communication

It is recommended that HERO be used for all SC pricing requests. In the event that HERO cannot properly transmit the request, or transmit within the time required, the request may be phoned or faxed to the counter balanced, warehouse or big truck SC authorization desk. The SC number once issued will be noted on the unit order (once ordered), all acknowledgements, and the factory invoice.

If an SC price is obtained for a unit after it ships from the factory, the dealer is required to submit an Application for Discount to obtain the authorized discount credit.

D. Authorized Persons

Only Dealer Principals, General Managers, Sales Managers, Branch Managers, or other Hyster dealer authorized managers may submit requests for SC authorizations.

E. Terms of Authorized Request

SC pricing requests are approved for forty-five (45) days from the date of issue. Any extensions must be approved in advance by Hyster Company via HERO or in writing. Authorizations are only for the customers, quantities, and models approved.

F. Documentation

Dealers must provide details of the transaction, including:

1. Copy of the customer purchase order, or signed proposal form, or a signed letter on customer letterhead, stating details of the transaction and the total selling price to the customer, and

2. Application for Discount form.

G. Applicable Hyster Products

The SC program applies only to new Hyster Company lift trucks, accessories, and options contained in the Hyster Company Price List. Parts and other equipment ordered from the Parts Distribution Center are not covered by the program. The gross profit from batteries, chargers, non-Hyster products or Hyster Dealer services 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 Hyster dealer for products provided by Hyster. However, it is understood that Hyster dealers may not obtain greater than fifteen percent (15%) total gross profit on non-Hyster provided products and services when receiving SC pricing on the same transaction. This policy also applies to rate participation on transactions being financed or leased. No rate participation or overage will be allowed on any financed or lease transactions involving Hyster SCs, regardless of financing source, unless authorized by Hyster Company.

H. Audit Procedures

1. Dealer participation in the Hyster Company Special Commitment Discount program obligates the dealer to allow Hyster to audit dealer records to verify transactions.

2. Hyster Company employees or contractors will conduct routine audits of these transactions. Documents to be reviewed may include:

    a) Dealer's invoice to the customer and/or leasing company

    b) Customer purchase order

    c) Installation report, service work orders and delivery documents

    d) Copy of signed lease/finance agreements

    e) Other information pertinent to the sale as required.

3. Failure to provide requested documentation will result in elimination of the approved pricing on the audited transaction, the cancellation of SC pricing on units in backlog and the revocation of all SC priced quotations outstanding.

4. Discrepancies found in the amounts actually discounted to the customer will result in charge-back of the excess discount. The sum of all special commitment variances in the audit sample will be totaled to determine the dealer charge back. Dealers will be given ten (10) business days to review the initial audit results and provide additional supporting information. Additional dealer information will be reviewed to determine the final excess discount and applicable

dealer charge back. Violation of the SC policy or intent may also result in other action being taken under the dealer agreement.

5. Audit sample size will be based on industry ITA booking level for the dealership under review. For Dealers with ITA industry bookings less than or equal to 500, a minimum of five (5) and maximum of fifteen (15) special commitments randomly selected or fifty (50) units, whichever occurs first, will be audited annually. For dealers with ITA industry bookings greater than five hundred (500), a minimum of ten (10) and maximum of twenty-five (25) special commitments randomly selected or one hundred (100) trucks, whichever occurs first, will be audited annually. Hyster Company reserves the right to modify or adjust the sample size.

6. If the audit is not satisfactory as determined by Hyster Company after dealer input has been received and reviewed, a follow-up audit will be conducted in one-hundred-eighty (180) days at which time additional special commitments will be reviewed from the original sample period as well as new special commitments issued after the initial audit. If either of these samples is not in compliance as determined by Hyster Company after dealer input has been received and reviewed, a full audit will be conducted in ninety (90) days for the period in question.

I. Cancellation of an order with SC pricing

If a customer order is canceled prior to delivery, it is the dealer's responsibility to notify the Hyster Product Supply department of the cancellation. The dealer shall also instruct the Hyster Product Supply department to change the order to standard discount, to refund the added discount to Hyster if the discount was already credited on the factory invoice, or credit memo and, if appropriate, to cancel the order (a cancellation fee may be required, Section V). If a canceled unit is sold to another customer, the original discount does not carry over.

J. Freight

Inbound freight deduction from the selling price may not exceed the common carrier's actual billing plus one-half hour dealer labor per truck at the allowable rate for unloading unit(s). Local freight charges will be calculated at roundtrip miles per unit using MapQuest or other approved mileage estimating program(s) 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.

K. Labor

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

L. Credits

Credits may only be deducted after receipt of a Hyster Credit Memo. Failure to comply may result in limitation or suspension of credit facilities.

IV. Order Specification Changes

A. Changes in specifications will result in a charge to the dealer as follows:

1. No specification changes allowed within sixty (60) days on non-imported product and ninety (90) days on imported product of acknowledged, estimated clear to ship date.

2. One specification change will be allowed on orders beyond sixty (60) days on non-imported product and ninety (90) days on imported product at no charge. A one hundred dollar ($100) net charge will be assessed for each specification change thereafter.

3. Specification changes will be limited to those that will not result in a change to the scheduled ship date.

B. Changes requested by the dealer are not final until receipt of a new acknowledgement from Hyster Company.

V. Cancellation

Dealers may not cancel orders within sixty (60) calendar days on non-imported products and ninety (90) days on imported products based on the estimated ship date without incurring a cancellation charge. Customer orders beyond sixty (60) and ninety (90) calendar days of acknowledged estimated ship date are subject to a cancellation charge of two hundred dollars ($200) or the SPED cost content, whichever is greater. Cancellations due to the introduction of a new model will not be accepted without prior approval of Hyster Company.

NOTE: Replacement orders will not result in the waiving of administrative cancellation charges.

VI. Option Returns

A. New production (non-special) masts, carriages, and counterweights from current model new units may be returned with prior Hyster approval, freight prepaid. Contact the Product Supply Department for approval.

B. Credits issued will be reduced by the amount of any refurbishing costs incurred.

VII. Backrests

All Hyster trucks will be shipped with a Hyster load backrest unless prior approval to delete the load backrest is obtained from Hyster Company. Please contact the Product Supply Department for requirements to obtain approval to delete a load backrest. There is no price reduction if the load backrest is deleted.

VIII. Operator Restraint Systems

All new Hyster 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.

IX. Customer Requested Extended Delivery

Hyster Company must approve delivery beyond normal lead-time prior to order entry. The dealer may incur additional costs and be subject to future price increases.

X. Industrial Truck Association Reporting

Retail market share is an important measure of a dealership's performance. Dealers must accurately and on a timely basis complete and forward periodic ITA Confidential Statistics Reports of retail booking and shipment activity.

XI. Service and Warranty

Hyster dealers are responsible for providing installation and warranty service for the products they sell and for all products located within their respective service territories. Terms and conditions regarding Hyster current installation and warranty policy are found in the Hyster Service Operations Manual and the Dealer Agreement.

XII. Hyster Capital

Hyster Capital provides price protection on orders financed by Hyster Capital on Tax Lease transactions, subject to qualification. To qualify for this price protection, the Hyster 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 31st. If the scheduled ship date is delayed by Hyster Company, causing the truck to be delivered to the customer after December 31st, price protection will be applied. This price protection is limited to the original equipment ordered and to the tax lease rate agreed to by the customer in a Hyster Capital financing agreement. Dealers must re-confirm all tax lease trucks on order on or before October 1st each year to receive firm price protection. This price protection applies to Hyster equipment financed through Hyster Capital only.

XIII. 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. The price for Machines and Attachments 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). Changes to list prices for Machines and Attachments shall take effect for orders received after a price increase announcement except for the following:

1. Acknowledged stock orders in place at the time of the price increase announcement with an acknowledged delivery date within thirty (30) days of such announcement (for acknowledged stock orders for delivery beyond thirty (30) days, the Company may elect to increase the price. In such case, the Dealer may cancel such orders without a cancellation penalty),

2. All acknowledged customer orders and customer orders in Dealer's file at the time of the price increase announcement that have not yet been acknowledged by the Company,

3. A reasonable period of time (not to exceed thirty (30) days) to enable the Dealer to secure orders for customer quotations that are outstanding at the time of the price increase announcement, and

4. Dealer orders identified as short-term rental fleet orders that have been received by Hyster Company at the time of the price increase announcement.

XIV. Credit Terms

A. Trucks – Open Account: 1% discount in ten (10) days, Net thirty (30). To allow dealers to take advantage of the discount, invoices will be electronically transmitted via the Hyster Satellite Network System. Payment must be received at the Mellon Bank E.D.I. on or before ten (10) days from invoice date to qualify. Any payment received at Mellon Bank after the tenth (10th) day will be billed back for any cash discount taken. Payments not made within the discount period must be received at the Mellon Bank no later than thirty (30) days from the invoice date.

B. Trucks-Display Plan: New trucks financed through the Hyster Capital stock or customer "Display Plan" will qualify for an interest free period in effect at the time of order placement.

C. Trucks- Rental Fleet: Units financed with Hyster Capital for dealers' rental fleet are invoiced on the first of each month and due on the twentieth (20th) of the same month. Discounts are not offered.

D. Parts-Open Account: One percent (1%) discount in ten (10) days from date of statement, net twenty-five (25) days. Statements will be electronically transmitted via the Hyster Satellite Network system. Payment must be received at the Mellon Bank E.D.I. on or before ten (10) days from the statement date to qualify. Any payment received at Mellon Bank after the tenth (10th) day will be billed back for any cash discount taken. Payments not made within the discount period must be received at the Mellon Bank no later than twenty-five (25) days from the statement date.

E. 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.

XV. Export Compensation Policy

A. Trucks exported to locations outside the U.S. and Canada, whether exported by the selling dealer, a third-party agent or the end user, are expected to be serviced per the Dealer Sales and Service Agreement.

B. Selling dealers must negotiate and provide service assistance compensation to the installing dealer outside the U.S. and Canada unless otherwise approved and in accordance with the following points:

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 and negotiate dealer assistance compensation.

2. When the customer is known, but the destination is not, the selling dealer must contact Hyster Company for direction.

3. When dealing with brokers or export companies, when neither the customer nor the destination is known, the selling dealer must contact Hyster Company for direction.

4. The delivering dealer must provide Hyster Company a completed Delivery Report in order to receive any dealer assistance compensation that may have been earned.

5. The applicable customer warranty is that which applies at the installed location of the truck.

XVI. National Accounts Program

A. Purpose

While it is the intent of Hyster Company to market its products through Hyster dealers, Hyster may also market products through the Hyster National Accounts Program to prospects/customers who purchase a significant number of trucks a year, and have centralized purchasing or centralized vendor qualification with multiple locations.

B. Communications

1. The Hyster National Account Manager assigned to each account is responsible for keeping the appropriate Hyster dealers informed of account activity and status.

2. The National Account Manager will provide the dealer with a communication identifying all units sold into the dealer's territory. The communication will identify the number and type of units, service assistance compensation to be paid, local installation requirements and any special actions required.

C. Dealer Responsibilities

1. The dealer will provide effective local sales, parts, and service coverage.

2. The assigned National Accounts Manager is to be informed of account activities and will be promptly notified of any quotations requested of a dealer.

3. The dealer will thoroughly check and promptly install new equipment and follow up as required. Any delay in promptly installing new

equipment will be reported to the assigned National Accounts Manager, and may result in service assistance compensation reduction.

4. The dealer will provide post-sale follow-up and advice to the National Accounts Manager where assistance is required.

D. ITA Reporting

1. National Accounts bookings are to be recorded and reported in accordance with ITA published policies.

XVII. United States Federal Government

Hyster Company deals directly with the United State Government through Hyster Company's Government Sales Department. Hyster Company may also deal directly with the government prime contractors for equipment purchased under government contract where ultimate title to the equipment is expected to pass to the government.

Selling direct is the only effective strategy due to the volumes and complexity of the orders, particularly as these relate to large agencies with centralized buying for worldwide needs. Pricing levels can be extremely competitive and contractors often include varied requirements such as collecting and remitting agency fees and surcharges, Mil-Spec compliance, testing, extended warranties, technical manuals, provisioning materials, and spare parts kits. Dealers are encouraged to pursue US Government business in cooperation with Hyster Company's Government Sales Manager and to pursue aftermarket opportunities as aggressively as commercial accounts.

A. Department of Defense

Normally the Department of Defense (DOD) enters into contracts that do not require dealer installation. Accordingly, dealers will not receive service assistance compensation on orders received from these contracts. In cases where a specific requirement for installation services or other specific services are required in the contract, an appropriate fee will be negotiated with the dealer involved prior to quotation.

The dealers will be informed of product shipped into their territory. Product model, serial number, delivery date, destination, and warranty expiration date will be provided. This will provide the dealer with information to follow-up for potential parts and service business.

B. Other Government Agencies and Prime Contractors to Government

Orders from other Government agencies and prime contractors to the government where title to the equipment ultimately will be transferred to the Government, generally require installation services. In such cases where a specific requirement for installation services or other specific services are required in the contract, an appropriate fee will be negotiated with the dealer involved prior to quotation.

C. Warranty

If the dealer provides warranty service on Government trucks where no installation fee was paid, Hyster Company warranty procedure requires that the local Hyster dealer perform the warranty work, but provides for labor reimbursement at the customer billing rate and parts at full list. Prior authorization is not generally required, but it is prudent to be sure the unit is still within the warrantable period prior to performing the work. Contact either the warranty administration group in Greenville, or Hyster Government Sales for warranty coverage information.

Further clarification concerning U.S. Government business can be directed to Hyster Company's Government Sales Manager in Greenville.