

MERCURY EQUIPMENT RESOURCE CATALOG

MERCURY

#1 On The Water®

TERMS & CONDITIONS

1. Offering and Governing Provisions. Hassel Material Handling Co. ("Seller") has contracted with certain manufacturers (each, a "Manufacturer") to provide equipment to Seller for inclusion in the Seller's catalog (the "Catalog") and for resale. For each item of Equipment, the Manufacturer thereof is identified in the Catalog. Seller's offer to sell the equipment listed in the Catalog (the "Equipment") is subject to the following terms and conditions. This offer is expressly conditioned upon Buyer's assent to these terms and conditions, and Buyer's placement of any order for Equipment shall constitute Buyer's unconditional acceptance of these terms and conditions. Except as set forth in this Paragraph 1, Seller hereby objects to any additional and/or different terms which may be contained in any of Buyer's forms or other correspondence. No such additional different terms will be of any force or effect. The terms and conditions set forth herein, and any contract for the sale of Equipment by Seller, shall be governed by and construed in accordance with the laws of the State of Wisconsin, without reference to principles of conflicts of laws.

2. Prices. Prices of Equipment shall be the prices published in the then current Catalog, as amended or supplemented from time to time by Seller. For all payments made directly to Seller, payment terms are net thirty (30) days from the date on the invoice; any payments not made directly to Seller shall be according to the payment terms then established by Seller. Seller reserves the right to charge interest of up to 1WYo per month (but not more than the highest rate permitted by law) on all overdue accounts.

3. Sales and Similar Taxes. Any Manufacturer's tax, occupation tax, use tax, sales tax, excise tax, duty, custom, inspection and testing fee, or any other tax, fee, interest, or a charge of any nature whatsoever imposed by any governmental authority, on or measured by the sale by Seller to Buyer, shall be paid by Buyer in addition to the prices quoted or invoiced. If Buyer is exempt from any such tax or charge, Buyer shall provide Seller the applicable exemption certificate. If Seller is required to pay any such tax, fee, interest or charge, Buyer promptly shall reimburse Seller therefor.

4. Errors. Stenographic and/or clerical errors may occur from time to time in the catalogs, price schedules, program bulletins and announcements, order paperwork, and other documents developed and distributed by Seller in connection with the marketing of Equipment. All such errors are subject to correction by Seller.

5. Orders. Orders for Equipment must be placed either by phone or by using one of the order forms supplied to Buyer. All orders are subject to these Terms and Conditions, as amended or revised from time to time by Seller. At Seller's discretion, Seller may require Buyer to confirm in writing any order placed by phone or fax. Buyer may not alter or withdraw its order except upon payment to Seller of an appropriate cancellation charge or restocking charge.

6. Delivery. Except as otherwise specified in the Catalog, or except as otherwise agreed by Buyer and Seller in writing, Equipment shall be sold F.O.B. Manufacturer's shipping point, commercial carrier freight prepaid. Seller has the right to select the carrier and mode of transportation. Seller reserves the right to make delivery in installments and all such installments shall be separately invoiced and paid for when due, without regard to subsequent deliveries. Title to Equipment and risk of loss or damage shall pass to Buyer at the F.O.B. point. In the event of in-transit damage to the Equipment, Buyer shall accept the shipment and file its claim with the delivering carrier within ten (10) days after receipt of the damaged shipment (with a copy to Seller). All claims for shortages or other errors in delivery must be made in writing to Manufacturer (with a copy submitted to Seller) within ten (10) days after receipt of shipment. Failure to give any notices required under this Paragraph 6 shall constitute unqualified acceptance and a waiver of all such claims by Buyer.

7. Security Interest. The Buyer hereby grants Seller a security interest in all Equipment ordered or delivered, until such time as Buyer shall execute and deliver any financing statements or other documents as may be requested by Seller in order for Seller to establish and maintain a perfected security interest in the Equipment.

8. Unloading and Installation. Buyer shall be solely responsible for providing such unloading devices (e.g. fork lift, tow truck) as may be required to unload Equipment from the carrier. Seller shall cause the Manufacturer to furnish Buyer with all written installation manuals, directions, and instructions that the Manufacturer ordinarily supplies with the Equipment. Seller shall not be responsible for installation, on-site testing, or start-up of Equipment at Buyer's destination; however, with certain types of Equipment, some Manufacturers may offer such service to Buyer. The terms and conditions under which such services are available to Buyer shall be determined between Buyer and Manufacturer without the involvement of Seller.

9. Right of Set-Off. In addition to any right of set-off provided by law to Seller, all monies and accounts owed Buyer hereunder shall be considered net of indebtedness of Buyer to Seller (including all its divisions, operating units and subsidiary corporations) arising from whatever cause; in addition, Seller has the right to deduct any amounts due to or that become due hereunder to Seller from any amounts due or to become due to Buyer from Seller.

10. Notice of Defect. In the event Equipment supplied here under is claimed to be defective, any claims must be made within 30 days after Buyer's receipt. Seller shall be given ample opportunity to inspect the Equipment, and Buyer acknowledges and agrees that Seller shall not be liable for any transportation, fabrication, installation, or other expenses incurred by Buyer in connection with defective Equipment.

11. Pass-Through Warranty. Seller makes no warranty to Buyer regarding the Equipment (other than a warranty of title) and Seller authorizes no third person or party to assume any warranty obligation or liability on Seller's behalf. The only warranties applicable to the Equipment are those, if any, extended by the respective Manufacturer. The Manufacturer shall furnish to Buyer any and all applicable warranty documents. Seller hereby assigns to Buyer, without recourse, any applicable warranties extended to Seller. Such assignment shall constitute Seller's sole obligation and Buyer's sole and exclusive remedy from Seller with regard to defective Equipment. SELLER SHALL HAVE NO OBLIGATION OR LIABILITY TO BUYER UNDER, AND HEREBY DISCLAIMS, ANY EXPRESS OR IMPLIED WARRANTY RELATED TO THE EQUIPMENT, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY AGAINST INFRINGEMENT OR ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

12. Limitation of Liability. Seller's liability with respect to the Equipment sold hereunder shall be limited to the obligation to assign the Manufacturer's warranty as provided above, and with respect to other performance of the contract shall be limited to the contract price. SELLER SHALL NOT BE SUBJECT TO AND HEREBY DISCLAIMS (1) ANY OTHER OBLIGATIONS OR LIABILITIES ARISING OUT OF BREACH OF CONTRACT, (2) ANY OBLIGATIONS WHATSOEVER ARISING FROM TORT CLAIMS (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR ARISING UNDER OTHER THEORIES OF LAW WITH RESPECT TO PRODUCTS SOLD BY SELLER, OR ANY UNDERTAKINGS, ACTS OR OMISSIONS RELATING THERETO, AND (3) ALL CONSEQUENTIAL, INCIDENTAL AND CONTINGENT DAMAGES WHATSOEVER. Without limiting the generality of the foregoing, Seller specifically disclaims any liability for penalties (including administrative penalties), special or punitive damages, damages for lost profits or revenues, costs of any equipment recall, loss of use of equipment or any associated parts, costs of capital, costs of substitute equipment, facilities or services, downtime, shutdown, or slowdown costs, or for any other types of economic loss, or claims of Buyer's customers or any third party for any such damages.

13. Returns. Equipment may be returned only when Buyer obtains Seller's advance written permission. Such requests should be made on a return goods authorization form available from Seller. Returned Equipment must be new, unused, and in the original carton, must be securely packaged to reach the location designated by Seller without damage, and must be shipped F.O.B. designated location, freight prepaid. Seller will issue credit to Buyer only to the extent that the Manufacturer issues credit to Seller for the return of such Equipment.

14. Cancellation. No order may be canceled or altered by Buyer except upon Seller's written consent.

15. Aftermarket Service. Seller shall cause the Manufacturer to furnish Buyer with all applicable service manuals, operating manuals, and other like information, that the Manufacturer ordinarily supplies with the Equipment. Without assuming responsibility therefor, Seller shall cooperate with and assist Buyer in obtaining such warranty and after-warranty service as the Equipment requires.

16. Failure or Delay of Performance. All delivery dates are approximate; time is not of the essence as regards delivery of the Equipment to Buyer. Seller shall not be liable for any damage as a result of any failure to deliver or for any delay in the event and to the extent such failure or delay results from events beyond Seller's reasonable control, including, but not limited to any of the following: acts of God, acts of Manufacturer, acts of Buyer, fire, flood, war, any transportation or utility shortage or curtailment, governmental regulations, policies or action, accident, slowdown, riot, or labor strike.

17. No Agents. From time to time sales representatives of various Manufacturers may visit Buyer to promote the sale of Equipment. Buyer understands and acknowledges that all such representatives act for and on behalf of their respective Manufacturers only, and that no statements or representations made by such sales representatives are to be attributed to Seller or any of its divisions or other operating units.

18. Equipment Changes. Seller has the right to discontinue or suspend the sale of any Equipment and to make or permit changes in design or specifications of any Equipment at any time without incurring any obligation or liability to Buyer with respect thereto; provided, however, that if any pending orders placed by Buyer would be affected by such a design or specification change, Seller shall give Buyer advance notice thereof and an opportunity to cancel.

19. Waivers. Except as otherwise provided herein, no omission or delay by either the Seller or Buyer at any time to enforce any right or remedy reserved to it, or to require performance of any of the terms and conditions herein, shall be a waiver of any such right or remedy to which either party is entitled, nor shall it in any way affect the right of either party to enforce such provision(s) thereafter.

20. General. When confirmed by Seller, Buyer's order including these Terms and Conditions shall become the entire agreement between Seller and Buyer and a complete allocation of risks between Seller and Buyer relating to Buyer's acquisition of the Equipment. This agreement supersedes all prior understanding and agreements between the parties relating to the subject matter hereof and may not be supplemented or amended except expressly in writing signed by the party to be charged therewith. Buyer may not assign any of its rights or delegate any of its duties hereunder without the prior written consent of Seller.

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Powersports Facility Equipment

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