



Sales with Service Policy and Agreement (page 1 of 2)

This Sales with Service Policy and Agreement is intended to help provide the best possible experience for Walker Mower's customers by assuring timely and effective warranty repair and long term service for each machine sold. This, in turn, provides the best method for achieving the highest consumer satisfaction with Walker products.

A key reason dealers exist in the Walker Mowers program is to provide efficient and expeditious service to local customers. Dealers who sell out of their primary market/service areas with no provision for service have added no value to the Walker Mowers program or product. The Walker Mowers program depends on the provision of local service for each machine sold. If service were not necessary, Walker Manufacturing could and would sell directly to customers and would not utilize a dealer network.

The Sales with Service Policy requires that each Walker Mower be sold with a provision for service at the time of sale. Distributors and Dealers in the Walker Mowers program are required to abide by this policy.

Sales with Service Policy

- 1) Dealers should market and/or sell machines only within their market/service area as defined by their distributor.
- 2) Dealers should market and/or sell machines only within their distributor's market/service area as defined by Walker Manufacturing.
- 3) Dealers may market machines on the internet, but such sales should not result in out-of-service area sales.
- 4) Dealers should only market/advertise new Walker Mowers with this qualifying statement: "Sales of new Walker Mowers product by this dealer are only available within this dealer's service area".
- 5) Dealers should provide accurate product information, operating instruction and product demonstration at the point of sale. This should include safety and maintenance training and warranty service information.
- 6) Dealers must provide warranty repair and service for each machine sold, or make arrangements for it to be provided by another dealer in the intended area of machine operation at the time of sale.
- 7) Should a dealer sell a machine to a customer outside their service area and/or their distributor's service area, Walker Manufacturing will act to protect the Walker Mowers program and the investment of distributors and dealers by recommending an out-of-service area fee be paid by the selling dealer to the servicing dealer. If subsequent out-of-area sales are made by the same dealer, Walker Manufacturing will assess graduated out-of-area-service fees to the dealer through the distributor as noted on page 2.
- 8) Demonstrator machines carry full warranty and the Sales with Service Policy applies to the sale of these machines.
- 9) Used Walker Mowers are exempt from the Sales with Service Policy. A used Walker Mower is defined as one having more than 100 hours on it. As Walker Manufacturing warranty covers each machine sold through 100 hours and to the second owner, dealers may not alter the Walker Manufacturing warranty in order to sell new equipment by making a "no warranty" sale on a machine with 100 or fewer hours.

Except as may be limited by the terms of this Sales with Service Policy, Walker will not dictate the terms or prices under which Walker Mowers are resold.





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Out-of-Service Area Fees Schedule

Walker Manufacturing will use the following schedule to apply service fees for a dealer selling out of their service area (these are applied per dealership):

All percentages listed are of the Walker's Suggested List Price for the configuration sold

- 1st Sale: Strongly recommend (as a show of good faith and understanding the Walker program) a service fee paid by offending dealer to servicing dealer of 8%
- 2nd Sale: A 12% service fee is applied to distributor's account, passed through to dealer
- 3rd Sale: A 15% service fee is applied to distributor's account, passed through to dealer
- 4th Sale: A 20% service fee is applied to distributor's account and it is recommended that the distributor remove the offending dealer from the program

Notes

- 1) Each case is carefully reviewed and fees are issued at Walker's discretion.
- 2) This policy and agreement supersedes the Dealer Agreement to Walker's Sales with Service Policy, which consisted of the following documents:
 - A) Distributor Statement of Policy, Dated November 1, 1991
 - B) Walker Dealer Internet Sales Policy, Dated March 8, 2002
 - C) "Wide Area Dealers", Walker Dealer Notebook, Summer 1999
 - D) Amendment to Internet Sales Policy, Dated January 18, 2007
 - E) Distributor Guideline: Out-of-Service Area Fees Schedule, Dated September 14, 2009
- 3) and also supersedes:
 - A) Internet Advertising Policy (Section 4, Internet Sales), Dated July 1, 2000
- 4) and references:
 - A) Open Letter to Dealers about Walker's Sales with Service Policy, May 25, 2004

Dealer Agreement

"I have read and understand Walker Manufacturing's Sales with Service Policy. As a condition of my participation in the Walker Mowers program as a dealer, I agree to abide by and uphold this Sales with Service Policy."

Dealership Name: _____ Dealership Principle Name: _____

Dealership Principle Signature: _____ Date: _____

