



PARTS SALES: TERMS & CONDITIONS



1.0.0 TERMS OF SALE

Unless otherwise specified on the invoice, all invoices are to be paid in full, NET 30 days from invoice date. All quotations, orders, and deliveries are subject to Pierce credit approval.

All goods remain the entire property of Pierce until full payment of the invoice has been received. A 1.5% per month (18% per annum) administration fee will be charged on past due amounts.

The price list is subject to change without prior notice.

2.0.0 DISTRIBUTION LOCATIONS

Pierce parts distribution locations:

PORTLAND, OREGON (US)

4424 NE 158th Ave
 Portland, OR 97230
 Tel: 800.824.3637
 503.808.9390
 Fax: 503.808.9370

EDMONTON, ALBERTA (CDA)

Kuehne + Nagel International Ltd.
 12810-170 Street NW
 Edmonton, AB T5V 0A6
 Tel: 800.824.3637
 503.808.9390
 Fax: 503.808.9370

JACKSON, MISSISSIPPI (US)

Warehouse Services, Inc.
 LeFleur Station
 5440 Highland Drive
 Jackson, MS 39236
 Tel: 800.824.3637
 503.808.9390
 Fax: 503.808.9370

3.0.0 DEALER DISCOUNT LEVELS

Parts sales discounts are awarded to high volume dealers, and are based on performance during the previous calendar year. This discount structure is in place to reward dealers committed to stocking and supporting Pierce & Denharco products. The aggregate volume of parts sales purchased by a dealer's branches are accumulated to designate an earned discount level for the entire company. The company, regardless of purchasing branch, earns that level of discount.

The volume of Pierce and Denharco parts will be combined to determine total volume. In the interest of this document, Pierce and Denharco parts will simply be referred to as "Pierce parts". The following defines all discount levels, as well as how each classification is achieved.

CLASS A DEALER

In the previous calendar year, minimum purchases of genuine Pierce parts must equal or exceed:

- \$350,000 USD (\$472,500 CAD)
 - Pre-tax (exclusive of any returns)

Purchaser must be an authorized excavator dealer/distributor.

CLASS B DEALER

In the previous calendar year, minimum purchases of genuine Pierce parts must equal or exceed:

- \$80,000 USD (\$108,000 CAD)
 - Pre-tax (exclusive of any returns)

Purchaser must be an authorized excavator dealer/distributor.

CLASS C DEALER

All authorized excavator dealers that do not meet Class A or B classification requirements.

Purchaser must be an authorized excavator dealer/distributor.

NOTE: New dealers must place an initial order equal to or greater than \$5,000 USD (\$6,750 CAD, pre-tax) to establish an account. Existing Class C dealers must purchase a minimum of \$5,000 USD (\$6,750 CAD) annually in order to remain a qualified Pierce parts distributor. If criteria is not met, dealer will be reclassified as Class D in the next calendar year.

CLASS D DEALER

Non-authorized excavator dealers that supply added-value service parts and support to end-user customers (example: hydraulic service, field servicing mechanics, used equipment dealer, rental house, manufacturer, etc.), or authorized dealer that did not meet class C requirement in the previous calendar year.

NOTE: New Class D dealer must place an initial order equal to or greater than \$5,000 USD (\$6,750 CAD, pre-tax) to establish an account. Existing class D dealers must purchase a minimum of \$5,000 USD (\$6,750 CAD) annually in order to remain a qualified Pierce parts distributor. If criteria is not met, non-authorized excavator dealers will be reclassified as Class L in the next calendar year. Authorized excavator dealers will remain a class D.

CLASS L CUSTOMER

All dealers that don't meet criteria above.

4.0.0 RUSH ORDER

Pierce attempts to ship rush orders from the nearest distribution center on the same day providing 1) the order is received before 3:00 p.m. (Pierce distribution location local time), 2) the parts are in stock, and 3) the required freight carrier is available. For orders processed after 3:00 p.m., order may be subject to an expediting fee.

If the nearest distribution location does not have the parts in inventory, then Pierce will advise which location the parts will be shipped from, as well as the freight details and arrival expectation.

5.0.0 AFTER BUSINESS HOURS EMERGENCY SERVICE

After business hours = 5:00 PM TO 8:00 AM (distribution location time and weekends).

A telephone message service is available to receive calls after regular business hours. This message service can be reached by dialing the following numbers:

LOCATION	TOLL FREE	DIRECT	DAYS OF OPERATION	HOURS OF OPERATION
PORTLAND, OR	800.824.3637	503.808.9390	M-F (PST)	7 a.m.-5 p.m.
JACKSON, MS	800.824.3637	503.808.9390	M-F (CST)	7 a.m.-5 p.m.
EDMONTON, AB	800.824.3637	503.808.9390	M-F (MST)	7 a.m.-5 p.m.
EMERGENCY	503.805.0060		SAT/SUN	AFTER HOURS

Customers are encouraged to contact the location that best suit their time of operation and time zone.

5.1.0 ORDERS AFTER BUSINESS HOURS OR CARRIER PICK UP

An additional charge of \$250 USD (\$335 CAD) will be invoiced each time the dealer requires shipment from the distribution location after regular business hours.

6.0.0 PARTS SALES DISCOUNT STRUCTURE

PART DISCOUNT (ALL ORDERS)	CATEGORY 1	CATEGORY 2
A DEALER	30%	20%
B DEALER	25%	20%
C DEALER	20%	15%
D DEALER	10%	10%
L CUSTOMER	0%	0%

CATEGORY 2 PARTS = Predetermined select components, often high dollar parts (such as delimeter booms, drive motors, computers, custom fabrications, etc.). Contact Pierce parts sales department for specific item identification.

CATEGORY 1 PARTS = All other service parts.

6.1.0 DROP SHIPMENTS (TO LOCATIONS OTHER THAN SELLING DEALER LOCATION)

For orders that are drop shipped, a discount reduction of 5% will apply to all dealer classifications regardless of category 1 and Category 2 parts classification.

7.0.0 ORDERING PARTS PROCEDURE

7.1.0 REQUIRED INFORMATION

- Purchase order number
- Pierce part number(s)
- 'Ship to' address and shipping instructions
- 'Bill-to' address
- Serial Number of the Pierce product (when applicable) for which the part is intended (when required by Pierce Parts Sales Department).

NOTE: There is no minimum order requirement.

7.2.0 PURCHASE ORDERS

Orders may be placed by FAX, electronic mail (e-mail) or verbal telephone orders.

8.0.0 ERRORS IN SHIPMENT AND PURCHASE ORDERS

8.1.0 SHIPPING ERRORS BY PIERCE

Pierce assumes the responsibility for shipping errors made by its own personnel, and will absorb the cost to exchange, replace, correct or return the merchandise shipped in error. It is the responsibility of the dealer to notify Pierce of the error within 24 hours of receiving the incorrect parts in order for corrective action to promptly occur. Return Pierce parts shipped in error 'collect', at the direction of the Pierce parts sales department.

Pierce reserves the right to refuse the return of those parts if, in Pierce's opinion, the dealer is not acting in good faith.

Please refer to Section 11.0.0 "Return of Merchandise" for conditions and procedures. A return goods authorization (RGA) number will be assigned by the Pierce Parts Sales Department. At Pierce's directions, parts can be returned to any Pierce distribution location.

NOTE: All merchandise returned to Pierce without an RGA number will be refused and returned to the dealer at the dealer's expense without notification.

9.0.0 ORDER CANCELLATION

When order has already shipped from the distribution location, no cancellation is possible. See 11.0.0 or contact Pierce for proper return procedure.

9.1.0 CHARGES

No cancellation charges are applicable if the order has not yet been processed.

NOTE: All cancellation requests must be confirmed in writing (by fax or e-mail). No orders will be cancelled without written confirmation.

10.0.0 TRANSPORTATION

10.1.0 ADDRESS OF DELIVERY

The dealer is responsible for including, on all purchase orders, the address to which the shipment is to be delivered. If no delivery instructions are present on the purchase order, the goods will be shipped to the dealer's primary location using the best ground method available.

The dealer may choose to have the order shipped directly to a different address. In this case, the ship to address must be made clear in writing.

10.2.0 PAID BY THE DEALER

When the dealer pays transportation costs and no carrier is specified at the time of the order, Pierce will select the carrier of its choice without assuming cost or responsibility for the goods.

Pierce responsibility ends with the carrier's pick-up at the Pierce distribution location. At that time, the dealer becomes entirely responsible for the merchandise in case of claim, loss or damage.

10.3.0 PAID BY PIERCE

For stock orders from A or B dealers totaling \$7,500 USD (\$10,125 CAD) net (or greater), Pierce to pay the transportation cost from the nearest distribution center to dealer's location (one address only). NOTE: Category 2 parts do not apply.

In such a case, Pierce reserves the right to select the carrier. These orders are FOB Pierce Distribution Location" and must be shipped to the dealer's primary place of business. Items such as weldments, booms, motors, etc. and other Category 2 items may be excluded.

11.0.0 RETURN OF MERCHANDISE

11.1.0 RETURN PROCEDURES

A return goods authorization (RGA) number will be assigned by the Pierce Parts Sales Department. Parts can be returned to any Pierce distribution location. All parts authorized for return, should be sent to the Pierce-assigned distribution location with attached RGA #, Attn. Pierce Parts Sales Manager. Contact Pierce Parts Sales Manager for RGA # and assigned return shipment location.

For further details regarding returning goods, please follow directions found in the Pierce Warranty Manual.

11.2.0 RETURN CONDITIONS

Any parts to be returned must be new, wrapped and properly protected with the return goods authorization (RGA) number clearly visible on the shipping document, as well as on the packaged goods.

All returned goods must be returned freight 'prepaid'.

Defective (or returnable) parts must be returned to Pierce within 15 working days after the request was made.

No credit will be granted for returned parts that have been inspected and judged by the dealer or customer without Pierce's consent. At the dealer's request, Pierce will ship the parts back freight 'collect'.

Credits for returned goods will be based upon the price paid (with proof of purchase) or, in some cases, on the current list price at the time of return, less the applicable stock discount based upon the dealer's classification (see section 6.0.0). Also, items to be returned must be a stocking item by Pierce at the time of return.

Custom/special orders do not qualify for return.

Credit notes will be issued within 30 days after receipt and acceptance of the returned parts.

The merchandise to be returned must be new, have been purchased directly from Pierce, and proof of purchase (invoice #) must be provided.

For further details, please see section 4.2.0 'Returning Claimed/Defective Parts' of the Warranty Manual.

No credits are allowed for the following:

- Hydraulic hoses (custom lengths)
- Tubes with protective caps removed
- Parts damaged (notched, twisted, broken, bent, etc.)
- Parts showing signs of rust
- Parts showing signs of use
- Incomplete parts/assemblies
- Items installed, then removed from equipment
- Parts with broken seals
- Parts that have been repainted, repaired, reconditioned or damaged over time
- Parts that no longer have their ID or serial number
- Electronic components
- Custom made hard plumbing lines/tubes & hoses
- Open seal kits & gaskets
- Open packages or those not in its original packaging
- Items not in saleable condition
- Value below \$10
- Over 12 months since original purchase

11.3.0 FOR REGULAR INVENTORY RETURNS

Pierce will only accept parts that were purchased less than 12 months prior to the request.

Returns within 30 days are not subject to a restocking charge. Returns from 30 days to 1 year are subject to a 20% restocking charge.

Exception: special order, outdated items & some fabricated parts are not returnable.

11.4.0 PERIODIC ADJUSTMENTS

Once per year the stocking dealer has the option to return up to 25% of the value of the parts purchased during the preceding 12 months, with appropriate restocking charges. Only parts having been purchased during the most recent 12 months preceding the request for return are eligible for periodical returns. Some items such as special orders, outdated parts or some fabricated parts may not be eligible for return.

The dealer must submit a list of parts to be returned to the Pierce Parts Sales Manager for review. Upon Pierce approval, a return goods authorization (RGA) number will be issued.

For requested return items beyond 12 months, Pierce has no obligation to accept returns and will only consider such returns on a case by case basis, and at Pierce's discretion only.

The dealer is responsible for the transportation cost of the parts returned.

12.0.0 WARRANTY

Pierce warrants its new parts sold over the counter against any breakage resulting from defects in workmanship or materials, if used and maintained under normal conditions, for a period of ninety (90) days from the date the dealer invoices the customer.

Refer to the Pierce Warranty Manual for comprehensive warranty details.

13.0.0 CONTACT US

UNITED STATES: **PIERCE PACIFIC MFG.**

Mailing Address:

P O Box 30509
Portland, Oregon 97294
U.S.A.

Physical/Shipping Address:

4424 NE 158th Ave.
Portland, Oregon 97230
U.S.A.

Website: www.piercepacific.com

E-Mail: info@piercepacific.com

Phone: 503.808.9110
Toll Free: 800.760.3270
Fax: 503.808.9370

Parts Sales Phone: 503.808.9390
Parts Sales Toll Free: 800.824.3637
Parts Sales Fax: 503.808.9370

DISTRIBUTION WAREHOUSE: Jackson, Mississippi

Warehouse Services, Inc.

LeFleur Station
5440 Highland Drive
Jackson

Parts Sales Phone: 503.808.9390
Parts Sales Toll Free: 800.824.3637
Parts Sales Fax: 503.808.9370

CANADA:

Website: www.piercepacific.com

E-Mail: info@piercepacific.com

DISTRIBUTION WAREHOUSE: Edmonton, Alberta

Kuehne + Nagel International Ltd.
12810-170 Street NW
Edmonton, AB T5V 0A6

Parts Sales Phone: 503.808.9390
Parts Sales Toll Free: 800.824.3637
Parts Sales Fax: 503.808.9370



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