

What is Silver Service?



Uncompromising Commitment To Customer Satisfaction.

SILVER SERVICE® POLICY

At Arnold Machinery Company, NO SALE is ever final until you are satisfied. When we say it, we mean it. Our policy is plain and simple because **CUSTOMER SATISFACTION IS OUR ONLY POLICY®**. No fine print. No disclaimers. Only total and complete satisfaction with our products and our service.

SILVER SERVICE® PROMISE

We make the promise that the efforts of every Arnold Machinery Company associate will be focused on the goal of complete customer satisfaction. At Arnold Machinery we believe no machine is more than the people who stand behind it. It's that **SILVER SERVICE®** commitment and attitude that distinguishes us from our competitors and it's the reason we're in business today.

SILVER SERVICE® GUARANTEE

Our success depends on our customer's conviction they will receive the best service, guaranteed. **SILVER SERVICE®** is the level of premium service that our customers demand. It is what we believe, and it is the foundation of our business success.



Our People

No company can promise uncompromised customer satisfaction without the people to backup and deliver that promise.

At Arnold Machinery Company we have assembled the most comprehensive machinery support team in the western, southern and mid-western United States. There is nothing in our inventory as valuable as the associates who carry our reputation into the marketplace. While their duties may vary, the combination of their efforts reflect three common characteristics:

- **KNOWLEDGE:** Keeping abreast of ever-evolving product design and service information
- **DETERMINATION:** The difference between a mediocre job and a job done right the FIRST TIME
- **EXPERIENCE:** Our people have acquired the skills and experience that only time can give

Our people are the hearts and hands of Arnold Machinery and it is because of them that we can promise you:

CUSTOMER SATISFACTION IS OUR ONLY POLICY®



Front Row (seated) – Left to Right
Kayden Bell – President, CEO
Arnie Richer – Chairman of the Board
Tom O’Byrne – Corporate Executive Vice President, COO
Back Row – Left to Right
Darrell Buttas – President General Implement Distributors
Mike Brown – President Material Handling Division
Mike Miles – President Construction Equipment Division
Kirk Reese – President Material Handling Division
Jon Pugmire – CFO

“During the years we’ve been involved in the mining project and with Arnold Machinery Company, we’ve had a very good relationship. Between the two companies, we’ve enjoyed a level of tremendous success, be it service, be it parts, or simply rapport and communications between the two companies. In summation, Arnold has done a darn good job here at the mine in that capacity, and their parts and service people are doing an outstanding job.”

- Customer Quote

Arnold's Philosophy and Policy

"It's true that you can't do today's work with yesterday's equipment and be in business tomorrow!"

"Service from our distributor is also very important, and we count on Arnold Machinery's service department."

"Our experience with Arnold has been absolutely excellent. What they say they'll do, they do."

-Customer Quotes



At Arnold Machinery Company we believe in carrying our **SILVER SERVICE**® attitude and commitment into the community. We believe in the free enterprise system and that we have a valuable stake in that system. Our reward for performance takes the form of success and the amount of success is directly related to how well we serve you . . . our customer.

We believe in equality. We believe that in a free marketplace no individual should be discriminated against regardless of race, creed, color, religion, sex or disability.

We believe in the inherent dignity of the individual; that without exception everybody is entitled to courtesy, fairness, and respect.

We believe in compassion for the less fortunate. We believe in contributing and providing leadership in voluntary charity organizations that aim to relieve the plight of those less fortunate than we.

We believe in honesty. It is our integrity that has built and sustained our reputation and it is that enduring dedication to honoring commitments that will guarantee that all Arnold Machinery Company customers will continue to benefit from our **SILVER SERVICE**® performance far into the future.

MANAGEMENT PHILOSOPHY

Customer Service

- Silver Service®
- Customer Satisfaction Is Our Only Policy®

Control

- Inspect, don't expect
- You may delegate authority, but you do not abdicate responsibility

Incentives

- For all associates
- Entrepreneurial: "Share the pain, share the gain."
"If I don't sleep, you don't sleep."

Communication

- CEO
- Division President
- Branch Manager
- Branch Department Manager

Company History

Since 1929, Arnold Machinery Company has been a significant part of the intermountain's growth and expansion. Every change, every addition, and every facility has been designed to bring customers a superior product, in a fast and efficient manner, and at a fair price. From that day in January when "Doc" Arnold opened the doors of Stannard-Arnold Machinery, through many decades of growth and expansion, the company's philosophy has evolved into a single goal:

CUSTOMER SATISFACTION IS OUR ONLY POLICY®

One of Arnold Machinery Company's greatest assets through the years has been continuity of management. Doc Arnold was succeeded in the company leadership by both his sons. Ray Arnold served as President from 1944 to 1968, followed by Bob Arnold who served as President and CEO from 1968 to 1984. In 1985, Alvin Richer became Arnold Machinery's fourth President and CEO. Russ Fleming became President and CEO of the company in 2002. In 2012, Kayden Bell became President and CEO. Arnie Richer became Chairman of the Board upon the passing of Al Richer in 2016 and continues as Chairman today.



L.E. "Doc" Arnold

1929

L.E. "Doc" Arnold & Floyd C. Stannard incorporated Stannard-Arnold Machinery representing several construction equipment lines. Later that year, Mr. Stannard resigns, company becomes Arnold Machinery Company.

1930's

Ray Arnold (Doc's son) joined the business. The company entered the agriculture industry.

1940's

The Company moved into the material handling industry, becoming a distributor of Hyster Forklifts in 1944.

1950's

Arnold expanded into Idaho, opening a full-service branch in Idaho Falls in 1951, followed by expansion into Boise in 1954.

General Implement Distributors (GID) was formed to sell the farm equipment lines.

1960's

International Harvester and Hough Construction lines were acquired.

1970's

In 1970, a new headquarters facility in Salt Lake City, Utah designed to accommodate machinery sales and service operations was completed. This was followed by the 1971 opening of a branch in Twin Falls, Idaho, and the 1979 dedication of a separate Material Handling Division (MH) headquarters in Salt Lake City, Utah.

General Implement became a division of Arnold Machinery Company.

1980's

The Hitachi line of construction and mining equipment was acquired in 1982, coinciding with a resurgence of mining activity in Nevada. A branch office was opened in Elko, Nevada in 1983 and expanded into a full-service branch in 1988. The following year, Georges Equipment was acquired in Reno, Nevada along with the Volvo product line.

Al Richer became President and CEO in 1985 and Chairman of the Board in 1989. **SILVER SERVICE®** and **CUSTOMER SATISFACTION IS OUR ONLY POLICY®** were introduced at the Strategic Planning meeting in 1986 to emphasize our commitment to our customers.

In 1989, Western Machinery was acquired, expanding our Construction and Mining Equipment Division's (C&ME) coverage into the entire state of Arizona.

1990's

In 1990 a new facility was built in Boise, Idaho, housing all three divisions, C&ME, MH, and GID.

American Material Handling of Arizona (Hyster distributorship) was acquired in 1992, combined with Western Machinery and the total entity became Arnold Machinery Company.

In 1993, the Hyster distributorship in Las Vegas was acquired from Ahern Rental.

Construction Equipment Associates (CEA) in Salt Lake City, Utah and Central Equipment in Idaho (Volvo) were purchased in 1995, giving Arnold Machinery Company the Volvo product line for the entire states of Utah and Idaho.

In 1996, a new facility in Las Vegas was constructed, incorporating the Construction & Mining Equipment Division and the Material Handling Equipment Division.

Arnold Today

2000's

In 2000, GID Division expanded its presence in Washington and Oregon with the purchase of S&W's Farm Equipment in Portland, Oregon. In 2003, GID expanded into the Montana, Eastern Wyoming and the Dakota territories by purchasing Countryside Marketing in Billings, Montana. In 2006, R.M. Wade, a farm implement distribution business in the Northwest, was acquired and GID moved from Woodburn to a larger facility in Beaverton.

Flagstaff, Arizona MH moved into a new facility in 2000, becoming a full service branch.

Representation of the Volvo line in all of Arnold's C&ME Division's territories was completed with the purchase of the Volvo distributorship in Las Vegas, Nevada in 2001. In 2005, the Hitachi Mining Products sales territory was expanded into the entire states of Montana and Wyoming, and a mining branch was added in Gillette, Wyoming.

In 2002, Alvin Richer was succeeded by Russ Fleming as President and CEO of the company. Alvin Richer continued as Chairman of the Board.

In 2006, the MH facility in Twin Falls, Idaho was expanded to include the CE Division.

Also in 2006, Materials Handling Equipment Company (MHECO), the Hyster distributorship in Colorado and Wyoming was purchased. This expanded our MH territory into those states. The facility in Colorado Springs, Colorado was replaced with a new one in 2007, and a new building to house the Johnstown, Colorado opened.

The C&ME Division was split into two separate divisions in July 2007 – Construction Equipment and Mining Equipment. There are now four operating divisions - Construction Equipment Division (CE), Material Handling Equipment Division (MH), Mining Equipment Division (ME), and General Implement Distributors Division (GID).

In 2007 the Tucson, Arizona branch building was replaced with a new facility to house the existing MH branch and expanded to include the addition of the CE Division.

Silver Service® Associates Meeting



"Why so much equipment from Arnold? They treat us right. Their service has been great since we first started dealing with them in 1961."

"Their service is great and their representative comes out here and works like he is working for us."

The project manager said "during the years that we have dealt with Arnold, they have treated us very well. Arnold has good equipment and we have had good luck with it, and the price is right." -Customer Quotes

In 2009 Arnold Machinery Company reached a milestone by celebrating its 80th year of continuous operation. In July 2009 Volvo Road Products was added to the Construction Equipment Division.

2010's

In October 2011 General Implement Distributors expanded in to North and South Dakota, Minnesota and Wisconsin with the purchase of West Country Products in Jamestown, North Dakota.

In 2012, upon retirement of Russ Fleming, Kayden Bell became President and CEO of the company. Alvin Richer continued as Chairman of the Board.

In 2013, the Gillette Mining Equipment branch moved to a new location. The Portland General Implement branch moved from Beaverton to a location near the Portland airport.

The Phoenix Material Handling branch moved to a new location adjacent to the Phoenix Construction Equipment branch. Mesa Liftruck, Inc. in Grand Junction, CO was acquired and became a branch of the Material Handling Division. Lindco Equipment and Supply was acquired and became part of the Phoenix Construction Equipment branch. With this acquisition the Sandvik Drill line was added to the Mining and Construction Divisions.

In 2015, General Implement Distributors (GID) Division acquired the assets of Alliance Distributing, Inc. out of Hewitt (Waco), Texas. The division's sales territory expanded into Texas, Louisiana, and Southern Mississippi. The Tucson CE branch was converted to a ME branch.

In 2016, the Mining Division became a distributor for Hitachi Equipment in Colorado.

In 2017, with the passing of the long-time Chairman, Al Richer, Arnie Richer became Chairman of the Board.

In 2018, the Ogden, Utah branch will open.

Today, Arnold Machinery Company stands at the threshold of the future, prepared to face the on-coming decades with the same enthusiasm, optimism and dedication to customer satisfaction on which our reputation has been built. Our leadership is strong, our finances sound, our relations with our customers and manufacturers is resolute, and our associates are motivated and dedicated. Although we will continue to evolve, our SILVER SERVICE® attitude will never change, because at Arnold Machinery Company:

CUSTOMER SATISFACTION IS OUR ONLY POLICY®

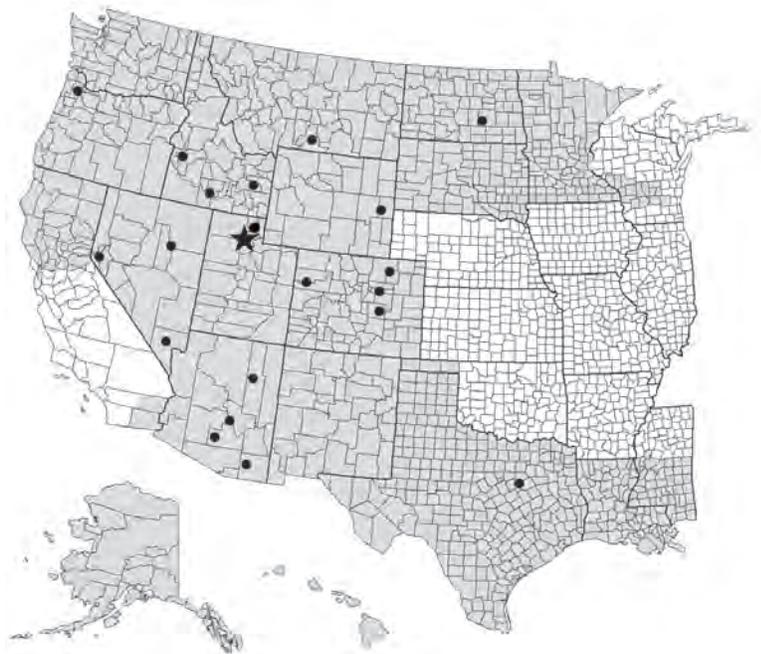
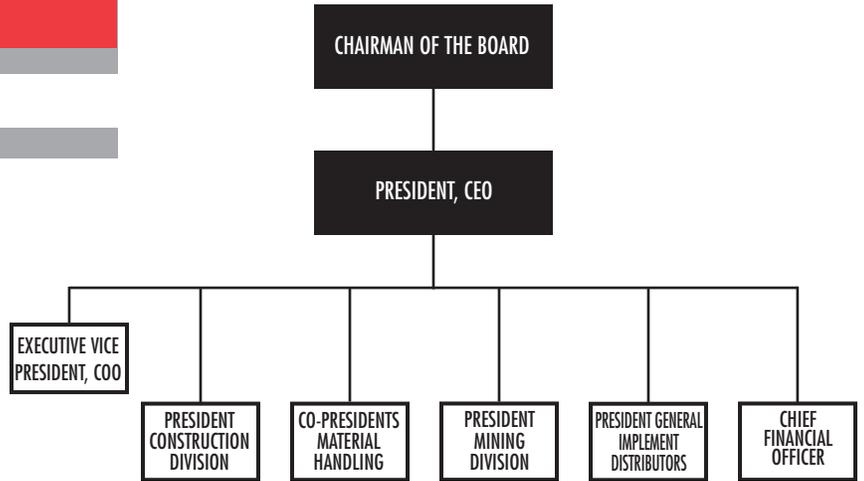
Organization

Arnold Machinery Company's distribution coverage extends throughout the western, southern and mid-western United States. The Company consists of five divisions to provide its customers with the most comprehensive parts, equipment service, and product availability.

- CONSTRUCTION EQUIPMENT DIVISION
- MATERIAL HANDLING DIVISION
- MINING EQUIPMENT DIVISION
- GENERAL IMPLEMENT DISTRIBUTORS DIVISION
- FINANCIAL SERVICES DIVISION

SALES/SERVICE LOCATIONS

Arnold Machinery Company is headquartered in Salt Lake City, Utah (★). Full-service branch facilities are strategically located throughout the west in Salt Lake City and Ogden, Utah; Boise, Idaho Falls, and Twin Falls, Idaho; Reno, Elko and Las Vegas, Nevada; Phoenix, Tucson, and Flagstaff, Arizona; Portland, Oregon; Billings, Montana; Gillette, Wyoming; Jamestown, North Dakota; Denver, Colorado Springs, Johnstown, Grand Junction Colorado; Waco, Texas (●).



- 1 - Corporate/ Financial Services
- 2 - Construction
- 3 - Mining
- 4 - General Implement Distributors
- 5 - Material Handling Equipment

Salt Lake City, Utah

Sales/Service Locations



Phoenix, Arizona CE



Tucson, Arizona



Phoenix, Arizona MH



Flagstaff, Arizona



Idaho Falls, Idaho



Boise, Idaho



Twin Falls, Idaho



Portland, Oregon



Las Vegas, Nevada



Reno, Nevada



Elko, Nevada



Gillette, Wyoming



Denver, Colorado



Colorado Springs, Colorado



Johnstown, Colorado



Grand Junction, Colorado



Billings, Montana



Jamestown, North Dakota



Waco, Texas



Construction Equipment



CONSTRUCTION EQUIPMENT

The Construction Equipment Division is a full-service distributor. We provide sales, service, and parts throughout the western United States from facilities in Salt Lake City (★), Boise, Idaho Falls, Twin Falls, Reno, Elko, Las Vegas, Phoenix, and Tucson (●).

INDUSTRIES SERVED

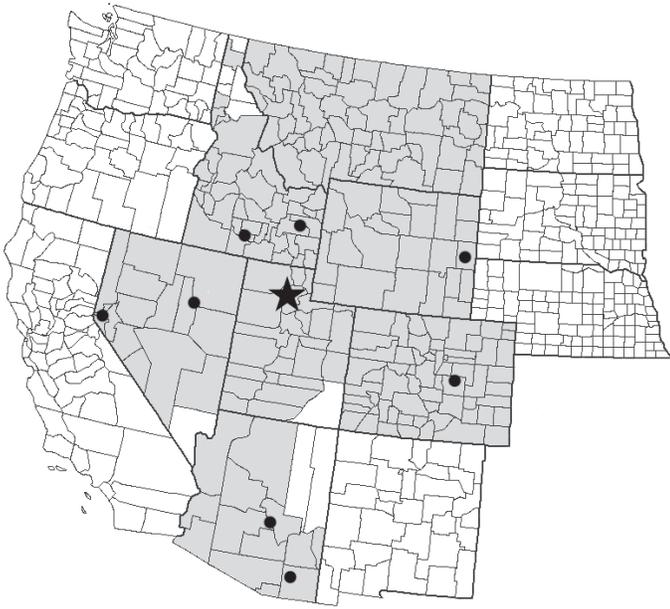
- Mining
- Construction
- Road Construction
- Landscaping
- Agriculture
- Quarries
- Environmental
- Government Agencies
- Material Handling

SERVICES PROVIDED

- New & Used Equipment
- Repair and Maintenance
- Parts
- Rentals
- Rebuilt/Exchange



Mining Equipment



The Mining Equipment Division is a full-service distributor. We provide sales, service, and parts throughout the western United States from facilities in Salt Lake (★), Boise, Idaho Falls, Twin Falls, Reno, Elko, Phoenix, Tucson, Colorado Springs and Gillette (●).

INDUSTRIES SERVED

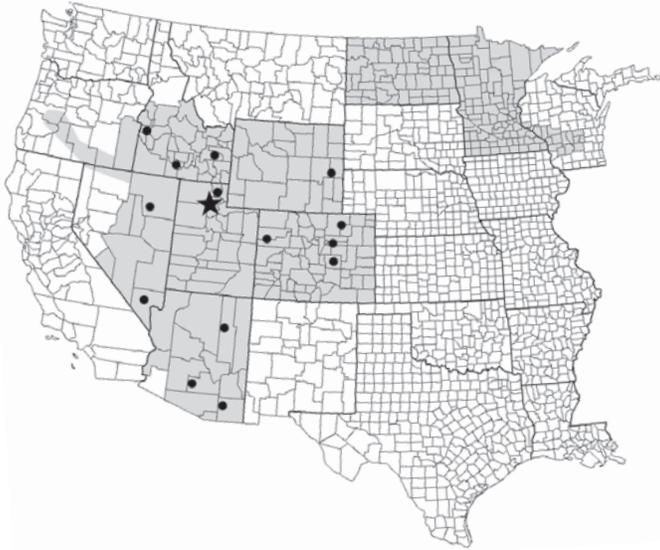
- Mining
- Mining Contractors
- Construction
- Government Agencies
- Quarries

SERVICES PROVIDED

- New & Used Equipment
- Repair & Maintenance
- Parts
- Rebuilt/Exchange



Material Handling Equipment



"I sleep better at night knowing I have Arnold Machinery and Silver Service[®] standing behind me and my equipment." -Customer Quote

Yale[®] HYSTER
People. Products. Productivity.



The Material Handling Equipment Division is a full service distributor supplying customer's equipment wherever moving or storing materials is required. We provide sales, service, and parts throughout the United States from facilities in Salt Lake City (★), Ogden, Boise, Idaho Falls, Twin Falls, Elko, Las Vegas, Phoenix, Tucson, Flagstaff, Denver, Colorado Springs, Johnstown, Grand Junction, Gillette (●).

INDUSTRIES SERVED

- Warehousing
- Manufacturing
- Agriculture
- Landscaping
- Mining
- Lumber
- Construction
- Fabrication
- Government Agencies

SERVICES PROVIDED

- New and Used Equipment
- Rentals
- Repair and Maintenance
- Parts and Tires
- Rebuilt/Exchange

General Implement Distributors



General Implement Distributors is a wholesale distributor of farm implements and farm parts. General Implement supplies farm equipment dealers in a nineteen state area from facilities in Salt Lake City (★), Boise, Portland, Billings, Jamestown and Waco (●).

General Implement Distributors provides major support for their dealers through field demonstrations, co-op advertising, service information, whole goods delivery, and an expansive inventory of machinery and parts. In addition, GID markets its own General line of "rugged implements at the right price."

Integral to our SILVER SERVICE® commitment is the expediting of parts shipments. All orders for parts in stock received by 3:00 p.m. MST will be shipped by day's end or GID pays the freight charge.

"General Implement is our #1 short-line equipment supplier. The product line fits better than any other line because there is more emphasis on my particular needs. I can also appreciate the fact that I can have parts and equipment delivered to me in a timely fashion with terms that fit my particular business very well. I also appreciate the flexibility I receive. It's nice to know that nothing is chipped in granite except that customer satisfaction is the only policy. The sales and support people have gone out of their way to help. In fact, I consider my service rep my friend."

-Customer Quote

INDUSTRIES SERVED

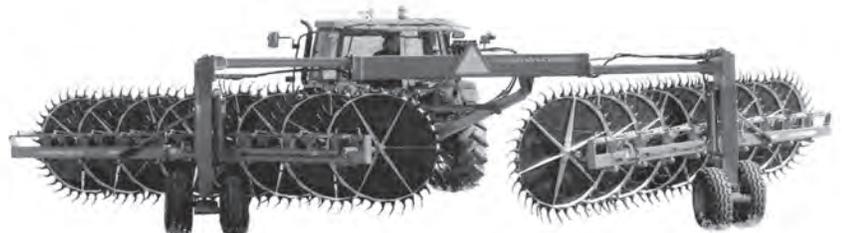
- Farm Equipment Dealers

AG AREAS SERVED

- Hay
- Beef
- Dairy
- Potato
- Grain
- Cotton
- Soy Beans
- Corn
- Sunflowers
- Others

SERVICES PROVIDED

- Short-line Farm Implements
- Farm Implement Units
- Parts
- Maintenance Support
- Field Demonstrations
- Co-op Advertising
- Product Service Information

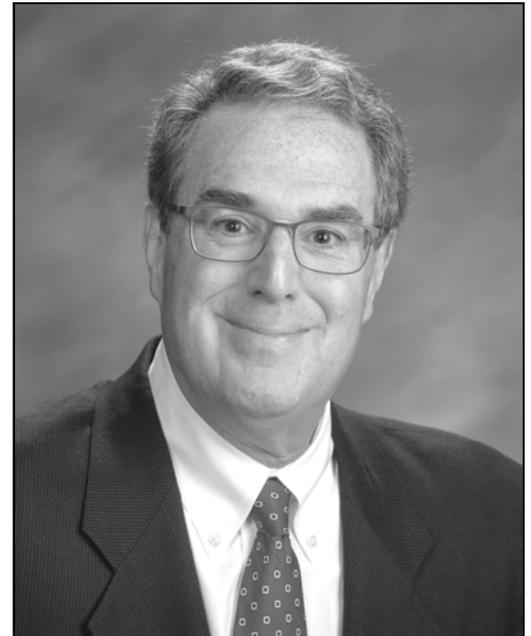


From the Chairman & President/CEO

What makes Arnold Machinery Company unique? **Silver Service**[®]. Every associate is responsible to make the customer happy and take care of them right then and there. They are not only empowered, they are obligated to do so. At Arnold Machinery Company, we believe in carrying our **Silver Service**[®] attitude and commitment into everything we do. That commitment is directed solely to how well we serve you – our customer. **Silver Service**[®] works for you because we are not alone in this. You have the commitment of every Arnold Machinery Company associate that truly Customer Satisfaction Is Our Only Policy[®].

Silver Service[®] is a complete safety net, it takes the worry out of owning equipment. When we say “All our sales are not final,” it is not just some abstract thought or something that we say. It is a way of building long term relationships.

We tell our associates that if there is a problem to take care of it right then and there. We have been doing this since 1986 and nobody has been criticized for making the decision right there, on the spot, to take care of the customer. In instance after instance where that has occurred, the reaction of the customer is “Really, you don’t have to call anybody, you don’t have to get any permission? No, you don’t!”



Arnie Richer - Chairman



Kayden Bell - President, CEO

We came up with one simple rule, “You will never get fired for doing too much for the customer as long as it is ethical, but you are surely going to get into deep trouble if you don’t leave the customer smiling.” And the way to find out what will make them smile is to ask one very simple question “What will make you happy?” Then Do It!

Our People are the heart and hands of Arnold Machinery Company. They are what makes it possible to keep our **Silver Service**[®] commitment. They make the difference on every level.

Arnold Machinery Company continues to evolve, to change, to meet the ever increasing needs of our customers, but the **Silver Service**[®] attitude will never change. **Silver Service**[®] is not only a promise, it is a commitment by all our associates that truly, **Customer Satisfaction Is Our Only Policy**[®].

• **Integrity** • **Discipline** • **Empathy** •