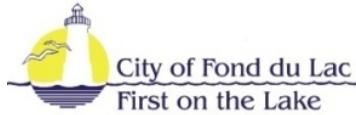




Fond du Lac County



September 8, 2009

### **Mercury Marine Incentive Package**

**A joint statement by Allen Buechel, Fond du Lac County Executive; Tom Herre, Fond du Lac City Manager; and Brenda Hicks-Sorensen, President, Fond du Lac County Economic Development Corporation**

We are issuing this statement today not to repeat items previously discussed, such as the significant impact of Mercury Marine on the City of Fond du Lac, Fond du Lac County, and State of Wisconsin, but rather to introduce the local package that will be considered by the Fond du Lac County Board of Supervisors and Fond du Lac City Council later this week.

The local economic team has worked closely with Mercury Marine and the State of Wisconsin throughout this process. The level of partnership that has existed we believe to be unprecedented. Everyone came to the table with a determination to find an answer that would help keep Mercury Marine number one on the water and the City of Fond du Lac and Fond du Lac County a premier place to do business.

The package includes \$3.0 Million from the City of Fond du Lac. These funds will be provided to purchase land owned by Mercury Marine and/or in the form of forgivable loans and grants from the City of Fond du Lac and its agencies.

Up to \$50 Million will be available in the form of a low-interest, performance-based, collateralized loan from Fond du Lac County with guarantees provided by both the City of Fond du Lac and Fond du Lac County. The loan proceeds are to be used for new engine development; the relocation of some of the Stillwater Oklahoma manufacturing positions to Fond du Lac; and a retirement incentive payment to IAM workers.

As a performance-based loan, it includes a \$500 credit per job retained and a \$1,000 credit per job created. There is also a penalty to the company of \$500 for each position not retained and if the company does not maintain their presence in the City of Fond du Lac and Fond du Lac County, the loan becomes due immediately and in full. It is, however, our expectation that Mercury Marine will not only retain the positions in Fond du Lac County but also create new jobs. When credits are earned toward the repayment, the County Executive is recommending that the gap be filled utilizing a portion of the half-percent county sales tax.

We want to again voice our support not only for Mercury Marine as a whole but for each individual employee of the company. It is now time for us as a community and as individuals to step up and to demonstrate that support by doing our part.