

## **Sargent Cycle Products North America**

### **Minimum Advertised Price and Sales Policies**

**By act of purchasing product for resale from Mark One Industries, Inc., dba Sargent Cycle Products, North America, ("Manufacturer"), or its distributors, the reseller ("Dealer"), agrees to abide by the following policies:**

1. Dealer shall act as a non-exclusive reseller of Manufacturer's World Sport® Performance Seats and other products as they may be introduced. Dealer is not an agent, employee or legal representative of Manufacturer, but an independent contractor.
2. All orders shall be shipped prepaid by credit card or by COD with company check, money order or bank check. A credit application for the establishment of billing terms is available upon request.
3. There are no minimum orders. Dealer is responsible for all shipping and handling costs. Manufacturer will make available a discount schedule / Dealer price list. Prices are subject to change without notice. It is Dealer's responsibility to confirm any and all costs at time of order. If available, Manufacturer agrees to supply Dealer with digital images and files in support of promotional efforts.
4. Manufacturer warrants that all Products delivered hereunder shall be of Manufacturer's standard quality. EXCEPT AS EXPRESSLY PROVIDED HEREIN, MANUFACTURER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED: THERE ARE NO IMPLIED WARRANTIES INCLUDING WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
5. Manufacturer shall not be liable for damages resulting from delays in shipment or inability to ship due to normal production and shipment delays or those resulting from acts of God or any event beyond the control of the Manufacturer.
6. No claims of any kind, whether as to materials delivered or for non-delivery of materials from Manufacturer, shall be greater in amount than the purchase price of the products in respect of which such damages are claimed; and the failure to give notice of the claim to Manufacturer where the order was placed within thirty (30) calendar days from the date fixed for delivery shall constitute a waiver by Dealer of all claims in respect of such Products. In no event shall Manufacturer be liable for special, indirect or consequential damages. Any claim with respect to defective Products or breach of warranty must be promptly made and shall apply to Products properly used, stored, applied and maintained.
7. Dealer shall represent all Manufacturer's products with full product names in all promotional material, whether in print or electronic formats. Dealer shall use "World Sport® Performance Seat" to properly describe Manufacturer's line of replacement seats. Trademarks "World Sport® Performance Seat" and "Sargent® Cycle Products" as well as product logos shall be used in print or electronic publication whenever feasible. Digital images for use are available upon request. All supplied materials are copyright protected by the Manufacturer. In the event the relationship is terminated, the Dealer must cease to use and remove all copyrighted images, logos, product names and marketing copy from their venue(s).
8. Sales via electronic (Internet) commerce are not permitted except by Dealer's proprietary website. No sales, auctions, or solicitations to sell at a specific price in third-party electronic venues including, but not limited to, Ebay, Amazon, Overstock.com, message boards, forums, or any other website other than the Dealer's own proprietary website are allowed, without specific written authorization from Manufacturer. Permitted non-electronic venues are limited to the Dealer's licensed physical place of business. Off-site sales or displays at sanctioned motorcycle events or rallies are also permitted, provided that such sales or displays are authorized by the event sponsor, coordinator or sanctioning body, and comply with all local laws and regulations. Products are not permitted to be displayed, sold, or represented in such a way, electronic or otherwise, as determined by the sole

discretion of Manufacturer, which could potentially erode the value of the brand. Manufacturer will not extend warranty to products sold through non-permitted channels.

9. **MINIMUM ADVERTISED PRICE POLICY:** In order to preserve our strong reputation for providing customers with high value products and good after sales support, Manufacturer implements the following policy:
- a) The Minimum Advertised Price (MAP) shall be established by Manufacturer and may be adjusted from time to time by Manufacturer at its sole discretion. **MAP shall be defined as Manufacturer's Suggested Retail Price (MSRP). Therefore, no discounted pricing may be published electronically or printed for distribution.** Published pricing may be found on Manufacturer's website or on the Dealer Price List, available by request.
  - b) Prices for all of Manufacturer's products may not be advertised for any amount less than MAP/MSRP in any and all media, whether in print or electronic. MAP policy does not apply to any in-store advertising that is displayed only in the store and not distributed to any customer.
  - c) MAP/MSRP applies only to advertised prices and does not apply to the price at which the products are actually sold or offered for sale to an individual consumer within the dealer's retail location in person, by telephone or by private email only.
  - d) MAP does not establish a maximum advertised price. Dealers may offer Manufacturer's products in excess of the MAP.
  - e) If pricing is displayed, any strike-through or other alteration of the MAP is prohibited. This policy does not restrict Dealer from using such terms as they "have the lowest prices," or "will beat any competitors price," that consumers should "call for price" and similar superlative statements, as long as the advertised price is not less than MAP/MSRP.
  - f) Prices lower than MAP/MSRP may not be displayed in the shopping cart feature of any Dealer website. Placing an item in an electronic shopping cart is not a final sale, nor is it private communication, and is considered advertising. Dealers are free to make sales at prices below MAP, but they may quote lower prices only in response to an in-person, telephone, or email inquiry from a customer.
  - g) Posting of prices by any Dealer or on behalf of any Dealer below MAP/MSRP in any online forum or chat room is not permitted.
  - h) Failure to comply will result in suspension or termination of product sales with Manufacturer and associated distribution outlets.
10. Manufacturer shall have no liability to Dealer by any reason of any termination or cancellation of Dealer status by Manufacturer. Without limitation, the following events shall constitute grounds for termination by Manufacturer.
- (a) if Dealer shall file or have filed against it a petition in bankruptcy or insolvency or if Dealer shall make an assignment for benefit of its creditors or if Dealer's viability as a going concern should, in Manufacturer's judgment, become impaired;
  - (b) if Dealer degrades and places in bad repute the name and reputation of Manufacturer expressly or by virtue of its methods of handling and/or promoting the Products;
  - (c) if Dealer fails to meet any other of its obligations hereunder.
  - (d) if Dealer fails to execute reasonable efforts to promote the sale of the Products.
  - (e) if Dealer fails to purchase product for resale for a period of no less than two (2) years.
- Also, Manufacturer may terminate Dealer status for any reason upon thirty (30) days written notice to Dealer.
11. Dealer status is not assignable in whole or in part by either party without express written consent of the other.

This is the entire extent of MAP and dealer sales policies. These policies supersede any and all previous policies, agreements, or contracts that may have been in place. For information on Custom Seat Services, warranty, and return policies, please visit our website: [www.sargentcycle.com](http://www.sargentcycle.com).