

Shimano Online Sales and Marketing Terms

Attached to the Letter Agreement between Retailer and Shimano (the "Letter Agreement") and expressly incorporated therein

WHEREAS, the RETAILER acknowledges and agrees to act as an authorized online retailer of SHIMANO and to sell to Retail Consumers those SHIMANO Brands and Products as are identified in the Letter Agreement to which these Online Terms are attached, and RETAILER shall be referred to hereunder as ONLINE RETAILER, and

WHEREAS, SHIMANO agrees to authorize the ONLINE RETAILER to sell those SHIMANO Brands and Products as identified in the Letter Agreement to Retail Consumers on the ONLINE RETAILER's proprietary website(s) as identified in the Letter Agreement and pursuant to these online sales and marketing terms between SHIMANO and ONLINE RETAILER (hereinafter in this document, the "Online Terms"), and

WHEREAS, the ONLINE RETAILER shall meet and maintain certain standards when selling, advertising or promoting any of the Brands on ONLINE RETAILER's website(s), and

WHEREAS, ONLINE RETAILER acknowledges and agrees that as an authorized retailer of SHIMANO, ONLINE RETAILER shall be subject to the terms and conditions of the Letter Agreement, the Shimano Standard Retailer Terms attached to the Letter Agreement (the "Terms") and the Online Terms (together, the Letter Agreement, Terms and Online Terms, the "Retailer Agreement"), and

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants herein contained, SHIMANO and the ONLINE RETAILER hereby agree as follows:

1. AUTHORIZATION TO SELL SHIMANO PRODUCTS TO RETAIL CONSUMERS ON IDENTIFIED, DIRECTLY OWNED AND OPERATED WEBSITES.

- 1.1 ONLINE RETAILER is an entity that has been qualified and approved by SHIMANO to resell the Products of each of the Brands indicated in the Letter Agreement, subject to these Online Terms. ONLINE RETAILER's initial approval or any renewal with respect to any specific ecommerce website is determined by SHIMANO in its sole and absolute discretion and is based on various factors, including, without limitation, the perceived quality of ONLINE RETAILER's website(s), customer base, performance, projected sales volume and various aspects of ONLINE RETAILER's website, if applicable.
- 1.2 Subject to revocation by SHIMANO or any Brand as provided herein, each Brand whose Products are sold by ONLINE RETAILER hereby authorizes ONLINE RETAILER to offer and sell the Brand's Products, as an authorized "*Brand E-commerce Retailer*" on the e-commerce website(s) directly owned and operated by ONLINE RETAILER as set forth in the Letter Agreement (each, an "Approved Website") and on no other websites of any kind. For the avoidance of doubt, SHIMANO or any Brand may revoke its approval for an Approved Website at any time, in its sole discretion regardless of any such prior approvals.
- 1.3 ONLINE RETAILER represents and warrants that (i) the Approved Website and any materials therein do not infringe upon, misappropriate or otherwise violate the rights of any third party; (ii) the Approved Website shall not, during the term of the Letter Agreement, be under construction; (iii) the Approved Website shall offer quality

content for its visitors; (iv) the Approved Website shall not be hosted on personal pages and (v) the Approved Website meets all PCI DSS standards. ONLINE RETAILER further represents and warrants that ONLINE RETAILER and any Approved Website (i) shall always comply with limitations, restrictions and other guidelines provided by SHIMANO; (ii) shall comply with all applicable laws, rules, regulations and guidelines; and (iii) shall protect and keep confidential all ONLINE RETAILER information and end-user data received through the Approved Website.

- 1.4 The authorization in Section 1.1, above does not extend to any e-commerce website that is not owned and operated by ONLINE RETAILER. For the avoidance of doubt, ONLINE RETAILER is expressly prohibited from advertising and/or offering the Products for sale, directly, indirectly or by referral in any manner, on or through any third party website, marketplace, drop ship or auction site, or any comparable website, or on or through any marketing website affiliated with any such site (collectively, "Third Party Sites"). Use of any Third Party Site is expressly prohibited, unless otherwise agreed to by SHIMANO in writing, in each instance and in advance. Each Brand shall have sole discretion over the application of such Third Party sites to such Brand. If ONLINE RETAILER advertises or offers the Products for sale on any Third Party Site in violation of this paragraph, SHIMANO reserves the right, without advance notice, to revoke any then-current approval for ONLINE RETAILER to sell the Brand's Products on its Approved Website and take such other actions, including but not limited to legal or equitable remedies, against ONLINE RETAILER as it deems appropriate in its sole discretion.
- 1.5 Each ONLINE RETAILER must remain on good financial standing with SHIMANO during the period in which the account is an ONLINE RETAILER. Failure to do so could subject ONLINE RETAILER to different commercial terms offered by SHIMANO or the revocation of its approval to sell Products on its Approved Website.
- 1.6 All e-commerce activity for sales of the Products by an Approved Website must originate, be finalized and shipped within the United States exclusively or Canada exclusively, as so designated by the Approved Website (the "Approved Territory") (for example, any e-commerce activity approved for the United States, must originate, be finalized and shipped within the United States). ONLINE RETAILER is further prohibited from advertising or promoting the sale of Products outside of the Approved Territory in any media, including, but not limited to, direct sales, store visits, sending of unsolicited emails, social media advertisements and online advertisements such as Google AdWords. ONLINE RETAILER must use its best efforts to prevent sales, shipment, advertising and promotion of Products from an Approved Website outside of the Approved Territory. If an Approved Website permits sales on such website where the Products are shipped outside of the Approved Territory, this will be grounds for revocation of authorization for the Approved Website and as an ONLINE RETAILER.
- 1.7 ONLINE RETAILER is hereby authorized to offer the Brand Products identified in the Letter Agreement for sale on those Approved Websites set forth in the Letter Agreement and under such trade names as are identified specifically therein and approved in connection with these Online Terms. ONLINE RETAILER agrees that it will not offer the Brand Products for sale on its Approved Website under any trade name or d/b/a other than that of ONLINE RETAILER's as communicated to SHIMANO in the Letter Agreement and which have been approved by SHIMANO. ONLINE RETAILER further agrees it will not offer any of the Brand Products at any time on any website under any trade name other than the Approved Website. ONLINE RETAILER acknowledges and agrees that the failure to fully comply with this paragraph shall subject ONLINE RETAILER to potential revocation of any then-

current approval to sell the Products on its Approved Website in addition to any other legal or equitable right or remedy available to SHIMANO at law.

- 1.8 ONLINE RETAILER is responsible for maintaining adequate inventory of all Products displayed for sale on its Approved Website and should not offer for sale or accept orders for any Products that are not held and fulfilled from its own warehouse without prior written consent from SHIMANO and/or the Brand.
- 1.9 ONLINE RETAILER acknowledges that SHIMANO has control and authority over Brand Products, which includes but is not limited to the establishment of the MSRP for each Product; what Products to offer retailers or consumers for any period; the technical specifications for each Product and similar matters. ONLINE RETAILER shall not alter or repackage Brand Products for sale to retail customers.
- 1.10 The designation by SHIMANO of ONLINE RETAILER as an online retailer with an Approved Website is non-transferable and non-assignable and pertains only to ONLINE RETAILER as an owner or operator in respect of one or more Approved Websites. ONLINE RETAILER shall not purchase SHIMANO Products from any other source other than SHIMANO. ONLINE RETAILER shall maintain an active tax resale permit for each state in which such ONLINE RETAILER sells Products, and ONLINE RETAILER shall provide SHIMANO with copies of each such tax resale permit as requested.
- 1.11 ONLINE RETAILER shall not sell or transfer any Brand Products to any online retailer not authorized by the Company, wholesaler or retailer that ONLINE RETAILER knows or should reasonably know has intention(s) to resell the Brand Products in any geography in or outside of the Approved Territory, as further described in Section 7.

2. BRAND STANDARDS

- 2.1 Each Brand also reserves the right to review, approve and monitor on an on-going basis ONLINE RETAILER's Approved Website to make sure it meets the Brand(s) Standards regarding brand image and the overall marketing and distribution strategies for the Brand(s). Without limiting the generality of the foregoing:
 - i. ONLINE RETAILER must use only the Intellectual Property as provided by the Brand to promote the Brand unless otherwise approved in writing and agreed upon by the Brand.
 - ii. ONLINE RETAILER must use the exact style name, group name or collection name as provided by the Brand when referring to the applicable Products.
 - iii. ONLINE RETAILER must ensure that all content used on its Approved Website is up to date and that all content is taken down prior to or upon its expiration.
 - iv. ONLINE RETAILER shall not misrepresent or mislead consumers with respect to any Product or any aspect thereof, including Product specifications and/or descriptions of the Product.
 - v. Notwithstanding anything to the contrary herein, and aside from approved use of the Intellectual Property, ONLINE RETAILER is solely responsible for content on its Approved Website.
 - vi. Only Intellectual Property which has been provided by SHIMANO to ONLINE RETAILER or approved in writing by SHIMANO in advance may be used for displaying, advertising or marketing the Products on the Approved Website

or in any other media.

- 2.2 The applicable Brand may provide the ONLINE RETAILER with Intellectual Property in the form of digital assets, if requested and as reasonably available.
- 2.3 If any of the representations made herein by ONLINE RETAILER are or become false, or if ONLINE RETAILER breaches any of its obligations in these Online Terms or fails to satisfy the e-commerce standards described herein, its authorization to sell Products on the Approved Website will be subject to revocation by the affected Brand and/or SHIMANO. Based on a determination of ONLINE RETAILER's compliance with the terms of these Online Terms and other relevant factors in the Brand's discretion, each Brand reserves the right to revoke any and all online marketing and e-commerce privileges for the Approved Website with regard to any or all of its Products at any time in its sole and absolute discretion. Upon any such revocation and subject to any Sell-off Period available to ONLINE RETAILER, ONLINE RETAILER shall immediately cease the offer and sale of such Products on its Approved Website and stop using SHIMANO's Intellectual Property.
- 2.4 Unless otherwise approved by SHIMANO in writing, ONLINE RETAILER is strictly prohibited from applying to register or registering any domain name or URL that contains, is identical or confusingly similar to any trademarks, whether registered or not, of SHIMANO.

3. APPLICABLE TERMS AND RESTRICTIONS ON COMPLIANCE, SECURITY AND PRIVACY.

- 3.1 ONLINE RETAILER must comply with all applicable local, state, federal, and foreign laws, treaties, regulations, and conventions applicable to the sale of Products or otherwise applicable to its business, including without limitation those related to privacy, data protection, export, consumer protection, applicable language requirements (e.g., Quebec, Canada- French language is required), electronic communications and anti-spam.
- 3.2 ONLINE RETAILER must provide consumers with a secure transaction form using secure encryption technology and stay up to date and maintain best practices as security technology advances.
- 3.3 ONLINE RETAILER shall ensure that (i) Products purchased from its Approved Website are delivered to the consumer promptly, (ii) consumer complaints and/or claims are dealt with in a timely manner and (iii) security measures are in place to maintain the safety of personal information and to authenticate credit card information.

4. APPLICABLE TERMS AND RESTRICTIONS ON MARKETING.

- 4.1 ONLINE RETAILER must provide a clear, reasonably understandable and user-friendly path to unsubscribing from email communications in every promotional/commercial email sent.
- 4.2 ONLINE RETAILER must execute all sales and promotions in a manner that is clear and reasonably understood by consumers and must not undermine the value of the Brand.
- 4.3 ONLINE RETAILER acknowledges that it has reviewed and understands the conditions and limitations on online advertisements in connection with the sale of the Products, which are contained in the most recent Minimum Advertised Pricing ("MAP") Policy(ies) ("MAP Policy") issued by SHIMANO and/or Brand.
- 4.4 ONLINE RETAILER shall be prohibited from using any form of digital marketing,

including search manipulation, paid key word search engine marketing campaigns, retargeting ads, etc., which misrepresents the Brands or their Products; could reasonably confuse consumers about the Brands or their Products; or could harm the reputation of SHIMANO or its Brands, including any attempt by an Approved Website to disguise its true identity and wrongfully associate with SHIMANO or its Brands.

4.5 ONLINE RETAILER shall adhere to any Brand logo usage or other intellectual property guidelines as provided and amended by SHIMANO from time to time.

5. MINIMUM ADVERTISED PRICING POLICY [Need to discuss paragraph 5.1]

5.1 The [MAP Policy] is violated whenever any online retailer of SHIMANO's Brands uses Shimano's Protected Brand Names which shall include each of the brand names together with any misspelling or other derivative thereof, without limitation (collectively, the "Protected Brand Names"); and/or any other SHIMANO trade name or intellectual property rights (together with Protected Brand Names, the "SHIMANO Intellectual Property") in connection with the sale of Brand Products on any Approved Website or as part of a search engine marketing campaign of any kind or any other digital marketing program.

5.2 ONLINE RETAILER shall not use any Protected Brand Name in the URL for any domain name or sub-domain name (examples prohibited, brand.com and dealer.brand.com).

5.3 ONLINE RETAILER may use a Brand name or other SHIMANO Intellectual Property in the URL for a subfolder of the domain name (example permitted, dealer.com/brand).

5.4 Under no circumstance under these Online Terms may an ONLINE RETAILER in either the title or the description of an online ad as described above use any SHIMANO Intellectual Property, (i) together with any other word or words which imply a liquidation or other deep discount clearance sale (or words of similar meaning), without regard to whether SHIMANO and/or Brand's MAP Policy shall then apply to such Products, or (ii) together with any other word or words which result in deceptive, illegal or brand damaging advertising, including the use of words such as "cheap", "fire sale", "liquidation", or similar words which could cause harm to SHIMANO's Brands, products and reputation (examples prohibited, "xxxx Available for Cheap", "xxx Fire Sale Final Prices" or "Brand Going out of Business Sale").

6. COMMERCIAL TERMS.

6.1 ONLINE RETAILER and SHIMANO acknowledge and agree that the commercial terms applicable to the sale of Products by SHIMANO to ONLINE RETAILER (payment terms, returns, warranty, etc.) shall be governed by purchase order(s) placed for such Products by ONLINE RETAILER and as accepted by SHIMANO with terms for payment and any other relevant terms as agreed by the parties at the time of such sale.

6.2 ONLINE RETAILER acknowledges receipt of, and shall at all times abide by, SHIMANO'S policies and instructions concerning Products (and modifications thereof) as communicated in writing from time to time by SHIMANO, including, without limitation, those relating to marketing, brand names and trademarks, warranties, servicing and repairs, orders, delivery, credit and payment. In addition, ONLINE RETAILER acknowledges receipt of each of SHIMANO's and Brand's MAP Policy as

those shall apply to advertisements of Brand Products.

- 6.3 ONLINE RETAILER shall provide warranty and technical information provided by SHIMANO with the Product as it is sold by ONLINE RETAILER. All Products are to be sold in SHIMANO original retail packaging with all inclusions. ONLINE RETAILER agrees not to alter or remove the packaging for the Products as provided by SHIMANO, including, as applicable and without limitation, installation guidelines, service instructions and warranty information. ONLINE RETAILER acknowledges and understands that the warranty offered by SHIMANO becomes void upon any sale or transfer of the Products by ONLINE RETAILER in violation of Section 7.

7. RESALE / TRANSFER OF PRODUCTS.

ONLINE RETAILER SHALL RESELL THE PRODUCTS DIRECTLY TO END-USER RETAIL CONSUMERS ONLY. ONLINE RETAILER shall not sell, resell, transfer, distribute or otherwise give possession of any of the Products to any distributor, other authorized or non-authorized online retailer, wholesaler, or any other reseller, person, or to any such entity ONLINE RETAILER should reasonably have known was a distributor, online retailer, wholesaler or any other reseller, unless preauthorized in writing by SHIMANO in its sole discretion. For avoidance of doubt, the foregoing restriction prohibits, without limitation, the sale of Product by ONLINE RETAILER to any entity operating, or having any financial or ownership interest in, an online marketplace or any other website which desires to purchase Product for resale on the marketplace or any other website. Resale of any Products by ONLINE RETAILER on any website other than an Approved Website without prior written approval by SHIMANO is strictly prohibited and may result in the revocation of ONLINE RETAILER'S authorization to offer Brand Products for sale on any Approved Website and could result in termination of ONLINE RETAILER'S account under these Online Terms.

8. ACTIONS BY SHIMANO FOR NON-COMPLIANCE.

If SHIMANO or any Brand determines in its sole discretion ONLINE RETAILER has failed to comply in any material respects with these Online Terms, with respect to online sales or marketing for the Products of the Brands, SHIMANO and each Brand reserves the right to notify ONLINE RETAILER of such noncompliance and to request that the noncompliance be ceased in a timely manner. SHIMANO and each Brand may also consider revoking ONLINE RETAILER'S authorization to offer Brand Products on ONLINE RETAILER'S Approved Website. In addition, SHIMANO or any of its Brands may also immediately and without notice (i) suspend ONLINE RETAILER for a period of at least 30 days, during which suspension SHIMANO or any of its Brands, as applicable, would not ship Brand Products to ONLINE RETAILER on any outstanding or new orders and/or (ii) cancel any outstanding orders from ONLINE RETAILER for the Brand's Products and refuse to accept new orders from ONLINE RETAILER during the current season or year, as applicable, and through, in the Brand's discretion, the following season or year for the Brand's Products. In addition to these responses, SHIMANO and any of the Brands may terminate its commercial relationship with any ONLINE RETAILER which repeatedly violates these Online Terms and other SHIMANO policies and guidelines, if SHIMANO or Brand believes that the relationship may no longer be in the best interest of SHIMANO or the Brand, subject to such advance notice as SHIMANO or Brand may provide, in its sole discretion, on a case by case basis. The responses set forth in this paragraph are in addition to any other remedy which SHIMANO may, in its sole discretion, seek in law or equity as available.

9. INTELLECTUAL PROPERTY-TRADEMARKS AND COPYRIGHT.

- 9.1 ONLINE RETAILER may only use Trademarks in strict accordance with SHIMANO'S reasonable policies and instructions, as communicated by SHIMANO from time to time to ONLINE RETAILER.
- 9.2 ONLINE RETAILER shall only use advertising materials, displays and images of Brand Products that are provided by SHIMANO or are approved in advance by SHIMANO.
- 9.3 ONLINE RETAILER agrees to use only those Trademarks that define or relate to the Products ONLINE RETAILER is authorized to purchase and sell under the terms and conditions of these Online Terms.
- 9.4 ONLINE RETAILER shall not at any time alter Trademarks or the packaging of Products, use Trademarks for any purpose other than the promotion, advertising and sale of Products hereunder, or challenge the validity, or do or refrain from doing any act that might result in impairment of the value of any of the Trademarks.
- 9.5 Upon the termination hereof and subject to a Sell-off Period as defined below, ONLINE RETAILER shall cease and desist from the use of the Trademarks and any names, marks, brand names, logos or symbols similar thereto.
- 9.6 SHIMANO warrants that it has good title to the Trademarks. ONLINE RETAILER acknowledges that it has no right or interest in Trademarks (except as expressly permitted hereunder these Online Terms) and that any use by ONLINE RETAILER of SHIMANO's Trademarks will inure solely to SHIMANO's benefit.
- 9.7 All Trademarks and any other rights including without limitation Copyrights in all artwork, packaging, copy, literary text, advertising and promotional materials of any sort utilizing the Trademarks are and shall remain the exclusive property of SHIMANO. All approved use of the Trademarks shall inure to SHIMANO's benefit.

10. WARRANTY.

- 10.1 The only warranty with respect to any Product sold to ONLINE RETAILER, if any, shall be SHIMANO'S written warranty to the retail consumer enclosed with such Product or otherwise supplied to such retail consumer by SHIMANO (and which SHIMANO may, from time to time in its sole discretion, amend or revise). SHIMANO offers this warranty only to the original retail purchaser of any Product who acquired that Product directly from a Shimano authorized retailer. SUCH WARRANTY (IF ANY) SHALL BE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED (INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE). SHIMANO'S SOLE LIABILITY AND OBLIGATION SHALL BE TO PERFORM IN ACCORDANCE WITH SUCH WARRANTY (IF ANY), AND SHALL NOT BE LIABLE FOR ANY MONETARY DAMAGE, LOSS, COST OR EXPENSE (WHETHER GENERAL, SPECIAL OR CONSEQUENTIAL) SUFFERED OR INCURRED BY ONLINE RETAILER IF A PRODUCT FAILS TO CONFORM TO SAID WARRANTY.
- 10.2 Notwithstanding the foregoing, ONLINE RETAILER shall have the right to return to SHIMANO any Products purchased that are, in SHIMANO'S sole judgment and discretion, determined to be non-conforming in any respect in materials or workmanship. SHIMANO shall, at its reasonable option, promptly replace such Products or refund, or credit, to ONLINE RETAILER the purchase price paid by ONLINE RETAILER for such Products together with any freight charges paid by

ONLINE RETAILER in connection therewith.

11. WAIVER, MODIFICATION AND AMENDMENT.

No modification, amendment or waiver of any of the provisions contained in these Online Terms, or any future representation, promise or condition in connection with the subject matter of these Online Terms, shall be binding upon any party to these Online Terms unless made in writing and signed by a duly authorized representative or agent of such party. The failure by either party to enforce, or the delay by either party in enforcing, any of said party's rights under these Online Terms shall not be construed as a continuing waiver of such rights, and said party may, within such time as is provided by the laws established by any government with applicable jurisdiction, commence appropriate suits, actions or proceedings to enforce any or all of such rights. A waiver by either party of a default in one or more instances shall not be construed as a waiver in other instances.

12. MEANING OF CERTAIN WORDS.

12.1 The terms "includes" and "including" shall not be construed to imply any limitation unless the context expressly indicates otherwise. The term "or" is inclusive and means "and/or" unless the context expressly indicates otherwise.

12.2 Unless otherwise stated, any reference contained in these Online Terms to a Paragraph, Section, or Subsection refers to the provisions of these Online Terms.

12.3 Wherever the context may require, any pronouns used in these Online Terms shall include the corresponding masculine, feminine, or neuter forms, and the singular form of nouns or pronouns shall include the plural and vice versa.

13. SURVIVAL.

Notwithstanding any provision to the contrary, the rights and obligations set forth in Sections 7, 8, 9 and 10 shall survive termination or expiration of these Online Terms.