

RETAILER AGREEMENT

Dear Bicycle Retailer,

Thank you for your interest in being a Shimano Retailer and part of the TEAM! We are excited to have you on board and look forward to sharing our success in the future.

This Retailer Agreement between the retailer identified below (“RETAILER”) and Shimano North America Bicycle, Inc. (“SHIMANO”), effective as of July 1, 2018 upon execution by RETAILER and SHIMANO (the “Retailer Agreement”), shall govern the SHIMANO/RETAILER relationship as described herein, including the following important terms incorporated herein:

- 1) SHIMANO Standard Retailer Terms; and
- 2) SHIMANO Online Sales and Marketing Terms.

In addition, for convenience, SHIMANO has also attached to this Retailer Agreement the following MAP Policies issued by SHIMANO and its Brands and currently in effect, which shall apply to advertisements by RETAILER as provided therein. These MAP Policies are subject to change at any time in the discretion of SHIMANO and its Brands and are not a part of the Retailer Agreement in any respect.

- 1) Pearl Izumi MAP Policy (as an Attachment);
- 2) SHIMANO Soft Goods MAP Policy (as an Attachment);
- 3) Lazer MAP Policy (as an Attachment).

Please REVIEW the SHIMANO Standard Retailer Terms AND SHIMANO Online Sales and Marketing Terms. Also, please retain copies of the Pearl Izumi, SHIMANO Soft Goods and Lazer MAP Policies.

In addition, please check each box, below, for each brand of SHIMANO that you, RETAILER, shall represent:

_____ SHIMANO

_____ PEARL IZUMI

_____ PRO

_____ LAZER

Each of these brands above may be referred to in this Retailer Agreement and attachments by name or as a “Brand” or one or more collectively, as “Brands”. The products offered to RETAILER by SHIMANO bearing any of the Brand names shall be referred to hereunder as the “Products” or “Brand Products.”

Please list, below, the websites directly owned and operated by RETAILER and on which you may offer for sale any of the Brand Products. Do not list any websites which are not directly owned and operated by RETAILER:

Please list, below, or if necessary, provide in an attached schedule, the physical retail store locations, together with a trade name for each (if different from RETAILER name) at which any of the Brand Products may be offered for sale:

This Retailer Agreement, together with the SHIMANO Standard Retailer Terms and Online Sales and Marketing Terms, collectively constitute the "Retailer Agreement" as such term may be used herein or therein. SHIMANO and RETAILER may at times be referred to as "party" or "parties". SHIMANO and RETAILER mutually agree to the following terms:

1. TERM. The term of the Retailer Agreement ("Agreement") shall be effective on July 1, 2018 to December 31, 2018, and shall automatically renew for successive one (1) year terms unless either party gives written notice of non-renewal at least a sixty (60) days prior to the expiration of this Agreement. If such notice is provided in compliance with this paragraph, the last day of the Term shall be the Termination Date. Nothing in this Agreement shall be construed to obligate either party to renew or extend this Agreement.

2. TERMINATION WITHOUT CAUSE. Either party may terminate this Agreement without cause with not less than thirty (30) days written notice of the Termination Date to the other party or should it be less, the minimum period allowed under applicable law.

3. EFFECT OF TERMINATION. In the event of termination of this Agreement:
 - 3.1 SHIMANO shall have the right to cancel any or all of RETAILER outstanding purchase orders for Shimano and/or Brand Products accepted but remaining unfilled as of the Termination Date of this Agreement.

 - 3.2 RETAILER acknowledges and agrees, at the Termination Date of this Agreement, that SHIMANO reserves the right to buy back any inventory of Products from RETAILER at a price to be mutually agreed by the parties, in good faith, but no greater than the price paid by RETAILER for such inventory.

 - 3.3 RETAILER shall forthwith cease and desist from the use of any SHIMANO and/or Brand names, trademarks, logos or symbols, copyrights similar thereto.

 - 3.4 The failure of SHIMANO to exercise its right to terminate this Agreement shall not operate as a waiver by SHIMANO of any right of termination at a later date.

3.5 In the event of termination of this Agreement, neither party shall be liable to the other for any damage, loss, cost or expense (whether general, special or consequential) suffered or incurred by the other as a result of such termination, including, without limitation, loss of anticipated profits or goodwill, damage to business reputation or any investments or payments made in anticipation of the continuation of this Agreement.

4. NON-ASSIGNABLE. This Agreement shall be non-assignable and non-transferable unless the approval of SHIMANO has been obtained in advance.
5. ENTIRE AGREEMENT. This Agreement, including the Standard Retailer Terms and Online Sales and Marketing Terms included hereto, constitute a single, integrated written contract expressing the entire agreement of the parties concerning the subject matter hereof and exclusively determine the rights and obligations of the parties.
6. GOVERNING LAW. This Agreement, and its validity, construction and effect, shall be governed by and enforced in accordance with the laws of the State of California (i.e., without reference to the conflicts of laws or choice of law provisions of any jurisdiction) and the federal laws of the United States.
7. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which together shall constitute one agreement binding on all of the parties.
8. AUTHORITY. Each party represents and warrants that they have the full power and authority to agree to this Agreement and enter into and consummate the transactions contemplated under this Agreement on behalf of the respective parties hereto.

I, as RETAILER, have reviewed this Agreement, including both the SHIMANO Standard Retailer Terms AND SHIMANO Online Sales and Marketing Terms. I acknowledge and agree to this Agreement as a SHIMANO Retailer. In addition, I acknowledge receipt of the Pearl Izumi, SHIMANO Soft Goods and Lazer MAP Policies.

Signature

Print Name

Title

Date

Retailer Name(s)

Account Number (if known)

Full Mailing Address for Notice Purposes

Email Address (optional)

Countersigned and agreed by SHIMANO as of the date written below:

SHIMANO NORTH AMERICA BICYCLE, INC.

By: _____

Its: _____

Date: _____

Shimano Online Sales and Marketing Terms

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 Retailer Agreement to which these Online Terms are included, 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 Retailer Agreement to Retail Consumers on the ONLINE RETAILER's proprietary website(s) as identified in the Retailer 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 Retailer Agreement, the Shimano Standard Retailer Terms included in the Retailer Agreement (the "Terms") and the Online Terms (together, the Retailer 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 Retailer 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 Retailer 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 Retailer 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 Retailer Agreement for sale on those Approved Websites set forth in the Retailer 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 Retailer 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

- 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 OnlineTerms.

- 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 in the Retailer Agreement, 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.

Shimano Standard Retailer Terms

WHEREAS, SHIMANO agrees to authorize the RETAILER to sell SHIMANO's Products to Retail Consumers only in the RETAILER's retail store location (s) or on proprietary website(s) as identified in the Retailer Agreement and pursuant to these Standard Retailer Terms between SHIMANO and RETAILER (hereinafter in this document, "Terms"), and

WHEREAS, RETAILER acknowledges and agrees to act as an authorized retailer of SHIMANO and to sell to Retail Consumers those SHIMANO Brands and Products as are identified in the Retailer Agreement to which these Terms are included, and

WHEREAS, RETAILER acknowledges and agrees that as an authorized retailer of SHIMANO, RETAILER shall be subject to the terms and conditions of the Retailer Agreement, the Terms and the Online Marketing and Sales Terms identified in the Retailer Agreement (the "Online Terms" and together with the Retailer Agreement and the Terms, the "Retailer Agreement"), and

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants herein contained, SHIMANO and RETAILER, both of which may be referred to as "party" or "parties" herein, hereby agree as follows:

1. AUTHORIZATION TO SELL PRODUCTS TO RETAIL CONSUMERS IN IDENTIFIED RETAIL LOCATIONS AND/OR WEBSITES.

- 1.1 RETAILER is an entity that has been qualified and approved by SHIMANO to resell the Products of each of the Brand(s) indicated in the Retailer Agreement, subject to these Terms. RETAILER account approval or renewal is determined by SHIMANO in its sole and absolute discretion and is based on various factors, including, without limitation, proximity to other retailers, type of retail outlet, distinct customer base, performance, projected sales volume and aspects of RETAILER's physical location. Unless preauthorized in writing by SHIMANO, RETAILER must maintain brick and mortar retail store(s) which offer the Products of the Brands as appropriate and as indicated in the Retailer Agreement and which maintain regular hours of operation. Approval by SHIMANO to sell Products of a Brand from a particular retail location of RETAILER does not constitute automatic approval to sell the same Products from any other retail location; each such location must be specifically and expressly approved separately by SHIMANO in its discretion. The RETAILER's approved retail locations, including both its store(s) and website(s), if applicable, are identified and listed in the Retailer Agreement. RETAILER acknowledges and agrees that RETAILER shall not sell Brand Products in other physical locations, under other trade names not listed, on any proprietary ecommerce sites notlisted or on any third party ecommerce sites whatsoever.
- 1.2 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 for any period; the technical specifications for each Product; and similar matters. In addition, RETAILER shall not alter or repackage Brand Products for sale to retail customers.
- 1.3 If RETAILER is to be authorized to sell the Brands on any website, that website shall be owned by RETAILER and operated under the name identified in the Retailer Agreement, and the terms and

conditions set forth in the Online Terms shall apply.

- 1.4 The designation as a RETAILER is non-transferable and non-assignable and pertains only to an owner or operator in respect of a specific store location or locations operated under a specific trade name, not to the owner or operator in general. RETAILER shall not purchase any of the Brand Products from any other source other than SHIMANO. RETAILER shall maintain an active tax resale permit for each state in which such RETAILER sells Products, and RETAILER shall provide SHIMANO with copies of each such tax resale permit as requested.
- 1.5 RETAILER shall not sell or transfer any Brand Products to any party that RETAILER knows or should reasonably know has intention(s) to resell the Brand Products in any geography in or outside of the Territory, as further described in Section 3 below.

2. COMMERCIAL TERMS.

- 2.1 RETAILER and SHIMANO acknowledge and agree that the commercial terms applicable to the sale of Products by SHIMANO to RETAILER (payment terms, returns, warranty, etc.) shall be governed by purchase order(s) placed for such Products by 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.
- 2.2 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, RETAILER acknowledges receipt of SHIMANO'S policy concerning the advertisement of Brand Products at a Minimum Advertised Price (MAP).
- 2.3 RETAILER shall provide warranty and technical information provided by SHIMANO with the Product as it is sold by RETAILER. All Products are to be sold in SHIMANO original retail packaging with all inclusions. 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. RETAILER acknowledges and understands that the warranty offered by SHIMANO becomes void upon any sale or transfer of the Products by RETAILER in violation of Section 1.5 above.

3. RESALE / TRANSFER OF GOODS.

RETAILER SHALL RESELL THE PRODUCTS DIRECTLY TO END-USER RETAIL CUSTOMERS ONLY. RETAILER shall not sell, resell, transfer, distribute or otherwise give possession of any of the Products to any distributor, retailer, franchisee, wholesaler, or any other reseller, person, or entity other than an end-user retail customer, or to any such entity RETAILER should reasonably have known was a distributor, retailer, franchisee, wholesaler or any other reseller and not an end-user retail customer, 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 RETAILER to any entity operating an online marketplace which desires to purchase Product for resale to retail customers on the marketplace. In addition, RETAILER may not sell SHIMANO Products or any of its Brands at flea markets or similar venues. Resale of any Products by RETAILER at any location or on any website without prior written approval by SHIMANO is strictly prohibited and may result in immediate termination of RETAILER'S account under these Terms.

4. INTELLECTUAL PROPERTY-TRADEMARKS AND COPYRIGHT.

- 4.1 RETAILER may only use Trademarks in strict accordance with SHIMANO'S reasonable policies and instructions, as communicated by SHIMANO from time to time to RETAILER.
- 4.2 RETAILER shall only use advertising materials, displays and images of Brand Products that are provided by SHIMANO or are approved in advance by SHIMANO.
- 4.3 RETAILER agrees to use only those Trademarks that define or relate to the Products RETAILER is authorized to purchase and sell under the terms and conditions of these Terms.
- 4.4 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.
- 4.5 Upon the termination hereof and subject to a Sell-off Period as defined in the Retailer Agreement, RETAILER shall cease and desist from the use of the Trademarks and any names, marks, brand names, logos or symbols similar thereto.
- 4.6 SHIMANO warrants that it has good title to the Trademarks. RETAILER acknowledges that it has no right or interest in Trademarks (except as expressly permitted hereunder these Terms) and that any use by RETAILER of SHIMANO'S Trademarks will inure solely to SHIMANO'S benefit.
- 4.7 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.

5. WARRANTY.

- 5.1 The only warranty with respect to any Product sold to RETAILER, if any, shall be SHIMANO'S written warranty to the retail customer enclosed with such Product or otherwise supplied to such customer by SHIMANO or RETAILER 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 RETAILER IF A PRODUCT FAILS TO CONFORM TO SAID WARRANTY.
- 5.2 Notwithstanding the foregoing, RETAILER shall have the right to return to SHIMANO any Products 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 RETAILER the purchase price paid by RETAILER for such Products together with any freight charges paid by RETAILER in connection therewith.

6. FORCE MAJEURE. Neither party shall be liable to the other party for any failure or delay of performance or other consequence due to:
 - 6.1 any act of God, action or inaction of government, civil disturbance, war or other cause beyond the affected party's control, or
 - 6.2 any strike or labor dispute, scarcity of supplies or utilities or disruption or unavailability of transportation, whether or not the affected party is capable of remedying the problem by a capital investment or payment not in the ordinary course of business.
7. SEVERABILITY. If any term or provision of the Retailer Agreement, as applied to either party or any circumstance, for any reason shall be declared by a court of competent jurisdiction to be invalid, illegal, unenforceable, inoperative or otherwise ineffective, that provision shall be limited or eliminated to the minimum extent necessary so that the Retailer Agreement shall otherwise remain in full force and effect and enforceable, provided, however, that if any term or provision of these Terms pertaining to the payment of monies to SHIMANO shall be declared invalid, illegal, unenforceable, inoperative or otherwise ineffective, SHIMANO shall have the right to terminate the Retailer Agreement to which these Terms are included as provided herein.
8. EQUITABLE RELIEF. Both parties agree and declare that legal remedies may be inadequate to enforce the provisions of the Retailer Agreement, including these Terms, and that equitable relief, including, but not limited to, specific performance and injunctive relief, may be used to enforce such provisions.
9. NO AGENCY. Neither party is an employee, agent, partner or co-venturer of the other party, and neither party has authority to assume any obligation binding on the other party.
10. CONFIDENTIALITY.

Both parties agree to hold all information of a proprietary and/or confidential nature ("Confidential Information"), which it obtains, from the other, in the strictest of confidence for so long as the same is not, or does not, other than by a breach of these Terms, become part of the public domain, and except as may otherwise be required by a court or other governmental authority of competent jurisdiction. Neither party may disclose to a third party, any term of the Retailer Agreement, these Terms, the Online Terms or any Confidential Information to which it becomes privy as a result of this relationship, without the other's prior written consent. Said Confidential Information includes, but is not limited to, technical know-how, business operations, financial condition, product designs, concepts and ideas, cost of products, inventory levels, forecasts, costs, names of vendors, trade secrets, properties, products, assets, liabilities, future prospects of SHIMANO or any of its affiliates, joint venturers, suppliers, customers or licensees, marketing activities and plans, pricing information, future product, product development, product designs, customer lists, business activities and techniques, business or strategic plans, formulae, processes, designs, inventions and ideas, whether or not patentable, copyrightable or subject to protection as a trademark or trade name or other information of any kind, nature or description concerning any matters affecting or relating to SHIMANO which derives economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use. Confidential Information includes any such information whether disclosed in documentary, oral, visual or tangible form and whether or not SHIMANO expressly notifies RETAILER that any particular information is confidential.

- 10.1 RETAILER shall keep Confidential Information safe and secure and not directly or indirectly divulge to anyone or use, or otherwise appropriate for its own benefit. RETAILER shall use all reasonable precautions to assure that all such Confidential Information is properly protected and prevented from unauthorized disclosure.
- 10.2 RETAILER and SHIMANO agree that all Confidential Information is the sole and exclusive property of SHIMANO.
- 10.3 If requested by SHIMANO, RETAILER shall promptly return any and all Confidential Information possessed by RETAILER to SHIMANO.
11. WAIVER, MODIFICATION AND AMENDMENT. No modification, amendment or waiver of any of the provisions contained in these Terms, or any future representation, promise or condition in connection with the subject matter of these Terms, shall be binding upon any party to these 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 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. ARBITRATION.
- 12.1 Except as otherwise expressly provided herein, any dispute or controversy between the parties which arises out of or relates to the Retailer Agreement or any other agreement between the parties, including, without limitation, any claim based on alleged illegality or fraud in the inducement of the Retailer Agreement or any claims based on alleged violations of state or federal antitrust, unfair competition or unfair business practices laws, shall be resolved exclusively by arbitration in accordance with this Section. The arbitration shall be conducted exclusively in the County of Orange, State of California, and shall be initiated by written notice from one party to the other specifying the controversy or dispute and the claims and damages of the noticing party, and demanding arbitration thereof. The parties hereby consent to such exclusive forum and venue and waive any objections thereto. Such arbitration shall be decided by a single arbitrator at JAMS/Endispute, who will act as the sole, neutral arbitrator. If, for any reason, such appointment procedure is unavailable for reasons beyond the parties' control, or if either party fails to comply with such procedures, then a single arbitrator shall be selected in the manner provided by the California Code of Civil Procedure Section 1281.6.
- 12.2 Except as provided in subsection 12.3, the arbitrator so appointed shall have the power to make any interim orders, including, without limitation, discovery orders, and to award any relief, including, without limitation, monetary damages, reformation, rescission, and declaratory relief as may be permitted by law. Discovery may occur in arbitration as provided in the California Code of Civil Procedure for civil actions generally. The hearing date shall commence no longer than six (6) months after the arbitration is commenced, which period may be extended only upon determination by the arbitrator that additional time is necessary, in which case, the arbitration will be concluded as soon as practicable thereafter. This arbitration provision shall be self-executing, and an award may be entered against a party who fails to appear at a hearing duly noticed in accordance herewith. The decision of the arbitrator shall be final and binding upon the parties, and may be entered and enforced as a final judgment in accordance with California law in any court of competent jurisdiction.

- 12.3 Notwithstanding the foregoing, the request by either party for preliminary or permanent injunctive relief, whether prohibitive or mandatory, or provisional relief such as writs of attachments or possession shall not be subject to arbitration and may be adjudicated by any court of competent jurisdiction.
- 12.4 Notwithstanding anything to the contrary set forth in these Terms or elsewhere in the Retailer Agreement, this Section 12 and any arbitration conducted hereunder, shall be governed by the United States Arbitration Act (U.S.C. Section 1, et seq.), (the "Act") except only for the application of California Code of Civil Procedure Section 1281.6 pursuant to subsection 12.1 above. The parties hereby expressly agree that the Act shall also apply to all issues relating to the enforceability of this Section, including, but not limited to, the authority of a court to refuse to compel arbitration. The parties agree that Section 1281.2 of the California Code of Civil Procedure, to the extent that it may authorize a court to refuse to compel arbitration, does not apply to these Terms. The parties acknowledge that the transactions contemplated by these Terms involve commerce, as defined in said Act. Each party shall bear its own costs of arbitration. This Section 12 shall survive the termination or expiration of these Terms.
- 12.5 It is understood that this Section 12 constitutes a waiver of a right to a jury trial by any party to the Retailer Agreement.
- 13.. JURISDICTION. All disputes between the parties, which are not subject to arbitration and which are not otherwise resolved, shall be resolved exclusively in federal court for the Central District of California, Southern Division. If the controversy fails to meet the requirements of federal jurisdiction, then the dispute shall be resolved exclusively in a court of competent jurisdiction in the County of Orange, State of California. The parties hereby consent to such exclusive jurisdiction and venue, waive any objections thereto and agree to appear in any such action upon written notice thereof.
14. WAIVER OF JURY. SHIMANO and RETAILER waive their respective rights to trial by jury of any cause of action, claim, counterclaim or cross-complaint in any action, proceeding and/or hearing brought by either SHIMANO against RETAILER or RETAILER against SHIMANO on any matter whatsoever arising out of, or in any way connected with, the Retailer Agreement, including these Terms or the Online Terms, the relationship between SHIMANO and RETAILER, any claim of injury or damage or the enforcement of any remedy under any law, statute or regulation, emergency or otherwise, now or hereafter in effect.
15. NOTICES. All notices, requests, demands, and other communications required to or permitted to be given under these Terms shall be in writing and shall be conclusively deemed to have been duly given (1) when hand delivered to the other party; or (2) after the same has been delivered via United States certified mail return receipt requested postage prepaid and addressed to the parties as set forth below; or (3) the next business day after the same have been deposited with a national overnight delivery service reasonably approved by the parties (Federal Express and D.H.L. WorldWide Express being deemed approved by the parties), postage prepaid, addressed to the parties as set forth below with next-business-day delivery guaranteed, provided that the sending party receives a confirmation of delivery from the delivery service provider.

To: RETAILER:
Address in Retailer Agreement

To: SHIMANO:
 SHIMANO NORTH AMERICA BICYCLE, INC.
 One Holland Drive Irvine,
 CA 92630
 Fax: 949-951-8325

Each party shall make an ordinary, good faith effort to ensure that it will accept or receive notices that are given in accordance with this Paragraph, and that any person to be given notice actually

receives such notice. A party may change or supplement the addresses given above, or designate additional addresses, for purposes of this Paragraph by giving the other party written notice of the new address in the manner set forth above.

16. LIMITATIONS ON INTERPRETATION. The Retailer Agreement has been negotiated between unrelated parties who are sophisticated and knowledgeable in the matters contained in these Terms and who have acted in their own self-interest. In addition, each party represents to the other that it has been represented by experienced and knowledgeable legal counsel. Accordingly, any rule of law, including Section 1654 of the California Civil Code, as well as any other statute, law, ordinance, or common law principle, or other authority of any jurisdiction of similar effect, or legal decision that would require interpretation of any ambiguities in the Retailer Agreement, including these Terms, against the party who has drafted it is not applicable and is hereby waived. The provisions of the Retailer Agreement shall not be interpreted or construed against any party to the Retailer Agreement because that party or any attorney or representative for that party drafted these Terms or any other part of the Retailer Agreement or participated in the drafting of these Terms or any other part of the Retailer Agreement.
17. HEADINGS. Paragraph and subparagraph headings are for ease of reference only and shall not have any effect upon the construction of these Terms or any of the terms or provisions hereof or of the Retailer Agreement.
18. MEANING OF CERTAIN WORDS.
 - 18.1 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.
 - 18.2 Unless otherwise stated, any reference contained in these Terms to a Paragraph, Section, or Subsection refers to the provisions of these Terms.
 - 18.3 Wherever the context may require, any pronouns used in these 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.
19. SURVIVAL. Notwithstanding any provision to the contrary, the rights and obligations set forth in Sections 3, 4, 5, 10, 12, 13 and 14 shall survive termination or expiration of these Terms.