

**PRO-MOTION Distributing
Terms and Conditions;
Freight, Advertising, Pricing & Sales Policies
("Terms and Conditions")**

These Terms and Conditions are the only terms and conditions under which Pro-Motion Distributing, distributes products.

These Terms and Conditions become effective November 1st, 2006 and represent the entire agreement between Pro-Motion Distributing herein referred to as "Seller," and Buyer as to the terms and conditions of the sale of products that Seller distributes. These Terms and Conditions supersede and render invalid all previous negotiations, understandings, and/or agreements regarding the terms and conditions of the sale of Seller's products between Pro-Motion and Buyer, whether implied or expressed orally or in writing by and/or between Seller, Buyer or any other parties.

These Terms and Conditions do not represent a commitment by Seller to sell products to any Buyer. Seller expressly reserves the right to accept or reject any orders from Buyer at any time. It is Seller's sole and absolute discretion, notwithstanding any previous sales by Seller to such Buyer.

Possession of, or sales pursuant to, these Terms and Conditions shall not constitute acceptance by Seller of any Buyer as an authorized Pro-Motion Distributing dealer, or otherwise create an obligation for Seller to make further sales to any Buyer. Further, sales to any authorized Pro-Motion Distributing dealer pursuant to these Terms and Conditions does not create an obligation for Seller to continue any distributorship or dealer relationship in the future. Seller expressly reserves the right to terminate any Buyer as an authorized Pro-Motion Distributing dealer at any time, at Seller's sole and absolute discretion, upon 30 days' written notice.

Seller neither assumes nor authorizes any person to assume for Pro-Motion Distributing any other terms and conditions in connection with the sale of products that Seller distributes. These Terms and Conditions are subject to change and/or modification by Seller, in Seller's sole and absolute discretion. Buyer has no authority to change these Terms and Conditions. Any changes and/or modifications to these Terms and Conditions must be in writing and authored by Seller. Acceptance of an order by Buyer from Buyer's customer(s) shall not bind Seller to any terms, conditions or provisions appearing on any Buyer order form from and/or between Buyer and Buyer's customer(s).

COMPANY POLICIES

It is understood that Seller is conducting business with trade only. Buyer must be an established business with a current business license and a business address and phone number. If said conditions are not met by the Buyer, Seller has the right to refuse service at any time. If the Buyer is from the state of California, a seller's permit must be given to Pro-Motion Distributing at the time of first purchase where-in the Buyer must fill out a resale card as to not be subject to California sales tax. Refusal to do so may result in charges of back taxes charged to Buyer and all fees subject in collecting.

PRO-MOTION ACCOUNT MANAGEMENT

1. **PAYMENT TERMS**
 - A. All shipments from Pro-Motion Distributing are shipped Prepaid Credit Card or COD cashiers check/money order.
 - B. Pro-Motion accepts VISA, and MASTERCARD. Credit Card authorization forms must be filled out prior to achieving this status.
 - C. No Credit Terms, other than Prepaid Credit Card or C.O.D. Cashiers Check will be granted.
 - D. All requests for C.O.D. Company Check must be submitted in writing and accompanied by a completed and signed Pro-Motion Credit Application. To obtain a Credit Application, please contact the Pro-Motion Credit Department at (626) 333-1400.

2. **PAYMENTS**
 - A. The Buyer agrees to pay all applicable taxes and/or duties.
 - B. All checks returned for Insufficient Funds will be assessed a \$25.00 transaction fee.

3. **PAST DUE ACCOUNTS**
 - A. Pro-Motion reserves the right to immediately discontinue shipment to any past due accounts.
 - B. Past due accounts are determined by invoices not paid within terms following the date of the invoice, on open accounts.
 - C. Past due accounts will be charged a 1.5% per month finance charge on all past due amounts.
 - D. Pro-Motion will **automatically** put any customer who is 15 days past due on credit hold, until such time as all past due invoices are paid in full. Pro-Motion **WILL NOT** release any new shipments to customers that are on a credit hold.
 - E. All delinquent accounts will be prosecuted to the fullest extent of the law

5. **CONDITIONS OF SALE**
 - A. All sales are final
 - B. Transfer of ownership of goods shall take place at the point of original shipment under FOB terms. All claims for lost or damaged shipments must be made by the purchaser to the transport firm.
 - C. Buyer is obligated to pay full face value of refused packages including shipping to and from facility and handling charges
 - D. Pro-Motion Distributing does not take any returns for store credit or refund. Pro-Motion Distributing does not give any store credit or refunds on any parts unless prior written return authorization is granted by an officer of the "Seller". If such authorization is given, "Buyer" will then be subjected up to a 50% re-stock fee on said authorized returned parts. "Seller" reserves the right to reject, refuse, or deny any returns for any reasons.

6. **VERBAL ORDERING**
 - A. All verbal orders are the sole liability of the Buyer
 - B. Pro-Motion Distributing is not obligated to take back any part for "miscommunication" or wrong part shipping or picking discrepancies
 - C. By placing a verbal order you are accepting these terms

7. **WRITTEN PURCHASE ORDERS**
 - A. All faxed orders faxed or emailed without the correct part numbers and quantities are subject to interpretation

8. **SPECIAL ORDERS**
 - A. Once Special orders are placed, Buyer will be responsible for the acceptance of these goods
 - B. A 50% deposit is required on any and all Special orders
 - C. Any cancellation of Special orders once placed will be subject to a 50% re-stocking fee

9. **STOCK ADJUSTMENTS**
 - A. Accepted on a 2 for 1 exchange basis not to exceed 2% of yearly sales total.
 - B. Please contact a sales representative for a stock adjustment form
 - C. All attempts to return goods for a stock adjustment will be refused if not accompanied with the proper paper work.

10. **WARRANTY POLICY AND PRODUCT SERVICE**
 - A. All warranties expressed or implied are represented by the manufacture of the product and not, Pro-Motion Distributing.
 - B. Pro-Motion will process warranty claims on behalf of the Buyer. It is up to the sole discretion of said manufacturer to determine if the part was deemed for warranty or void.
 - C. A Return Authorization Number must be received from Pro-Motion before an item is returned. In order to receive a return authorization number please contact the returns department at (626) 333-1400. The Return Authorization Number must be prominently displayed on the outside of the package containing the returned merchandise. Unauthorized returns or returns not having the Return Authorization Number will be **rejected** at Pro-Motion's Receiving Department and sent back to sender at sender's sole cost.
 - D. Defective merchandise must be returned freight prepaid. Returns sent freight collect C.O.D. will be rejected by Pro-Motion's Receiving Department.
 - E. All clothing merchandise, including suits and sportswear, must be dry cleaned prior to being returned for repair
 - F. Pro-Motion Distributing gives no warranties expressed or implied, including but not limited to, the implied warranties of merchantability or performance of a particular part.

PRO-MOTION FREIGHT POLICY

11. **DROP SHIPMENTS**
 - A. Drop shipments will be made only on behalf of Pro-Motion Customers.
 - B. All drop shipments will be charged a \$10.00 service charge in addition to any applicable freight charges.

12. **SHORTAGES AND DAMAGED SHIPMENTS**

- A. Transfer of ownership of goods shall take place at the point of original shipment under FOB terms. All claims for lost or damaged shipments must be made by the purchaser to the transport firm.
- B. Shortages within cartons must be reported within 10 days after receipt of goods.

CONTINGENCIES

Pro-Motion Distributing shall not be liable for any failures to produce to Buyer when the cause of such failure is an act of God, labor disputes, suppliers, material shortages, acts of local, state national, civil, or problems, or an act or cause that does not normally occur in the ordinary course of Seller's business

PERFORMANCE PRODUCT WAIVER

Seller does engage in selling after-market items and Buyer does understand the ramifications for having these parts at Buyer's facility for salability. Pro-Motion Distributing will not be held accountable for any legal fees or such in selling of said parts to Buyer. Buyer understands fully that some parts sold by seller may not comply with local, state or federal laws and will not hold Pro-Motion Distributing accountable in any shape or form legal or implied. Pro-Motion Distributing will not be held liable for any fault of their own, any damages to and not limited to Buyer or the Buyer's customer. Pro-Motion Distributing will not be liable for any damages which are incurred directly or indirectly with the Buyer or Buyer's customer on vehicles or operators or passenger of said vehicles, or any other parties affected by Buyer, or Buyer's customer.

PRO-MOTION WEBSITE DEALER DIRECTORY & CO-OP ADVERTISING

Pro-Motion Distributing is proud to offer the most comprehensive advertising and marketing campaign in the automotive racing and aftermarket industry. All media is targeted toward the support and evolution of our Dealer network.

The www.pmdistributing.com website has become a portal for customers seeking the most informative and technical product guide on the internet. The continuous improvements to our website will offer more interactive features such as shop, and project car features, new product information, and the most up to date manufacture application guides and price lists. Pro-Motion Distributing also has expanded and improved the Dealer directory section of the website to offer the retail customer a list of those Authorized Pro-Motion dealers within a specific geographic distance, based upon zip code information. Please see "Pro-Motion Diamond Dealer" program guidelines for more information on eligibility and/or participation in the Website Dealer Directory.

The Pro-Motion Distributing Co-Op advertising program in many national automotive aftermarket publications is designed to perpetuate the quality and image of products that Pro-Motion Distributing distributes, as well as provide the retail consumer with a listing of our select group of Pro-Motion Diamond Dealers. The Co-Op advertising is only available to those Pro-Motion customers who qualify for Diamond status, meet yearly sales targets, and maintain a current account status with no past due issues. The Co-Op advertising is our way of providing a select and qualified group of sales leads directly to those Dealers who have demonstrated a commitment to Pro-Motion and who offer the most professional and customer friendly service.

Pro-Motion, at its sole discretion may disallow certain accounts to participate in said program due to matters that may or may not concern Pro-Motion Distributing, Buyer, and Manufacturer.

**ACKNOWLEDGEMENT AND ACCEPTANCE
PRO-MOTION DISTRIBUTING
TERMS AND CONDITIONS; FREIGHT, CONDITIONS OF SALE, SPECIAL
ORDERING & SALES POLICIES**

I, _____, the
_____ (title)

of _____ (company name) ("Buyer"), have read and understand Pro-Motion Distributing's Terms and Conditions; Freight, Advertising, Pricing & Sales Policies ("Terms and Conditions"), and agree to be bound by the Terms and Conditions.

(Name) (Title) (Date)

(Signature)