

## **DEALER AGREEMENT**

THIS AGREEMENT, to become effective the \_\_\_\_ day of \_\_\_\_\_ 2014 (hereafter called "Agreement")  
Between ruhcon inc., authorized USA Distributor for XeNTiS cycling products, with its principal place of  
business at 27665 W. Wilmot Rd., Antioch, IL 60002 (hereafter called Distributor) and

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with its place of business for the retail sale of XeNTiS products covered by this Agreement located at:

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City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ (hereafter called "Dealer").

### **1. PURPOSE**

This Agreement is to establish "Dealer" as a re-seller of the Distributor with the non-exclusive right to  
sell at retail XeNTiS cycling Products, including parts and accessories therefore (hereafter called  
"Products") in the trade area served by Dealer and to establish the responsibilities of the parties.

### **2. RESPONSIBILITY OF DEALER**

Dealer shall:

- a) Actively promote the sale of Products, through, but not limited to, advertising on Dealers website,
- b) properly instruct sales, service and parts personnel with respect to Products
- c) Dealer must have their web Master install the XeNTiS Logo on their home page,
- d) If Dealer sells through his website he may only show the official Product retail prices,
- e) Dealer may not sell through online platforms like eBay or Amazon,

### **3. TRADEMARKS/TRADE NAMES**

Dealer is hereby licensed to use the XeNTiS name and trademarks in the normal course of distributing  
XeNTiS Products and performing related service under this Agreement. Dealer agrees not to use the  
XeNTiS name as part of Dealer's name or in any manner which would misrepresent the relationship  
between Dealer and Distributor. Dealer may represent itself as an "authorized dealer" of Distributor,  
and, with prior approval of Distributor, may use the XeNTiS name and Product related trademarks on  
signs or other advertising or promotional material. Dealer's license to use the XeNTiS name and  
trademarks is limited and Dealer shall abide by restrictions and limitations imposed by the Distributor  
from time to time. Upon termination of this Agreement, Dealer shall immediately cease representing  
itself as Dealer of Distributor and shall cease use of all XeNTiS names and trademarks and any signs or  
other material, of whatever nature, identifying Dealer as a dealer of Distributor shall be removed and  
obliterated.

### **4. GENERAL**

- a) Dealer is not an agent of Distributor or XeNTiS nor is Dealer authorized to incur any obligations or  
make any representations on behalf of Distributor or XeNTiS.
- b) This Agreement is binding on the parties, their heirs, executors, administrators, successors and  
assigns.
- c) If any provision of this Agreement shall be held unenforceable, then the remainder of this Agreement  
shall not be affected thereby.
- d) All understanding and agreements between the parties are contained in this Agreement which  
supersedes and terminates all other agreements between the parties. The rights of either party  
pertaining to Products sold by Distributor to Dealer under previous arrangements will be governed by

this Agreement, provided, however, that nothing contained in this Agreement will, in any way, alter or change the rights and obligations of the parties pursuant to any security agreements or other agreements presently in existence.

e) Distributor reserves the right to modify and/or update this Agreement consistent with the modification and/or updating of all Agreements Company has with other similar dealers, and replace or substitute such modified or update agreement for this Agreement and such replacement or substitution shall not constitute termination of this Agreement. Failure of Dealer to execute such replacement or substitution agreement within 30 days of it being offered shall constitute automatic termination of this Agreement by Dealer.

f) This Agreement will be governed by the laws of the State of Illinois.

## **5. TERMS OF SALE**

Upon acceptance by Distributor of a Dealer's order for Products, the dealers actual cost will be the current dealer net price shown in the dealer price list in effect at the time the order is placed. (Prices, special discounts and terms for Products shall be those in effect on the date Distributor accepts the Dealer order. All shipments are ex warehouse Distributor, or as otherwise noted.

## **6. WARRANTY**

XeNTiS Products are sold subject only to the applicable XeNTiS standard warranty (posted on the XeNTiS web site) in effect at the time of sale and such warranty shall be in lieu of all other warranties express or implied. Dealer is not authorized to assume, on XeNTiS's behalf, any liabilities in connection with Dealer's sale of Product other than as set forth in such XeNTiS standard warranty. Dealer shall indemnify and hold Distributor/XeNTiS harmless with respect to any Dealer representation beyond those in such XeNTiS warranty. DISTRIBUTOR/XeNTiS MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

## **7. DELIVERY**

Distributor shall not be responsible for failure to deliver Products on time or to fill orders when such delay or failure results from causes beyond Distributor's control such as delays by shipping companies.

## **8. TERMINATION**

Unless otherwise provided by applicable state law, either party may terminate this Agreement without cause and for any reason, upon not less than 60 days written notice given to the other party, provided that nothing contained herein shall prevent Distributor from immediately terminating this Agreement in the event of bankruptcy or insolvency for Dealer, Dealer's failure to pay amounts owing Distributor when due. Upon termination for any reason, all amount owed Company will become immediately due and payable.

## **DEALER DISCOUNT RATES & INCENTIVES**

### **1. DEALER DISCOUNTS**

Dealer discount rates are structured so as to allow each dealer a sufficient profit margin to motivate sales of XeNTiS products. In 2014 each dealer is eligible for the same net price from Distributor. Each dealer is responsible for promoting XeNTiS products at the current retail prices. From January 1, 2015 on there will be 3 levels of dealers (GOLD, SILVER, BASE) depending on the 2014 order volume. Any dealer offered discounts are left to the dealer's discretion, and discounts offered will simply narrow or reduce the dealer's margin of profit.

**2. QUOTAS**

- 1) Each Dealer’s purchases and/or sales must equal or exceed the “minimum level” quota in each 12 month period following the inception of this agreement in order to maintain the dealership privileges. Quotas will be defined by this agreement between by the Dealer and Distributor.
- 2) Dealer is not held liable to purchase products when their quota is not met. Failure to meet agreed quotas only jeopardizes the dealer’s future purchasing price level.

**3. RETAIL PRICES**

While Distributor does not mandate that each dealer price his products at the retail prices shown in the provided price list, we highly recommend that company retail pricing be followed closely. The dealer should understand that attempting to sell products at an inflated price will reduce potential sales dramatically. Dealer inflated pricing will simply assure that the dealer’s potential customers will simply purchase their product from another XeNTiS dealer.

**ACKNOWLEDGEMENT**

Dealer agrees to have read and understood this entire agreement.  
(Dealer Co. Name)

( \_\_\_\_\_ )

BY \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

(ruhcon inc., R. Hilgemann)

BY \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

ruhcon inc., 27665 W. Wilmot Rd, Antioch, IL 60002,(+1) 847.226.6987, info@xentis-usa.com