



*There is a difference*

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## DEALERSHIP AGREEMENT

By signing this Agreement, \_\_\_\_\_ (the "Dealer"), located at

\_\_\_\_\_ Phone # (     )     -

accepts a designation by ARAI HELMET AMERICAS, INC., a New Jersey corporation, P.O. Box 9485, Daytona, Florida 32120-9485 ("Arai"), and J & D WALTER DISTRIBUTORS "Distributor"), as a Dealer with the following rights and obligations:

1. **Entitlement to Purchase** The Dealer shall be entitled to purchase Arai motorcyclists' helmets ("Arai helmets") and replacement parts (collectively with Arai helmets the "Arai products") from the Distributor.
2. **Permission to Use Name** The Dealer acknowledges that it has Arai's permission to use the Arai name and logo in advertising and selling Arai products during the term of this Agreement. The Dealer is entitled to display the Arai Dealership Insignia (which will be supplied free of charge by Arai) in its retail space, only at the location(s) given above or at retail booths rented by the Dealer at motorcyclists events such as races, rallies and shows.



3. **The Arai Trademark** (a) The Dealer acknowledges that the “Arai” name and logo is a registered trademark, that the trademark has been and is being used by Arai and, with permission of Arai, by its distributors and dealers, and that invaluable goodwill is associated with and attached to the trademark and agrees to use the trademark only in the manner and to the extent specifically permitted by this Agreement to promote the sale of Arai products.
- (b) The Dealer understands that its permission to use the trademark is nonexclusive and that Arai, in its sole discretion, has the right to use or permit others to use the trademark on such terms as it deems acceptable.
- (c) Any and all goodwill associated with the trademark, including any goodwill which might be deemed to have arisen through the Dealer’s activities, inures directly and exclusively to the benefit of Arai.
- (d) Nothing in this permission to use the Arai trademark shall be deemed a license or a franchise nor establish the Dealer as a franchisee of Arai.
4. **Independent Contractor/No Franchise Relationship** Nothing in this agreement shall be deemed to establish the Dealer as an agent or as a franchisee of Arai or Distributor. The Dealer acknowledges that it is an independent contractor. Nothing in this Agreement shall be deemed to require the Dealer to make any specific investments other than purchases of inventory or to establish a community of interest between Arai and the Dealer or between the Distributor and the Dealer. The Dealer may sell competing products and represents that not more than 20% of its sales of all goods shall be of Arai products.
5. **Arai’s Reputation** The Dealer will do nothing detrimental to the high quality reputation of Arai helmets or to the goodwill Arai has developed with the general public for its helmets.
6. **Helmet Fitting** The Dealer agrees that it will instruct its employees who fit customers for Arai helmets on the fitting procedure described in the Arai Helmet Fitting Brochure so that it



can assure Arai that the Dealer's employees are properly qualified to fit Arai helmets. In order to better assure properly fitting its customers the Dealer agrees to keep in stock at least 6 Arai helmets at all times including the size range of Extra-Small through Extra-Large in at least one model stocked only allowing this level of inventory to decrease for the amount of time necessary to restock from the Distributor such helmets as are sold.

7. **Warranty Procedure** The Dealer agrees that upon the sale of an Arai helmet to a customer, the Dealer's selling employee will complete and sign the Arai Warranty Validation Card that comes with each helmet, certifying that the helmet has been properly fitted by an employee trained by the Dealer in accordance with the Arai Helmet Safety Fitting Brochure. The Dealer agrees to mail warranty validation cards not less than monthly to Arai at its address given above.
8. **Post-Sale Consultation** The Dealer shall provide, free of charge, post-sale consultation service to customers about Arai products. The Dealer shall maintain a selection of commonly in demand replacement parts for the current Arai helmet line.
9. **Limitation on Sales** The Dealer shall not resell Arai helmets to: (a) persons or entities the Dealer has reason to believe intend to resell Arai products; (b) mail order sellers as defined in Exhibit A; (c) regular commercial Internet sellers; or (d) persons or entities outside the United States. The Dealer shall only sell Arai products at the Dealer's retail store or at retail booths operated by the Dealer at motorcyclists events such as races, rallies and shows.
10. **Limitation on Advertising and Method of Sales** The Dealer may advertise Arai products in any medium but shall not sell Arai helmets by mail order or over the Internet. Any advertising of Arai helmets must not state the price of the helmets.



11. **Arai's Policies** The Dealer shall comply with policies that Arai adopts or amends from time to time.
12. **Termination** Arai or the Distributor may terminate the Dealer for any reason or no reason upon notice to Dealer. Upon termination, the Dealer's permission to use the Arai name and logo shall end automatically. This Agreement is to be completed, signed, and submitted without other changes or it is invalid.
13. **Dispute Resolution** Any dispute between the Dealer and Arai or between the Dealer and the Distributor arising under this Agreement shall be resolved only by arbitration before the American Arbitration Association in the State of Florida (as to claims involving Arai or the Distributor and Arai) or the State New York (as to claims involving the Distributor only).

Dealership \_\_\_\_\_ Located at \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Phone Number \_\_\_\_\_

Witness as to Dealer

Authorized for Dealer

\_\_\_\_\_  
 (Please print name under signature)

\_\_\_\_\_  
 (Please print name under signature)

Dated \_\_\_\_\_/\_\_\_\_\_/200\_\_



## EXHIBIT A

Mail Order refers to the offer to sell, sale of, and delivery of an Arai helmet without in person contact with the consumer who is to wear the helmet. If person-to-person fitting of a helmet for a consumer determines the correct size and model Arai helmet and the desired color or design is not immediately available the delivery to that consumer of the selected color/design in the same model and size helmet by mail, UPS, etc. is permissible.

