90R 2012 STRICKLAND BROCKINGTON FEDERAL ELECTION COMMISSION

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November 5, 2012

# VIA EMAIL and OVERNIGHT DELIVERY

LEWIS LLP

Federal Election Commission Office of General Counsel 999 E Street, N.W. Washington, D.C. 20463

Dear Sir or Madam:

This firm represents Yamaha Motor Corporation, U.S.A. in its efforts to establish a separate segregated fund. Its parent company, Yamaha Motor Co., Ltd. ("YMC"), was started in 1955. Yamaha Motor Corporation, U.S.A. ("YMUS" or "Yamaha") is the wholly owned subsidiary of YMC. YMUS is the distributor of various motorized products manufactured by YMC, as well as Yamaha Motor Manufacturing Corporation of American ("YMMC") and Tennessee Watercraft, Inc. (TWI) in the United States. Such products include motorcycles, all terrain vehicles, scooters, snowmobiles, golf carts, outboard engines, personal watercraft and jet boats. YMUS' Marine Division is responsible for the sale and distribution of outboard engines ander the Yamaha brand name.

Yamaha wishes to create a separate segregated fund ("SSF") to contribute to federal candidates and raise funds from its dealers and service nenters. There are two types of businesses from which Yamaha wishes to raise funds related to its Marine Division: (1) Dealers, which provide retail sales and service of Yamaha products; and (2) Service Centers, which service Yamaha products and sell Yamaha outboard motors packaged with a boat, but do not sell loose Yamaha outboard motors, and mainly provide servicing functions.

Pursuant to 11 C.F.R. § 112.1(b), Yamaha seeks an Advisory Opinion regarding the following items: (1) whather Yamaha may establish an SSF to make contributions to federal candidates as the domestic subsidiary of a foreign corporation; (2) whether Yamaha, as an organization that operates primarily through dealers and service centers, may solicit PAC contributions from the executive and administrative personnel of its Dealers; and (3) whether Yamaha, as an organization that operates primarily through dealers and service centers, may solicit PAC contributions from the executive and administrative personnel of its Dealers; may solicit PAC contributions from executive and administrative personnel of its Service centers.

Yamaha distributes its marine products through a network of Dealers and Service Centers that are separate corporate entities from Yamaha. Due to the level of control Yamaha exercises over its Dealers and Service Centers, we believe that under the Federal Election Campaign Act ("FECA"), FEC regulations, and advisory opinions, the executive and administrative personnel, stockholders, and families of Yamaha's Dealers and Service Centers can be solicited as licensees pursuant to 11 C.F.R. §§ 114.5(g)(1) and Advisory Opinions 1992-7, 1988-46 and 1985-31. However, recognizing the very factFederal Election Commission November 5, 2012 Page 2 of 8

specific nature of these questions, Yamaha seeks an Advisory Opinion confirming that the proposed solicitations comply with the FECA and its attendant regulations.

# FACTUAL BACKGROUND

YMUS is a California corporation which is the wholly owned subsidiary of YMC. YMUS is the distributor of various motorized products manufactured by YMC, YMMC and TWI. Such products include motorcycles, all terrain vehicles, scooters, snowmobiles, golf carts, outboard engines, personal watercraft and jet boats. Yamaha's Marine Division is responsible for the sale and distribution of outboard engines under the Yamaha brand name. The President of the Marine Division is empowered by the Board of YMUS to manage and oversee the operations of the Marine Division, and would be empowered to solely manage and oversee the operation of its SSF. The President of this Marine Division is a U.S. citizen and would be solely responsible for the manageraent of the SSF.

The foreign parent of Yamaha Motor Corporation, USA would not provide any financing for the activities of the proposed SSF and the bylaws of the SSF will require that no foreign nationals participate in the operation of the SSF or in any decisions regarding distribution of funds. No contributions from any foreign nationals will be accepted by the SSF, and any foreign nationals in the leadership structure of YMUS will delegate authority over the operation of the SSF to U.S. citizens.

Yamaha sells its products through an extensive network of Dealers and Service Centers. All of the Dealers and Service Centers have the right to use Yamaha's traditmarks as part of their advertising, and would be considered by the public to be affiliated with Yamaha, even though none of the Dealers and Service Centers are owned by Yamaha.

The Dealers and Service Centers are closely affiliated with Yamaha. Dealer and other agreements, discussed below, demonstrate that Yamaha exercises control over the hours of business, display and inventory, and facilities. Yamaha evaluates the performance of its Dealers and Service Centers based on factors beyond the volume of sales, also reviewing the manner of advertising, treatment of customers, and sales promotions. Yamaha's agreements with its Dealers and Service Centers can be terminated if they do not meet the standards outlined by Yamaha and limit transferability to different owners.

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There are two standard agreements used by Yamahn: (1) the Dealer Agreement (attached as Ex. A); and (2) the Outboard Mators Service Center Agreement (attached as Ex. B). Each one is explained below.

## 1. The Dealer Agreement

Yamaha's Dealers provide retail sales and service of Yamaha products throughout the country. After completing an application process, Dealers are selected by Yamaha to sell its products to retail customers and are the exclusive method by which retail customers are able to purchase new Yamaha products. Most Dealers are small- to mid-sized corporations and while some dealers sell other marine products, most exclusively deal in Yamaha products.

The process for becoming a Yamaha Dealer involves a minimum of four ateps:

- 1. The initial contact can come from the prospective dealer to Yamaha or by Yamaha to a prospective dealer.
- 2. Yamaha then conducts an analysis of the market and the District Marketing Manager (DMM) reviews the prospective dealer's capabilities. That review includes the prospective dealer's financials, boat lines sold, shop location, management in place, inspection of the store, and potentially other factors the DMM thinks are relevant.
- 3. If Yamaha and the prospective dealer agree that it would be beneficial to move forward, the prospective dealer then officially "applies" to become a dealer. This includes the Dealer Agreement attached to this request, but the paperwork makes clear it is enly an application until the management of Yamaha's Marine Division accepts the application.
- 4. Once Yamnha accepts the application, it executes a Dealer Agreement and a dealer number is provided, along with setup for dealer training.

In order to be considered for a dealership, Dealers have to disclose a significant amount of financial and credit information to Yamaha. After being selected, prospective Dealers then must complete a number of training requirements, including operational training and training on servicing Yamaha products. Achieving higher ievels of certification from Yamaha (which can be used in advertising) requires additional online training modules. Some training takes place online and other training takes place in one of two physical training locations operated by Yamuha.

Each Dealer is assigned a DMM, who visits each location no less than each quarter (and usually monthly) to evaluate the displays, setup of the store, and the Dealer's operations. Yamaha's control over the Dealer extends to more than just the setup of its own products, because it also includes the overall store and the placement of specific products from Yamaha with prominence.

Yamaha requires that Dealers purchase a sign with the Yamaha logo and does not grant a license to use its mark to its Dealers. Instead, Yamaha retains control ever the Yamaha marks through a Yamaha Visual Identity Manual and review of Dealer advertisements. Dealers are not required to obtain preapproval of advertisements that use Yamaha's marks and follow the Manual. But Dealers must submit all udvertisements for approval in order to receive neinbursement. Yamaha does not provide a fiilt reimbursement for the costs of the advertisement, but reimburses a significant partion of the costs.

In addition, Yamaha's control over its Dealers includes continuing evaluations of the financial performance and health of Dealers, the hours of business, and the required purchase of special tools to service Yamaha products. Yamaha also prohibits the assignment of the agreement with the Dealers because of the personal nature of the agreement.

The Dealer Agreement lays out these requirements for Yamaha Dealers end defines the relationship between Yamahs and its Dealers. Sections 2.4 through 2.10 specifically state the variety of criteria intumust be followed in order for a Dealer to serve in that capacity for Yamaha Federal Election Commission November 5, 2012 Page 4 of 8

**2.4 Performance Criteria**. Dealers level of performance may be evaluated periodically by Yamaha, based on reasonable criteria such as the following:

(a) The volume of Dealers sales of the Products as compared with the sale of competitive products in the market area served by Dealer's Location.

(b) The volume of Dealers sales of the Products as compared to other dealers of the Products.

(c) The actual sales volume of the Products by Dealer as compared to the reasonable annual sales objectives which may be established by Yamaha for Dealer.

(d) The manner in which Deelar has conducted its sales operations including advertising, sales promotion and treatment of consumers.

- (e) The trend over a reasonable period of time of Dealer's sales performance.
- (f) The availability of Products to Dealer.
- (g) Significant local conditions that may have directly affected Dealers performance.
- (h) The compliance with all of the terms and conditions of this Agreement.

Evaluations prepared pursuant to this Section 2.4 will be discussed with and provided to Dealer, with the expectation that Dealer will take such action as may be required to correct any deficiencies in Dealers performance of its responsibilities.

**2.5 Customer Relations**. Dealer shall at all times conduct its operations in such a manner so as to develop and maintain good customer relations. Dealer shall provide prompt and courteous service to custemer inquiries and complaints relating to the Products. Dealer shall at all times properly represent the Products and shall not make, directly or indirectly, any false, misleading, or disparaging representations to any customer or other person in regards to Yamaea or the Products.

**2.6 Heurs of Business**. Dealer agrees that its operations shall be conducted in the normal course of business during usual business hours and for not less than the usual number of days of the week and hours of the day which are customary for the same type of business in the market area served by Dealer's Location.

2.7 Display and Inventory. Dealer agrees to maintain a prominent display of a reasonable representation of the entire line of the Products at Dealer's Location, which display shall be in accordance with the guidelinos established by Yamaha. Dealer also agrees to maintain a reasonable inventory of the Products which is adequate to meet the current and anticipated demand in the market area served by Dealer's Location, subject to availability and to guidelines established by Yamaha.

2.8 Report and Records. In order that Yamaha may comply with applicable regulations and achieve its marketing objective, Dealer shall report to Yamaha, all retail sales of the Products within ten (10) days of completion of such sale. Dealer shall periodically provide to Yamaha complete and accurate data regarding Dealer's inventories of the Products and such other reasonable information as and when requested by Yamaha. Dealer shall keep complete and accurate records regarding sales and service activities for the Products, applications for discounts, allowances, warranty claims, refunds and credits and shall retain for at least three (3) years all such receives and elocuments. Dealer shall permit any designated rapresentative of Yamaha, at receptable times, to examine and audit such records and documents.

**2.9 Cooperation with Yamaha.** Dealer shall at all times cooperate and work closely with Yamaha's representatives and shall meintein cleae communicationa with such representatives in regards to Dealers operations hereunder.

2.10 Facilities. Dealer shall establish and maintain the appearance and condition of the facilities at Dealer's Location so as to favorably reflect on the Products and the quality image of Yamaha. As part of the facilities at Dealer's Location, Dealer shall install and maintain prominent and suitable signs as recommended by Yamaha, which identify Dealer as a dealer of the Products. Dealer agrees to maintain the facilities in a neat and orderly fashion and in accordance with the standards established by Yamaha which may be changed from time to time. The facilities moat at all times comply with such standards with respect to appearance, location, size, layaut of building, showroom, office, ports department and service operation. Yamaha may periodically evaluate Dealer's facilities. Dealer shall permit any designated representative of Yamaha, at reasonable times, to inspect the facilities and Dealer agrees to make such alterations or improvements to the facilities as Yamaha may reasonably specify.

Other provisions of the Agreement are also relevant: Yamaha undertakes afforts within its sole discretion to provide sales assistance to Dealers (Section 5.2) and to allow Dealers to use Yamaha's trademarks (Section 5.4). The Dealers' use of Yamaha's trademarks is not a license, but Yamaha retains control of the use of its marks. Assignment is prohibited because of the personal nature of the agreement (Section 7.1).

Yamaha also requires Dealers to submit financial reports and Inancial information to Yamaha on a regular basis:

**5.6 Financial Responsibility**. Dealer shall maintain for its operations hereunder adequate working capital and lines of wholesale credit to enable Dealer to fulfill its responsibilities under this Agreement. Dealer further agrees to comply with financial responsibility guidelines issued by Yamaha from time to time. Dealer agrees to furnish Yamaha, at reasonable times, financial reports and other financial data in a format acceptable to Yamaha to enable Yemaha to determine Dealer's fibancial responsibility. At least within reinety (90) days following the close of Dealer's fiscel year, Dealer agrees to submit to Yamaha Dealer's audited financial statement for the previous year.

### 2. The Onthoord Motors Service Center Agreement

In addition to its Dealers, Yamaha also pelecta entities to serve as Service Centers that do not sell loose Yamaha outboard motors to retail customers but instead provide warranty and other service on Yamaha products and sell boats powered by Yamaha outboard motors provided to them by boat builders ("Packaged Products"). Service Centers may provide some sales of parts as part of the service process, but otherwise only sell Packaged Products and do not sell loose Yamaha outboard motors. Service Centers are chosen through the same process described above for Dealers.

Through the standard Service Center agreement, Yamaha exercises control over the hours of operation of the Service Centers, makes monthly to quarterly visits to check the cleanliness and operations of the locations, and requires the purchase of special tools for warranty work. Like the Dealer agreement, owners of Service Centers must undergo training from Yamuha and the agreement cannot be assigned. Yamaha also requires that Service Centers purchase a sign with the Yamaha logo and retains control over the Yamaha marks through the same Yamaha Visual Identity Manual required of Dealers.

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The Service Center Agreement provides less control over the operations of the service center than the Dealer agreement, but still controls a number of points indicating control over policies and practicea. Spacifically, the Service Center Agreement provides for hours of operation and the authority of Ysmaha to inspect the records of the Service Center at any time it so chooses. The Service Agreement specifically provides:

**4.3 Customer Relations**. Service Center shall at all times conduct its operations in such a manner so as to develop and maintain good customer relations. Service Center shall provide prompt and courteous service to austomer inquiries and complainal relating to the Products. Service Center shall ot all times properly represent the Products, parts and accessories and shall not make, directly or indirectly, any false, misleading, or disparaging representations to any customer or other person in regards to Yamaha or the Products, parts and accessories.

**4.4 Hours of Business**. Service Center agrees that its operations shall be conducted in the normal course of business during usual business hours and for not less than the usual number of days of the week and hours of the day which are customary for the same type of business in the market area served by Service Center location.

**4.5 Froport and Records.** Service Center shall periodically provide to Yoomba complete and accurate data regarding Service Center service activities and such other reasonable information as and when requested by Yamaha. Service Center shall keep complete and accurate records regarding service activities for the Products. Service Center shall permit any designated representative of Yamaha, at reasonable times, to examine and audit such records and documents.

**4.6 Facilities**. Service Center shall establish and maintain the appearances and condition of the facilities at Service Center location so as to favorably reflect on the Products and the quality image of Yamaha. As part of the facilities at Service Center location, Service Center shall lustall and maintain prominent and suitable signs as recommended by Yamaha, which identify Service Center as a service center of the Producta. Service Center agrees to maintain the facilities in a mart and orderly fushion and in accordance with the standards established by Yamaha which may be changed from time to time.

In addition, similar provisions to the Dealer Agreement exist regarding the use of Yamaha's trademarks (Section 4.2), and limitations on essignment due to the personal nature of the agreement (Section 6.1).

### ANALYSIS

### 1. Domestic Subsidiary of Foreign Corporation

As explained above, the foreign parent of YMUS will not exercise any control or financing authority over the SSF and only U.S. citizens will direct the operations of the SSF. Pursuant to AO 2006-15, the lack of control of the foreign parent should lead to a conclusion that Yamaha is able to establish a SSF to make contributions to federal candidates.

# 2. Solicitation of Dealers

Yamaha exorcises a substantial amount of control over the husiness policies, practices, and procedures of its Dealers. Those Dealers are also subject to a large amount of contractual obligations to Yamaha.

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This is similar to the control maintained by H&R Block over its franchisees, found to be appropriate under AO 1992-7, including extensive training and oversight, regular supervisory visits, control over appearance of the facilities, requirements regarding the hours of operation, and restrictions on transferability. *See also* AO 1988-46 and 1979-38. The Commission reviews the factors set forth at 11 C.F.R. § 100.5(g)(4) to determine whether an organization is an affiliate of a corporation. Those factors include control over the governance of the other organization and the ability to control the decision making employees at the organization. 11 C.F.R. § 100.5(g)(4)(ii)(B) and (C).

Although Yamaha's dealers are not franchisees, they are licensees and Yamaha maintains a sufficient level of control over its Dealers for them to be considered affiliates. The amount of control over the governanee extends to the hours of operation, the financial health of the dealers, and extensive reporting of salos to Yamaha. The Dealers are only granted limited use rf Yamaha's trademarks, rmst puschase specialized equipment from Yamaha, and are overseun on a regular basis. Yamaha controls who operates the dealerships through its limitations on control of the Dealers and limits on assignment. These facts demonstrate affiliation between Yamaha and its Dealers. Unlike the relationship with the wholesalers in AO 1985-07, the control exercised by Yamaha extends to more than just a business contract between two entities. The regular supervisory visits and control over the daily operations and business policies of the Dealers show that there is a close relationship beyond that of a typical business agreement. Yamaha's relationship with its Dealers.

This is the type of control required by this Commission and should authorize a finding that Yamaha may solicit the executive and administrative personnel, and the families thereof, of its Dealers. 11 C.F.R. § 114.1(c). In addition, Yamaha should be able to solicit from contributions from the Dealers themselves if they are individuals or partnerships, pursuant to AO 1988-46 and 1983-48.

### 3. Solicitation of Service Centers

While the level of control exercised by Yamaha over its Service Centers is less than the control over its Dealers, it is still substantial under 11 C.F.R. § 100.5(g)(4) and AO 1992-7. See also AO 1988-46 and 1979-38. Yamaha regulates the governance of the Service Centers in their hours of operation, customer relations, and facilities utilized, and it also requires reports that can be audited by Yamaha at its option. Service Centers neactive the same supervisory visits, training, and tool purchase requirements as Dealers. The Service Center cannot ohmge ownership without Yamaha's express approval because of the personal nature of the agreement. The Service Center must use Yamaha's trademarks in accordance with Yamaha's guidance and does not receive a general license for the use of those marks.

As with the Dealers, this is the type of control required by the Commission and should authorize a finding that Yamaha may solicit the executive and administrative personnel, and the families thereof, of its Service Centers. 11 C.F.R. § 114.1(c). In addition, Yamaha should be able to solicit from contributions from the Service Centers themselves if they are individuals or partnerships, pursuant to AO 1988-46 and 1983-48.

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### CONCLUSION

Thus, under the Federal Election Campaign Act, its attendant regulations, and this Commission's Advisory Opinions, we believe that Yamaha's SSF may be formed, even though it is owned by a foreign subsidiary, and that the SSF may solicit for voluntary contributions from the executive and administrative personnel, and their families, of its Dealers and Service Centers. But because of the fact-specific nature of these issues, we seek this Commission's guidance through an Advisory Opinion.

If the Commission requires any additional facts or information, we will be happy to supplement this request.

Sincerely,

# STRICKLAND BROCKINGTON LEWIS LLP

Bryan P. Tyson

Enclosures



### YAMAHA MOTOR CORPORATION, U.S.A. SALES AND BERVICE AGRELIMENS

THIS AGREEMENT is made by and between YAMAHA MOTOR CORPORATION, U.S.A., a California Corporation, having its principal office located at 6555 Katella Avenue, Cypress, California 20830 (hereinafter rejerend to as "Yarraha") and Dealer as identified below.

A. Dealer's Complete Legal Name

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C.

· (	Corporation, LLC, Proprietorship, Partnership	reserved to in the Agreement as	'Ugaler')
Corporation (Complete Sec. C-1 & C-2)	Limited Liebiity Corpetation (I.L.C) (Complete Sec. C-2)	ilitino Pragatistarsinip (Complete Sec. C-2)	il artimuthip (Complete Sec. C-2)
icitious Business Name (If diff	erent from above)		· · · · · · · · · · · · · · · · · · ·
Dealer's Location			
Address:	(Reterred to in the Agreement	ne Theologia Location	
		as Denisi's Locadon )	
<b>Dealm:</b> Owners and Managen	ent		
	Namo		Title
. Officers:			President
			Vice President
			Secretary
		· · · ·	Treasurer
	Name		Percentage of Ownership
. Shareholders			
Owner or	·		<u>· · · · · · · · · · · · · · · · · · · </u>
Partners			
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### RECITALS

A. Yamaha is the exclusive distributor in the United States of quality products which are sold under certain trademarks owned by Yamaha ("Yamaha", "RIVA" and "Rive by Yamaha") and distributes parts and accessories therefor which products, parts and accessories are more specifically defined on the Addendum(s), attached hereto and made a pert hereof (hereinafter collectively referred to as the "Products").

B. Dealer has represented as an inducement to Yacnaha's entering into this Agreement, that: (1) Desirr is capable of performing the terms and conditions of this Agreement, (2) Desirr has a sufficient number of trained personnel and adequate facilities to cell and service the Fhitbuck, and (3) Custor top alloquers finances to patternette monatory oblight) and invalid.

C. Desting destroys to engage in solar of the Pankanevin-economic are with the terms and quaditient hereaf: and Yamaha degires in appoint Dealer as a retail sales and service location for the Products in accordance herewith.

Yamaha and Dealer agree to govern their relationship in accordance with the following:

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1. ESTABLICHING OF REMINE VALUE? 1.1 Appointement of Danim. Youndry uppeting finator as an automized class for the orde and annuas of the Produces, and Genjar hereby accepts such appointment. Yamaha and Dealer agree that Dealer shall only sell the Products to retail consumers and shall not sell or otherwise transfer the Products to any other dealer except those dealers authorized by Yamaha to sell and service the Products.

1.2 Location of Dealer. In order to enable Yamsha to maintain an effective network of authorized Yamaha dealers, Dealer agrees not to directly or indirectly sell or effer far sell the Produces from any facation other than from Dealer's Location.

1.3 Change of Location. Dealer agrees not to change Dealer's Location or establish or operate any other location for the sale or service of tis Roducts without distaining Yamalia's prior unities, approval of such proposed cintinge. Yennike 'supprevel divit notes unreasonably such trills Any proposed elerge of instition is subject to applicable state law; however, national hashing shall be annutrued in reguire Yernaha to take any stag to obtain governmental approval for any proposed change of location.

1.4 Henexclusive. The rights granted herein are nonexclusive. Yamaha reserves the right to appoint additional dealers of any or all of the Products at any time pursuent to Yamaha's manteting program and policies.

#### 2. DEALER'S SALSS (MERLENS)

2.1 Solan. Bester agrees to signaturity promote and soll free Preducts to retail consumers, and shall continually work to increase the market for the Products in the area served by Daviar's Leanning,

. . .

Dealer shall attain the annual sales objectives, if any, established by Younder for Realer, Burley shall conduct a methodog burgram of quality advanticisty and unles gramoulan univides for the Products. Bealer man sell the Products to retail consumers at such prices as Dealer may estabtish from time to time.

2.2 Sales Organization. Dealer agrees to maintain a fully qualified sales organization which includes qualified sales personnel who are thoroughly familiar with five Products. Dualter, at its expense, shall cause such personnels and balling programs for the Products, and stady sales measures and balling for the Products as any ine graving by Yamate from the to them.

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2.3 Mutiple Brands. Yemaha recognizes that Dealer may handle brands which are competitive with the Products sold to Dealer pursuant to this Agreement. In the event Dealer handles such competitive products, Dealer agrees to afford the Products at least as much effort as Dealer gives to competitive products thereal ad by Dealer in terms of promotion and salu, floor space, inventory and service.

2.4 Pagingamman Calinaire. Histor's level of participations thay in evaluated particularly by Yamaka, issued on sessonable criteria such as the following:

(a) The volume of Dealer's seles of the Products as compared with the sele of competitive products in the market area served by Dealer's Location.

(b) The volume of Dealer's sales of the Products as compared to other dealers of the Products.

(c) The actual sales volume of the Products by Desler as compared to the remsonable arts and sales algorithms which near be established by Yangha for Dasler.

(d) The manner in which Dealer has conducted its sales operations, including edvertising, sales promotion and treatment of consumers.

(e) The trend over a reasonable period of time of Dealer's sales performance.

(i) The anti-initial of Pontacos to Conduct.

(g) Significant local conditions that may have directly affended Deslar's performance.

 (h) The compliance with all of the terms and conditions of this Agreement.

Evaluations propared pursuant to this Section 2.4 will be discussed with and provided to Disarc, with the expectation that Dealer will take such action as may be required to correct any deficiencies in Dealer's performance of its manageminibilities.

2.5 Customer Relations. Dealer shall at all times conduct its operations in such a manner space to develop and maintain good customer relations. Dealer shall provide prompt and courteous service to customer inquiries and complaints relating to the Products. Dealer shall at all times properly represent the Products and shall not make, directly or indirectly, any false, missibaling, or displaying representations to any customer or other person in regards to Yamaha or the Products.

2.6 However's fluxing as. Dealer egases that its egassions shall be conducted in the narrast course of husions during yous! turinges times and for not less than the usual number of days of the week and hours of the day which are customary for the same type of business in the market area served by Dealer's Location.

2.7 Eligitary and inventory. Dealer agrees to maintain a prominent display of a reasonable representation of the entire line of the Products at Dealer's Lucanius, which display shall as it accordance white the unstations association of the Products which is relegant to realization reasonable issummary of the Products which is relegant to realization counter; and anticipated domand in the market was not well by Sander's Location, subject to manifability and to guidelines established by Yamaha. 2.8 Report and Records. In order that Yamaha may comply with applicable regulations and exhimit by marketing abjunctive, Bapter studie regard to Yamaha, all result takins of the Provided within test (DR dates of completion of such spin. Dealer shall periodically actuide to Yamaha complete and accurate data regarding Dealer's inventorias of the Products and such other reagonable information as and whyn requested by Yamaha. Dealer shall keep complete and accurate records regarding sales and service activities for the Products, applications for discounts, allowances, warranty claims, refunds and uncurante. Beater shall permit any designment repertains of Yamaha, Steater shall permit any designment repertained of Yamaha, a securate times, to unum÷

2.9 Congenetics with Yamaha. Daaler shall at all times cooperste and work closely with Yamaha's representatives and shall maintain close communications with such representatives in regards to Dealer's operations hereunder.

2.10 Facilities. Dueler shall establish and revirmain the appeararea and constitute of the facilities at Dealer's Location so as to favorably milling on the Products and the quality image of Yamaha. As part of the facilities at Dealer's Location. Dueler shall instant and maintain prominent and suitable algost as reasonanced by Yamaha, which Meanify Dueler an a dealer of the Products. Dealer agrees to maintain the facilities in a next and orderly fashing and in accordance with the standards established by Yamaha which may be changed from time to time. The facilities must at all times comply with such standards with respect to appearance, location, size, layout of building, shownoon, office, parts department and service operation. "Temate may periodically evaluate Dealer's facilities. Bealer times, to inspect des facilities and liester system of Temathy, at reasonable times, to inspect des facilities as Yamakat and times to define such situenthan er insprovements to the facilities to the facilities to the facilities.

#### 3. DEALER'S STRVICE OPERATIONS

2.1 Service Ogenetics. Buder shall establish and maintain quality service operations as recommended by Yacasha for the Products at Deeler's Location including a parts and accessories department which will comply with all standards established by Yacasha. Deeler shall provide to owners of the Products such general service and repair as may be recovery. Any and all charges them flow of the low measurements in the maintain service and repair as may be recovery. Any and all charges them flow of the low measurements are supplied and all such services and all such services and strateges that he is measurement with the particular strate that he is supplicable here. Busing an state them is uncondered any flow in the particular service to the product, regentless of the dealer from whom the Practice to assign the service.

3.2 Service Organization. Dealer agrees to maintain a fully qualified service organization which includes service personnel who are theroughly familier with the Prediute. Suffer, at its territer of the Prediutes such personnel to utwatentiating pergrammin the service of the Prediutes and study manine manages and indition for the Prediute as may be provided by Yemaha from time to time. Dealer agrees to purchase and provide to its service personnel all tests and equipment, an provided by Yemaha, the managery to science and provide service and provide to Yemaha, the may be prevalery to science and provide service to be

3.3 Review of Desier's Service and Repair Performance. Yamaha may periodically evaluate Desier's service and repair performance in accordance with the standards recommended by Yamaha. Evaluations prepared persent to this Section 3.3 will be discussed with and perviced to Dealer, with the account in the Dealer will take such action as may be secured to secure any deficiencies in Dealer's performance of his segmentabilities.

3.4 Delivery and Preparation Obligations. Sealer shall be responsible for and agrees to perform set-up, preparation, and delivery obligations as prescribed by Yamaha, prior to the delivery of the Products to portivaters thereof. Dealer agrees that all Products sold by it will be in proper operating condition prior to delivery to any purchaser. Dealer further agrees to provide purchasers of the Products with Millormation concerning proper opportion of the Products prior to delivery. Yamaha agrees to compensate Dealer in accordance with the policies of Yamaha as name be issued from time to airme.

#### 3.5 Werrenty.

A. Warranty. Products supplied to Dealer by Yamaha are warranted only in accordance with Yamaha's written warranty to consumers, which written warranty is supplied to Dealer for distribution to Dealer's customers and which may be amended or modified from time to time only by Yamaha. OTHER THAN THE WARRANTY CONTRUCT IN YAMAHA'S WILLTEN WARRANTY OR AS INCOMPELS BY LAWY, YAMAHA DISCLAIMS ANY OTHER WARRANTY, EXPRESS OR IMPLIED. INCLUDING BUT NOT BY WAY OF LIMITATION, THE WARRANTIAS OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAIE PURPCISE. YAMAHA DISCLAIMS ANY LIABILITY EOR INCIDENTAL, SPECIAL OR CORISTOUTAL DASA AGES OR COMMERCIAL, LOSSES SUFFERED BY BEALER, ITS CUSTO-MERS OR ANY THIRD PARTY, succept as provided under state ferw.

B. Warranty to Customers. Dealer shall show customers any applicable Yamaha warranty prior to sale of the Products and will furnish customers a copy of any applicable Yamaha warranty at the time of sale. Dealer shall not give, or purport, we give any utilizershi or different warranty of the products and utilizershi or different warranty of Yamaha for the Pridecis.

3.6 Warranty Service. Dealer agrees to perform all warranty service on all Products baought to Dealer, whether or not sold by Dealer. Dealer shall perform such warranty service in accordance with the policies of Yamaha as they may be issued from time to time in the Yamaha service and warranty manuals and bullistins. Any charges for such warranty service shaft be reasonable and consistant with those prevailing in the martial area served by Bueller's Losstion. When performing waverney service and be Produced, Dealer shall use any genetice insume parts, or pasts that are equivalent in quality and denign to genuline Yamaha parts.

(c) Dester ackney/indges the importance of providing to owners of the Products prompt and skilled warranty service and the need to comply with all laws relating to warranty service. Dealer shall give immediate service to such warranty requests. Dealer agrees to perform all warranty service in a competent and workmanlike manner. Dealer agrees to maintain an inventory of genuine Yamaha pers in accordance with Section 2.7 and to provide all reseases warranty service.

(b) Dealer shall submit normaline and assurant objects to lients the fart reinhuranment for earth and know used is performing when the service on werranty claim forms of Yamaha withall information required thereia; and Yamaha shall reimburse Dealer for such parts and labor in accordance with the effective schedules and rates applicable to Dealer. Dealer shall keep and retain complete and accurate records and documents supporting such chims, which records and documents are subject to the provisions of Section 2.8, regarding inspection. In the event of the discoveryst any inspectors all plus inspection. In the event of the discoveryst any inspector shifts are written and the inspection all payments on creating plus inspection made by termshalls Dealer puscume in mach ultimes or otherwine, as well as the medits to Yamaha the such uses and the requery of mathing any matts of creatic.

3.7 Assistance and Protection. In the event any warranty claim arises that Dealer is unable to perform, Yamaha should be promptly notified by Dealer and be provided the details of the claim and Yamaha shall use reasonable efforts to resolve such claim. Tamaha is relying upon Dealer's auximize that it is expedie of performing service colligations for the Prodemis. Dealer agrees to taily protect Yamaha thom any claims, liability or loss that may result from a failure of Dealer to properly perform service for the Products as insuitable horizonable of a sector agrees are insuitable to perform a set to properly perform service for the Products as insuitable horizonable of a sector agrees.

3.8 Technical Advice. Yamaha will have service regregentatives available for Dealer to consult with, if necessary, in connection with service problems.

3.9 Recall and Update. Regardless of where Products covered by a recall or a modification program spongured by Tame harver (profitable), Desite will gerform any importion, equal), or matimation savetu as may be required from time to time. All such service shall be performed in accordance with the up to same policies and parameters of Yamaba.

#### 4. PLIECHASE OF THE PRODUCTS

4.1 General Terms and Conditions. Yamaha shall sell the Pro-

ducts to Dealer and Dealer shall purchase the Products from Yamaha in accordance with the thrac and conditions sut fouth Instain and the unlass programs offered by Yamahafreen time to time. Yamaha reserves the right to change any terms or conditions, including price and payment terms, at any time without accountability to Dealer. However, Yamaha shell endeavor to provide Dealer with advance notice of any such changes.

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9.2 Price. Bealer shill pay to Tameha the price and any other charges for the Products as set forth on Yamaha's price schedules, which use in effect at the time of involuing of Bealer's order unless the sales program putterant to which the Remains a substant schedules, which are price. Yamaha may again a fatter data upon which a new price and/or charge may take affect and upon that data the new price and/or charge shall take effect automatically.

4.3 Payment. Datier shall pay the purchase price for the Products at the time of delivery thereof, unless Yamaha has approved other terms of credit for Dealer. If other credit terms have been approved, Dealer shall pay for the Products in expanding with the approval terms. Yamaha may example any order plasma by Busine or exitude the simplement terms (simulat Engler fail in many starting terms to subject the simplement terms) simulate Yamaha or of a fisterating simplement terms, emails, or fisterating manufactor thightion. The cancellation or withholding of any order shall not be construind as a termination or breach of this Agreement by Yamaha.

4.4 Orders. Dealer shall order the Products from Yamaha in accordance with the ordering procedures established by Yamaha. The affective terms and conditions of Yamaha shall superside any conflicting terms and conditions of any purchase order submitted by Dealer. All embrs are subject to account to the Yamaha based on the welf-pelling of the Products and Gaulia's dospilaries with the terms and auxidiants bereal. To enthile Yamaha to plantice purchase orders of the macufacture of the Products. Dealer shall setting the purchase orders of the recourse the Products. Dealer shall setting the purchase orders of times as may be requested by Yamaha.

4.5 Shipment. Yamaha shall use its best efforts to ship all accepted orders for the Froducts to Dealer F.O.B. Yamaha's warehouse with reasonable promptness; provided, however, thet Yamaha shall not bu linble for any distance, oursequential or otherwise, to the Products while no cours while in transit. Further, Yamaha shall not be liable for clamages, consequential at allowing, to Bambar which arise as a music of a failure to GV anders, dalway in delivery, ar any error inthe filling of orders.

4.6 Texes. Dealer represents and warrants that all Products purchased hereunder are purchased for resale in the ordizary course of Dealer's business. Dealer agrees that it is responsible for and shall comply with all Taws calling for the collection and/or payment of all taxes, including sales and use taxes and all valorem taxes.

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5.1 Suggly of Paralision. Yamaha shall make reasonable effects to supply Dealer with the Products in accordance with accepted orders; however, during any period of shortage, Yamaha shall be permitted to allocate the Products in accordance with applicable marketing plans.

5.2 Promotion and Assistance by Yamaha. Yamaha shall, from thus to time, provide to Dealer sales assistance, incentives, and programs. Yamaha shall conduct an advattaingprogram for Set Products which may include television and make maximumisty, migratine assistance and parametions awants. Any such incentions, programs, promotion and assistance shall be at the sole discretion of Yamaha.

5.3 Change to the Products. Dealer arknowladges that the Products are manufactured by suppliers of Yamaha; consequently, the Products evailable to Yamaha may be periodically changed as to design, models, or features or some or all of the Products may be discontinued all without accountability ar-Dealer in connectflar with any Products and and by Dealer or Usalay 'Simoniany of the Products. Yamafile will use reasonsble efforts to provide arkaness make of any such story.

6.4 Trademarks. Yam the Sgrass to parally Deservite Deservite Constitution of an autitusinal desire for the Products and the the Stademarks of Yamaha applicable to the Products in connection with Desirer' affects to

sell and promote the Products provided, however, that such use shall be subject to the eaching of the Products and be in a unsumer consistent while the high quality image of the Products. Shall not use the tradmisme or trademarks of Yamaha as a part of its corporate name or in any manner inconsistent with the instructions of Yamaha. Dealer shall promptly notify Yamaha of any infringement or unauthorized use by any person of such patents, trademarks, tradenames, copyrights or designs. Dealer acknowledges that Yamaha has title sole right and interest in such patents, trademarks, the of Yamaha designs. Dealer acimmeniating all use of Yamaha designs. Dealer acimmeniating all use of Yamaha the sole right and interest in such patents, and say other patients within the interesting and according to and any other patients within the interesting of the agreement.

5.5 Financial Responsibility. Danier shall statistic for its executions hereunder adequate working capital and lines of wholesale credit to enable Dealer to fulfill its responsibilities under this Agreement. Dealer further agrees to comply with financial responsibility guidelines issued by Yamana from time to time. Dealer agrees to fumith Yamality, ar reasonable times, financial responsibility financial data is a format accupitation of the Timescale data is a formatt accupitable to realist to determine Dealer's financial responsibility. At least within ninety (60) times following the close of Diservit Sciences and share financial responsibility. At least within ninety (60) times following the close of Diservit Sciences and share financial formating the close of Diservit Sciences and the financial financial statisment for the preside data.

5.6 Compliance with Laira. Dealer shall conduct and maintain at all times its sales and service operations in strict compliance with all applicable federal and state laws and regulations, county and city ordinances and regulations and any other applicable law, regulation or ordinance.

#### 6. TERMINATIUM

5.1 Entimotiveness. This Agreement statility events and the examples hands by Design and an amberland to Bass or argumentative of Yamaha and upon the execution of one or more Addendum(s) attached heato and made a part hereof. This Agreement shall terminate upon termination of all Ponduct Addendum(s) attached herein.

6.2 Terministion Hyr Cause (Immediate Effect). Unless otherwise provided for or allowed under state law, Yamaha may terminate this Agreement with immediate effect on the givility of written notice to Deater should any of the failbuility events accor, such avenue toting of such a serious nature so as to constitute good cause for immediate termination by Yamaha:

(a) Any misregessantation by Dealer in gateling lato this Agreement or the submission by Dealer of any false or translatert agglisation, claim or report in connection with its sales or service operations.

(b) Inservency 67 Dealer, inability 67 Dealer is meet its detter as they mature, the filling by Dealer of a petition of voluntary bankruptcy under any chapter of the line line line bankrupt is the filling of the United Blates, the insttution of presentings to migotige Dealer a line line is in well with an promating its measurism of sa missionment by Dealer for the instant of creditors; the appointment by a court of a receiver, instee for Dealer or the associe of Beatag distribution of Dealer; or the follow to Beatag rise conduct in operations in the ordinary course of basiness including cosing of Dealer's generations in any meaner inscalation with what is customary for the same type of business in the sume maket area.

#### (U) My relocation or exteribilitiment of branch Resolute edites thereing complied with the requirements set forth in Section 1.3 of the Agreement.

(d) Any art by liceler or any pamen involved in the ownership or operating transpondet of Dealer which violates any law and affects adversely Dealer's operations or any conduct or unfair business practice by Dealer or any person involved in the ownership or operating management of Dealer which affects adversely Dealer's operation or the goodwill and reputation of Dealer, Yamaha, or the Products.

(e) Any failure by Dealer to pay to Yamaha any sums that may be due or become new pursuant to this Agreement or maintain all space lines of creat the purposes of perchasing the Produces or the parts and accomments from Yalanting.

(f) Any failure by Dealer to pay any debts, advances, obligations or liabilities of Dealer heretoicze or hereinaîter made, incurned or created, whether voluntary or involuntary and however arising [including, without limitation, indebtedness\_owing by\_Dealer to others for which Yamaha has a recourse obligation and other obligations incurred by Yamaha to third parties on behalf of the Dealer; and further including, without limitation, any and uit alloways feeth state, paralises makes andbe interest eweet by Dealer to Yamaha, whether under this Agreement, or otherwise] whether due or not due, absolute or centingent, liquidated or uniquidated, determined or undetermined, whether Dealer may be liable individually or jointly with others, whether recovery upon such indistedness may be or herematter Decomes barred by any stitute of Wittellions or whether such indestechess may be or hereafter Decumes etherwise unstituteuting, and totales Sealer's prendit, NH and laintud partimentar, observanes can country, unstanding and provision to be performent, www.stituteuting, and statements.

(g) Revocation or non-renewal of Dealer's motor vehicle dealer ficense or any other license or permit necessary to conduct its operations humander.

- (h) Any failure to Deaths to semajiy with firstless 7.
- (i) Any default under the Security Agreement.
- (i) Any default under or cancellation of this Personal Guarantee,

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6.3 Termination - By Yamaha. Unless otherwise provided for or allowed under state law or this Agreement, Yamaha may terminate this Agreement on the giving of at teast sixty (60) days prior written notice to Dealer for failure of Dealer to fulfill any or all of its responsibilities and obligations as set forth in this Agreement, except for causes spacified owner Section 6.2 hereof.

5.4 Terminustrum -- Hy Dealer. Wintens watermites provided for or allowed under state law or this signessment, Dataler may terminate this Agreement on the girity of at least minty (60) days prior written notice to Yamaha. Dealer shall be considered to have voluntarily terminated this Agreement shall be considered to have voluntarily terminated this Agreement shall be considered to have voluntarily terminated this Agreement shall be considered to have voluntarily terminated this Agreement shall be considered to have voluntarily terminated this Agreement shall be considered to have voluntarily terminated this Dealer's motor vehicle dealer license or any other license or permit neoement to conduct its operations.

6.5 Transmission -- New Agreement. Yesuthe may territrible or modify this ingenerate at any time on the giving to Daulor of all beaux sitty (60) days price written matice should Yesuthe allow a new or condition form of agreement to serve or all of its desires for the Products, or should Yesutha's right to distribute the Products be terminated or modified.

#### **?.** ASSIGNMENT, TRANSFER, CHANGE OF OWNERSHIP

7.1 Assignment. The relationship created between Yamaha and Dealer is intended to be personal in nature, since Yangaha is relying on time mentioued ownership and active participation of centrin individuals in the operations of Bealer, and consequently, any assignment or truncher by Dealer or change in ownership or management, shall require the prior written concent of Yamhha. This is recessary in amhir for Yansaha to determine that each successor will meet the continuing performin quirements ant forth in this Agreement. Yamaba may tempinate fair Agree. ment on the giving to Dealer at least filteen (15) days price william notice, if Yamaha's prior written consect to any such transfer is not obtained. Per the purposes of this Agreement, any change in ownership, the legal form of business or active management shall be deemed a transfer which nines the prior willigh borwant of Yamaha. Yamaha may assign or manufar this Agroumant, for where or part, without relies to Dadi II. ANV transfer which is not makin in anoundance mill into Section it years

7.2 Conners and Management. Dealer represents that the current owners and key personnel of Dealer are those identified on the cover sheet and that these individuals shall continue to actively participate in the ownership and operating management of Dealer. Yamaba receives the right to terminate this Agreement on the giving to Dealer of at least filteen (15) days prior written notice in the event any of the key personnet ceases to be Evolved in an addive setuction in the operation of Buster as a result of death, physical or mental incapacity or otherwiseand illealer fails to obtain Yamata's prior written consent to the replacement of such pensus. Yamata's prior written consent for the replaceinstitut failed and such any defension first in exponential to replace such pensus. Yamata's prior written consents for a exponent to replace such pensus are generate with an equally qualified pensum or persons or allow an orderly lightened that the terms and conditions of the same terms and be demonstrated that the terms and conditions of the Agreement can be fulfilled during such perior and thereafter.

#### 8. **RESPONSIBILITIES UPON TERMINATION**

8.1 Continuing Rhopenalbrithes. Upon terminister of the Agreement, Dealer shall no longer be an authorized dealer for the Products; however, Dealer shall pay any debts, advances, obligations or liabilities of Dealer heretofore or hereinaliter made, incurred or created, whether voluntary or involuntary and Rowever srising (including, without limitation, indubtedness owing by Dealer to others for which Yamaha has a recourse oblighting and other oblightions knowed by Yamsha to Skid parties un behalf of the Basker, and frinker inducing, without limitation, any and all attenensys fines, mate, pagratures, shangen gred/er interest annul by Assiver to Yazaalina, whather water this Agreenteics, or attenuismit whether Gue or not due, absolute or cantingent, liquidated or uniquidated, determined er undertained, whether Dealer may be lishle individually or jointly with others, whether recovery upon such indebtedness may be or hereinafter becomes barred by any statute of limitations or whether such indebtedness may be or hereafter becomes otherwise unemorceable, and includes Deater's prompt, full and initial performance, duenvance and discharge of easth and every thim, completer, syrooment, representation, werrand, undertillarly not providen to be performed by Babler under the Agreement.

(a) Yamaha has the dight to privile say dehia, advance, shiingtions ar linklifties of Design berstatore or bersination marin, incurred or created, whether voluntary or involuntary and however arising (including, without limitation, indebtudness owing by Dealer to others for which Yamaha has a recourse obligation and other obligations incurred by Yamaha 10 third parties on behalf of the Dealer; and further including, without limitation, any and all attorneys fess, costs, premiums, charges anti/or interest owal by Demor N Yamaha, Walker under Bils Agrumment, or otherwise) whenever daw or not daw, assumes or contingent lightbuild or unitysidened, debuntant as armintenanded, whither Realer may be index interiorality or joitly with others, whether recourry upon such indebtedrans may be or heminater begranes barned by any staining of imperious or whether such indebtedness may be or herealtar becomes otherwise unenformable, and includes Dealer's prompt, tuil and faithful performance, observance and discharge of each and every term, condition, agreement, representation, arranty, undertaking and provision to be performed by Dealer under this Accessment.

U.2 (Discoutlinguance of Use of Yrappenetics. Upon terministion of this signaments, linear shall (1) discoutines featuratin any and all one of the tendensative of Venucke, isotabiling much use in asistediating, Islamons material of Dealer and as part of the firm or trade name of Dealer, (2) forthwith remove or obliterate any and all signs designating Dealer as an authorized dealer for the Products or which include any trademark of Yamaha, (3) forthwith notify and instruct publications and others who may list or publish Dealer's name as an authorized Yamaha dealer, intuiting telephone cirectories, yellow pages, and other builtness directories, to decontinue such ideals of Basier as an authorized Yamaha dealer, intuiting telephone cirectories, yellow pages, and other builtness directories, to decontinue such ideals of Basier as an authorized Yamaha dealer, intuiting publish Dealer's name as an authorized Yamaha dealer, intuiting telephone cirectories, yellow pages, and other builtness directories, to decontinue such ideals of Basier as an authorized Yamaha dealer, and (4) cause the usu of all promotenet iteratives and naturate investing point of publishes estabetish and dispinsy gravities for the previsions of this Santian, Yamaha is authorized to take all steps nonenary to lange compliance with strue,

8.3 Orders for the Products. Upon termination of this Agreement, all unthipped orders for the Products shall be deemed cancelled. However, from the Bate of the notice of termination to the effective date of termination, unture may be Bath by Yunnahla if such osciets are incentive and reasonable in quantity. Dealer pays for such seiner is cash on delimiter, and Dealer is capable of meeting its sales and service obligations hereunder.

#### 8.4 Repurshase of Products.

a. Upon transition of this Agreement, Yanaire shall concenses from Desire and Sealer shall cell to Yanaire, within andy (48) stage effective effective date of termination, any or all man, unmost, undermaged, residential, Products excluding parts and accessories, which (i) were involced by Yanasha to Dealer within eighteen (18) months prior to the effective date of termination, and (ii) were purchased by Dealer and are the unencumbered property of and in the possession of Dealer. The repurchase price shall be the net invoice price or current wholesale datary price whichever is less, exclusive of transportation charges and cellery and genparation relimburgament, previously gaid by Dealer therefor less all coats incurrent in regards to their repurchase and any applicable rebates 8. Upon termination of this Agreement, Yamaha shall have the option, but not the obligation, to repurchase any or sli name, unseed, undernaged, reselvable, Products exoluding garts and accessories, which (i) were invoiced by Yamaha to Daaler more than eighteen (18) months prior to the effective date of termination, and (ii) were purchased by Dealer and are the unencumbered property of and in the possession of Dealer. This repurchase price shall be the net invoice price or current vinolesure number of transportation charges and disinery and programment statistic reputations for lasts and disinery and programment of mainteeners, provide statistic reputation charges and disinery and programment of mainteeners, provide statistic reputation and many application to basis.

C. Upon termination of this Agreement, Yamaha shall have the option, but not the obligation, to repurchase any or all new, unused, unclamaged, resaleable parts and accessories, which (i) were invoiced by Yamaha to Dealer within eighteen (18) months prior to the effective date di termination, and (ii) were purchased by Dealer and are the ununcumbased property of and in the procession of Dealer. The repurchase price shall be the net invoice price or current whetheate dealer price whistlever is less, excitative of bitmaportation clanges and fully and programming tearbursement, previously point by Dealer, theader the antipute in tearsbursement, previously point by Dealer, theader whetheate incurred in regards to their repurchase and any applicable rebates.

D. Within thirty (30) days of the date of termination of this Agreement, Dealer shall deliver or mail to Yamaha a detailed inventory of all of the items referred to in Section 8.4. In the event Dealer fails to supply such a flat to Yamaha within said period, Yamaha shall have the right to enter orno Dealer's premises for the purpose of compfling such an inventory list and Dealer shall reinflueroe Yameins for any costs invented in eventsetion beacwith.

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E. As a somittime of repurchase, payment for repurchase of Produsts, perts or accessories will first be applied somist any obligations or money owed by Dealer to Yamaha, and will then be applied to any monies owed to a financing source to which Yamaha has a recourse obligation.

F. This Section 8.4 is not applicable in the event of any travatter of Dister in accordance with Suction 9.

8.5 Waterenty: Claims. In the terministice with integratement, Decimshuff no longer be authorized to provide warranty service and shall refer warranty service requirits to the meanest sufficient Yemaha deales for the Products or to Yemaha. Qualer acknowledges that any acceptance and payment of warranty or other claims by Yamaha after the effective date of termination shall not be construed to be a reinstatement of Dealer.

8.6 Records on Termination. Upon the termination of Dester and upon the request of Termine, Bestlin will deliver to Termine capito of Benler's recents of set-up, propersuite, delivery of Petrimete, wavenuty wouldo, receil or updatest trains on other particle of the Frankmin.

#### S MISCELLANEOUS

9.1 Relationship of the Perties. This Agreement does not in any way create the relationship of principal and agent between Dealer and Yamaha and in no circumstance shall Dealer, its agents or employees be considered the agent of Yamaha. Dealer shall not act or attempt to act or represent later directly or by implicition as an agent of Yamaha or in any menner assume or create or attempt to assume or create any obligation or to make any context, agreement, representation or warranty on behalf of or in the name of Yamaha, cumpit them anihorized in writing by Yamaka. Dealer shall indemnify and held Yamaha harmless from any cost and finality caused by the axia of Decler, its suplayees an agents and from liability caused by the axia of Decler, its populater, its agents, or employees.

9.2 Force Majeure. Tamaha and Dealer shall not be responsible for or liable for failure to perform any part of this Agreement or for any delay in the performance of any part of this Agreement, directly or indirectly resulting fram or contributed to by any foreign or Bernsult enhangoes, seizure, suite of Galt intermentions, were and/or continuum of war; or the scientific or generated of any law, anticeanes, equivisian, ruling or onder disattly or indirectly interforing with the production, delivery or payment hereunder; or lack of the usual means of transportation, fires, floods, explosion, strikes; extraordinary surrancy devaluations.

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taxes, or custom duties or other similar charges or assessments, or other events or anningeneise inward is annual, either of the forgoing nature or of any kind, nature or description effecting the transmutation, production, sale or distribution of the Products or any components used in or in connection with their production.

9.3 Entire Agreement. This Agreement and its Addendum(s) supersede and terminate any and all agreements or contracts written or oral, entered into between Yawaha and Desler as of thraditative date of this Agreement with reference to all netters threadility of the Agreement. All conventions, may derive all reference and insertants of which passed induces the more and backer with as females to all maters contacts the entire agreement between Yamaha and Desler. This Agreement may not be thered, modified, amended or changed, in whole or in pert, except in writing and execution of this Agreement.

5.0 Verseu. Dester agrees that any legal proceeding between Dester and Yerusta which arises but if this Agreement, the dealings or relationship between the parties, including discontinuance of such relationship, may be braught by Goaler or Yerusha in state sourt or fasienal court incented in the Carinty of Orange, State of California. Dealer invescably consents to the jurisdiction of said court. Dealer weives any objection it may now or hereafter have to the jurisdiction of such court.

9.5 Soverning Law. This Agroument shall be governed by and constructed in accordance with the law-of the State of Culifornia, including but not limited to the California Statute of Limitations.

9.6 Construction. This Agreement and all of the words, scares, and provisions have a shall be construct in assurdance with their usual and ordinary meanings, and pat in favor of or apainst either party hereto. Paragraph headings are not a part of this Agreement, but are only for convenience. 9.7 Nonwalver of Rights. Failure of either party hereto to enforce party of the provisions of this Agreement or any rights with expand themene or failure to exercise any election gravited for herein shall in go way be enveloped to be a waiver of such provisions, rights or elections or in any way affect the validity of this Agreement. The failure of either party to exercise any of said provisions, rights or elections shall not preclude or prejudice such party from later enforcing or exercising the same or any other provisions, rights or elections which it may have under this Agreement. Any actions tellen by Yesteria, subsequent is terminution of this Agreement, shall not be romsirued to be a televisionement of Dealer. Dealer may be reissionist only by the mercution of a new Dealer Agreement by both Renar and Yesteria.

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8.8 Invalidity. If any term, provision, somenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

9.9 Notice. All notices required or permitted to be given or made under this Agreement may be effected in writing by certified mult, possage propeid, return receipt requested, and shall be deemed communicated three (3) days from the mailing thema: Miniad notices able a addressed three (3) days from the mailing thema: Miniad notices able a address three parties as their addresses aggess above, but quely party may change his address by written notice in accordance with this paragraph.

9.10 Terms of Agreement. The terms of this Agreement govern unliss inconsistent with the terms set forth in an Addendum(s) attached herato and made a gurt hereof, in which case the terms of the Addendum(s) will control.

9.11 Entirem of Claims. Basky suises and relations any and gli claims of any tind and nature whateman which Bester has against Yaussha, which arises out of or in connection with any prior agreement including but not limited to any Addendum entered into between them.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this ....... day of .

20 \_\_\_\_\_. Dealer expressly acknowledges that it has read this Agreement in its entirety and understands its rights and responsibilities under this Agreement and the provisions resulting to termination.

### "үамана"

YALISHA MOTOR CORPORATION, U.S.A. A California Corporation

Title \_\_\_\_\_

Title

By....

#### "DEALER"

### YAMAHA MOTOR CORPORATION, U.S.A. OUTBOARD MOTORS SERVICE CENTER AGREEMENT

THIS AGREEMENT is made by and between YAMAHA MOTOR CORPORATION, U.S.A., a California Corporation, having its principal office located at 6555 Katella Avenue, Cypress, California 90630 (hereinafter to as "Yamaha") and Service Center as Identified below.

A. Service Center's Complete Legal Name

Name: \_\_\_\_

Addition:

(Evenue, Pastroyanizin, Corpositions Infinited to in the Agreement as "Service Center")

Sale Paogekrimahip Paosanthip

Fictitious Business Name (If different from above)

**B. Service Center's Location** 

(Referred to in the Agreement as "Service Center's Location")

### RECITALS

A. Yamaha is the exclusive distributor in the United States of quality outboard motors which are sold under the trademark "Yamaha" (hereinafter referred to as the "Products") and distributes parts and accessories therefor.

9. Survice Center instant in engage in secrets of the Pratitude in accessioner with the survey and conditional hereof; and Vanatum jestions to appnint. Service Senter as a service location for the Products in accordance herewith.

Yamaha and Service Center agree to govern their relationship in accordance with the following:

#### **1. ESTABLISHMENT OF RELATIONSHIP**

1.1 Appointment of Service Center. Yamaha hereby appoints Service Center as an statistical Yamaha statistical motor assure center for pointment. Yamaha and Service Center agree that Service Center shall only sell parts and accessories to mini connection with its service operations and shall not sell or otherwise tansfer the parts and accessories to any other person except those authorized by Yamaha to sell or service the Products. It is understood under this Agreement that Service Center is appointed only as an authorized service location of the Products and that Service Center atlall not represent lexitif as an authorized dealer or service conter is any other years of any other represent lexitif as an authorized dealer or service conter of any other Yumaha product author authorized accessories and that Service Center atlall not represent lexitif as an authorized dealer or service conter of any other Yumaha product author authorized accessories and the Service Center atlall not represent lexitif as an authorized dealer or service conter of any other Yumaha product authorized accessories and the Service conter of any other Yumaha service authorized service authorized accessories and and the service conter of any other Yumaha set and a service authorized accessories and and the service conter of any other Yumaha set and a service conter of any other Yumaha set and a service conter of any other Yumaha set and a service conter of any other Yumaha set and a service conter of any other Yumaha set and a service conter of any other Yumaha set and a set and set and

1.2 Longdon of Sender Center, in order to eachie Vension to maintake an effective network of authentical Vension service centers, Service Center agrees not to service the Products from any location other than from Service Center Location. Service Center agrees not to change Service Center Location's without obtaining Yemaha's prior written approval of such proposed change.

1.3 Nonuminative. The regime growth in the net sector fields. Nonzero remount the right in approximated the first sector of any or of all of the first sets are time.

#### 2. SERVICE CENTRY'S OPERATIONS

2.1 Service Operations. Service Center shall establish and maintain quality service operations as recommended by Yamaha for the Products at Service Center's Location. Service Center shall provide to owners of the Products south general service and repair as may be necessary. Any end all charges therefore shall be reasonable and consistent with those prevailing in the market area served by Service Center's Location and all such services and charges shall be in accordance with applicable law. Service Center agrees to provide timely service to any customer who has purchased a Produce, regardless of the dealer from within the Protings was specificated.

Corporation

2.2 Sensice Organization. Service Canter rannum to maintain a fully qualified service organization which includes service personnel who are thoroughly familiar with the Products. Service Center, at its expanse, shall cause such personnel to attend training programs for the service of the Products and study service manuals and bulletins for the Products as may be provided by Yamaha from time to time. Service Center agrees to purchase and proviUs to its service personnel all tools and explorement, as prescribed by Yamaha, then may be necessary to addenuately end properly service the finalizate.

2.3 Region of Sandce Centry's Samiles and Rugais Furfarments. Yemaha may periodically evaluate Service Center's service and repair performance in accordance with the standards recommended by Yemaha. Evaluations prepared pursuant to this Section 2.3 will be discussed with and provided to Service Center with the expectation that Service Center will take such action as may be required to correct any deficiencies in Service Center's performance of his responsibilities.

2.4 Warranty, The Products are warmanted only in assessment with Yaraaha's writting assessing to possesses and which may be assessed or modified from time to time only by Yaraaha. OTHER THAN THE WAR-RANTY CONTAINED IN YAMAHA'S WRITTEN WARRANTY OR AS REDURED BY LAW, YAMAHA DISCLAIMS ANY OTHER WARRANTY, EXPRESS OR IMPLIED, INCLUDING BUT NOT BY WAY OF LIMITATION, THE WARRANTIES OF MERCHARTURALITY ARD PITTERSS FOR ANY PARTICULAR PRAYESE, WUNDLING BUT NOT BY WAY OF LIMITATION, THE WARRANTIES OF MERCHARTURALITY ARD PITTERSS FOR ANY PARTICULAR PRAYESE, WUNDLING BUT NOT BY WAY OF LIMITATION, DIGNING, SRECIAL OR CORPORATION, ING BUTWOT LIMITATION FOR INCL-DIGNING S SHAFFINING MY DEALER, ITS CIGNIDAWING GUT ANY THIRD RANGEY, except me provided under state hem

2.6 Warranty Bandya: Garvies Center agrees to perform all assertantly service on all Products brought to Service Center. Service Center shall perform such warranty service in accordance with the policies of Yamaha as they may be issued from time to time in the Yamaha service and warranty manuals and builetills. Any charges for such warranty service shall

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be reasonable and consistent with those prevailing in the market area served by Survice Countrie Securities. When performing security service on the Statisticale, Service Conter shall use only genuice Yeanths gents, or garts that are equivalent in quality and classion to genuice Yeanths performed

(a) Service Center acknowledges the importance of providing to owners of the Products prompt and skilled warranty service and the need to comply with all laws relating to warranty service. Service Center shall give immediate service to such warranty requests. Service Center agrees to guillerm sti warranty service in a competent and waterimmilia mismor.

(b) Service Genter shall meanit complete and business to Yamaha for reimbursement for parts and labor used in performing warrenty services as warsanty claim forms of Yamaha shift all information required therein; and Yamaha shall reimburge Service Center for such parts and labor in accordance with the effective schedules and rates applicable to Service Center. Service Center shall keep and retain complete and accurate records and documents supporting such claims, which records and documents supporting such claims, which records and documents supporting such claims, which records and documents of the discovery of any improper claim or pagnetics. In the event of the discovery of any improper claim or pagnetics, Vasalis way charge Built to Stretce Onstar all payments or maniful pine imment treatment and by Wacasha to Sample Claims pursuant to such claims or othermism, as well as the easies to Yamaha for such audit and the semanery of such goyments or grafic.

2.6 Assistance and Protection. In the event any warranty claim arises that Service Center is unable to perform, Yamaha should be promptly notified by Service Center and be provided the Setails of the claim and Yamaha shall use reasonable efforts to resolve such claim. Yamaha is relying upon Service Center's assumence that it is supplied of performing service deflyctions for the Provident. Pamiliae Center agrees at fully protect Names from any sidents limiting and that may much from a follow of Senime Canter to propade perform service for the Products assumptive heavents or upone to propade the limit.

2.7 Recall and Update. Regardless of where Products covered by a recall or a modification program sponsored by Yamaha were purchased, Service Center will purrorm any impection, recall, or modification service as may be required from time to time. All such service shall be performed in accordance with the announced policies and procedures of Yamaha.

#### 3. BLAGHADE OF FARTE MAD ACCESSIONS

3.1 Price. Service Crasm shall pay to Venezia the price and any other charges for the parts and accessocies as set forth on Venezia's price schedules, which are in effect at the time of invoicing of Desler's order unless the sales program pursuant to which the parts and accessories were ordered specifies a different price.

3.2 Payment. Service Uniter stell pay the parchase price for the parts and assumption of this third of dutiony theread, unless Yamaka him approase other terms of another shall gay for the parts and anterterms have hence uppearend. Service Center shall gay for the parts and atteasarias in anneaderse with the approach terms. Yamaha may cancel any order placed by Service Center or refuse the shipment thereof should Service Center fail to raset any payment term, credit, or financial requirements of Yamaha. The cancellation or withholding of any order shall not be construed as a termination or breach of this Agreement by Yamaha.

3.8 Stigmung Vanaha Stall use its bust efforts to ship 28 taxopted orders for the parts and anomalytics to Service Center F.O.S. Termitis's waretheses existencessive prevalence provided, lowerse, that Yamaha shall not be liable for user descent while in transit furnise, Yanaha sint not be liable for damages, communitied or otherwise, to Service Center which arise as a result of a failure to fill orders, delays in delivery, or any error in the filling of orders.

3.4 Nazas. Service Center represents and warrants that all parts and accessories partitizated itsreamdily are puralitated for reading in the antilitary course of Service Center's busideses. Represe Canter agrees that it is responsible for and shall comply with all laws calling for the collection ministr payment of all taxes, instituting stims and use and ad valorem terms.

#### 4. GENERAL RESPONSIBILITIES - YAMAHA AND DEALER

4.1 Supply of Parts and Anexesteins. Yamaha shall make reasonable efforts to supply Service Center with the parts and accessories in accordance with accepted orders; however, during any period of short-age, Yamaha shall be permitted to silicate the parts and accessories.

4.2. Trainanditts. Homein agrees to promit Service Center to infantify immif as an authorized service center for the Products and use the trademarks of Yamaha angliable to the Products provided, however, that such vice Center's ediorts to service the Products provided, however, that such use shall be subject to the centrol of Yamaha and be in a manner center tent with the high quality image of the Products. Service Center shall not use the trademarks of Yamaha as a part of its corporate name or in any manner inconsistent with the instructions of Yamaha. Service Center activiswitetges that Tamaha has the sole right and interest is such traditionalits and subjective to activise and subjections and any caller programmers. Service Center sprave to acces immediately at use of Yamaha as the sole rights and interest is such traditionalits and subjections of the access immediately at use of Yamaha mathematics and antiactive the sole in any caller programmers in termination of this Accesse.

4.3 Customer Relatings, Service Center shall at all times conduct its operations in such a manner so as to develop and maintain good customer relations. Service Center shall provide prompt and courteous service to customer inquiries and complaints relating to the Products. Service Center shall at all times properly represent the Products, parts and secessarias and shall not milke, structly or infimutity, any triat, retitionaling, or dispansible representations are customer with an entities and counter or the Resident se and communications.

4.4 House of Busines. Service Center agrees that its operations shall be conducted in the normal course of business during usual business hours and for not less than the usual number of days of the week and hours of the day which are customary for the same type of business in the market area served by Service Center Location.

4.5 Report and Recents. Service Center shall periodicely provide to 'Remails complicite and accurate data regarding Bervice Center service autistics and such other meaninable information as and when regulated by Variaha. Service Center shall have compliane and accurate results regarding service activities for the Products. Service Center shall permit any designated representative of Variaba, at mesonable times, to exercise and such records and documents.

4.6 Facilities. Service Center shall establish and maintain the appearances and condition of the facilities at Service Center Location so as to favorably reflect on the Products and the quality image of Venetes. As part of the testifices at Service Center Location, Service Center shall install and maintain promound and solution signs to reasonamided by Yamaha, which identify Service Center as a service center of the Products. Service Center agrees to contrain the facilities in a cent and enterly facilities and in accordance with the standards established by Yamaha which may be changed from time to time.

4.7 Cooperation with Yamaha. Service Center shall at all times cooperate and work closely with Yamaha's representatives and shall maintill close communications with such representatives in regards to Service Center's approximations have the.

### 4. TERMINATION

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5.1 Effectiveness. This Agreement shall be effective upon the execution harapit by Sarvice Canter and an authorized officer or representative of Yamaha at Capress, California and shall remain effective for a period of one year from the date hereof, unless terminated earlier as provided herein. This Agreement shall be automatically remewed for each successible crue (7) year term, provided, however, that Yamaha reserves the right upon at least sixty (80) days notice not to renew this Agreement at Yamaha's sole discretion. 5.2 Termination for Cause (Immediate Effect). Unless otherwise provided for or alterned under state ium, Ydfnake may termitista this Agmoment with immediate affant as site giving of valuem nation to Semior Center shawin any of the following exuals easy, such eases heige of such a serious cutties so as to constitute geod cause for immediate termination by Yamaha:

(a) Any misrepresentation by Service Center in entering into this Agreement or the submission by Service Center of any false or fraudulent application, claim or report in connection with its warranty or service operations.

In transmency of Service Center, inability of Service Center to meet its debts as they mature, the filing by Service Center of a position of voluntary basicrugacy under any magner of the handsupacy laure of the Limited States, the institution of proceedings to adjudge Service Center a bankrupt in an involuntary proceeding; the execution of an assignment by Service Center for the banefit of creditors; the appointment by a court of a receiver, trustee for Service Center or the assets of Service Center; dissolution of Service Center or the failure of Service Center to conduct its operations in the confinery course of Budfires inducting debting of Service vice Center in the confinery course of Budfires inducting debting of Service for the service to any number investment with what is countermary for this service to Lumine a the serve results when

(c) Any minimum or excellent provide the set of the set

(d) Any fails representation by Service Center that Service Center Is an authorized desire of the Products or an authorized dealtr or service center of any other Product distributed by Yamaha.

(a) Any set by Entrainer Center for any passes instant is the parametric and affects advantaly some constant of Service Center which visities any faut and affects advantaly Semilas Center or any person involved in the ownership or operating management of Service Center which affects advantaly service Center operation or the goodwill and reputation of Service Center, Yamahu, or the Products.

(7) Any failers by Service Center to pay to Yanaho any sums that may be due or become due pursents to this Agreement.

Igi stay failors by Sumaine Center to comply with Section 6.

5.3 Tempination — By Yamaha. Unless otherwise provided for or allowed under state law or this Agreement, Yamaha may tenninate this Agreement on the giving of at least sixty (60) days prior written notice to Service Center for the following mesons.

(a) The failure of Service Center to fulfill any or all of its responsibilities and obligations as set firth in this Agrantium, theopt for amount southing tuning Sentime 5.2. Instand.

(b) The failurs of Service Center to continue to sell goods or products into which the Products have been incorporated by the manufacturer of the other goods or products.

5.4 Termination — By Service Center. Unless attlerwise provided for or allowed unput state law or this Agreement, Service Center may terminate this Agreement on the giving of at least sixty (60) days prior written notice to Yourthe.

6. ASSEMMENT, TRANSFER, CHANGE OF OWNERSHIP

6.1 Assignment. The relationship created between Yamaha and Service Center is intended to be personal in nature since Yamaha is relying on the continued ownership and active participation of certain individuals in the operations of Service Center, and consequently, any assignment or transfer by Service Center or change in ownership or management, shall regular the prior written consent of Yamaha. For the purpose of this Agreement, any change in ownership, the legal form of business or active

management shall be deemed a transfer which requires the prior writteri consent of Versein. New resetter which is not waith in personances with this Sender is unit. For this personses of this Agreement, any example in connership, the input form of buildess or retion meaningement shall be clearmed a twentier which registres due prior writtee enceast of Yerneba Any transfer which is not made in accordance with this Section is vold.

#### 7. **RESPONSIBILITIES UPON TERMINATION**

7.1 Continuing Responsibilities. Upon termination of this Agreement, Service Center shall no longer be an authorized service center for the Multusts; however, Survice Contor shall immittibilities; gay to Vermitte all ensumes cauge to Yanabia, winther or start shall.

7.2 Discontinument Use of Teneratedes. Upon Intrinsition of this Aggregment, Service Center shall (1) discontinue forthwith any and all use of the trademarks of Yamaha, including such use in advertising, business material of Service Center and as part of the firm or trade name of Service Center, (2) forthwith remove or obliterate any and all signs designating Service Center as an authorized service center for the Products or which include any trademark of Tamahe, (3) forthwith notify and instruct publicitiums and others who may fill or publicit Service Curren's reason on authoritized Viscolus consists compar, including phene dimensionles, yolkuw pugan, and other business director 2010 des. to dissentinue such listing of Service Center as an antholized Mamatic pervice center, and (4) cocon the use of all premotional literature and prederich provided to Service Center by Yarasha. In the event Service Center feils to comply with any of the provisions of this Section, Yamaha is authorized to take all steps necessary to insure compliance with same.

7.3 Onders for the Parts and Accessives. Upon termination of this Agreement, all unnihipped orders for parts and autoessorius shall be deemed cartainer. However, from the date of the parties of termination or she effective date of termination, orders may be filled by Yamaha if such anders are bone fish and antimately in any be filled by Yamaha if such anders are bone fish and antimately in a Sealce fronter is capable of meeting its service abligations becauder.

#### 7.4 Repurchese of Parts and Accessories.

A. Upon termination of this Agreement, Yemsha shall have the option to repurchase any or all new, unused, underlaged, resultable parts and accessorities, which it ware involved by Yemsha to Service Center, and (it) ware purchased by Service Center and are the unencumbered preparety of and in the prepareties of Service Service.

B. As a condition of regularizing payment for regularized as it the partial and accessories will first be explicit equinst any obligations or money owed by Service Center to Yamaha.

7.5 Warranty Claims. Upon Termitation of this Agreement, Service Center shall no longer be authorized to provide warranty service and shall refer warranty service requisit to the nuesce withokeed Yemails Senter or device conter for the Freducts or to Yamaha. Service Canter anhanowledges that any associates and payment of warranty or other states by Yamaha sfter the effective date of terminetion shall not be construed to be a reinstatement of Sarvice Caneer.

#### 8. MISCELLANEOUS

8.1 Relationship of the Parties. This Agreement does not in any way create the relationship of principal and agent between Service Center and Yamaha and in no elicumstance shall Staville Center, iss agents or employees Excentifiered Service that Staville Center stall net est or attempt to set or represent inself simulty or by implication as an agent of Yamaha or in any memor assume or create or attempt to assume or create any obligation or to make any contract, agreement, representation or warranty on balantif or in the name of Yamaha, succet thee authorized in writing by Yamaha. Service Center shall informinify and hold Yamaha harmless from any cost and liability caused by the acts or Service Center, its employees or sgents and from liability caused by any unsuthorized act by Service Center, its egents, or employees.

8.2 Force Majoure. Yamaha and Service Center shall not be responsible for at liable for (allution mediate any mart of this decrease or far any data; in the partnersance of any part of this degenerat, directly or indirectly resulting from or seatrituded to by any femily or domentic embargers, seizuras, erzs of God, insurrections, wars and/or continuance of war; or the adoption or enactment of any law, ordinance, regulation, ruling or order directly or indirectly interfering with the production, delivery or payment herounder; or lack of the usual means of transportation, fires, floods, explosion, suffices, extreordinery contency developtions, taxes, or custom duttes or other similar charges or anonements, or other events chickustaine lawoong its construit, within of time incorpolary measure or of or es any himi, nations or description affiniting the transpose ina, prakati sale as distalluation of the Products or any companents tout in or in anineation with their pandastica.

8.3 Entire Agreement. This Agreement supersedes and terminates any and all agreements or contracts written or oral, entered into between Yamaha and Service Center as of the effective date of this Agreement with reference to all matters covered by this Agreement. All conversations, repollations, consepondings and memoranity with passed between Yermain and Semile Canter with reference to all manner cases of by this Agromment are marged humin. This Agroutment constituties the online agreement between Yamaha and Sarvice Conter. This Agreement may not be altered, madified, amended, or changed, in whole as in part, except in writing and executed by Vacaba and Service Center in the same menner as is provided for the execution of this Agreement.

8.4 Winue. Service Conter egrees that any legal proceeding between Service Center and Wintshe which sizes out of this Agreement. the elektrus or relations/19 but your the partite, including dustriansence of such relationship, may be brought by Service Center or Yamaha in state court or federal court lanatasi in the County of Oranya, State of California, financiae Constar incommunity community to the juniadistion of said opart. Service Conter waines way objection is may one or hereafter hime to the jurisdiction of such court.

8.5 Governing Law. This Agreement shall be governed by and consinued in accordance with the law of the State of California, inclusioni but not limited to the Colifornia Statute of Limitatices

8.6 Construction. This Agreement and all of the words, terms, and provisions hereof shall be construed in accordance with their usual and ordinary meanings, and not in favor of or against either party hereto. Paragraph headings are not a part of this Agreement, but are only for conversionce.

8.7 Nonwaiver of Rights. Failure of either party hereto to enforce any of the provisions of this Agreement or any rights with respect thereto or failure to exercise any election provided for basein statistic an user be considered to be a waiwas of such passisiese, rights or elections or in any way affect the validity of this Agreement. The failure of either party to exercise any of said provisions, rights or elections shall not preclude or prejudice such party from later enforcing or exercising the same or any other provisions, rights or elections which it may have under this Agreement. Any actions taken by Yatnaha, subsequent to terminuttion of this Agreenment, shall not be construed to be a remathement of Service Center, Banger Conter way be rejustated only by the consulton of a new Service Center Agreement by both Bervice Center and Versahl.

8.8 Invelidity. If any terra, provision, commant as conditions of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

8.5 Notice, All notices required or permitted to be given or made under this Agreement (new be effected in writing by centiled mail, preserve propeld, resum southpt requested, and shall be deared communities ad time (3) days from the mailing thereof.

8.10 Relation of Claims, Service Capter univer, and releases any and all claims of any kind and nature whatsoever which Service Center has against Yamaha, which arises out of or in connection with any prior agreement.

IN WITHERS WHEREOF, the parties hereto have executed this Agreement on this , der of . Service Center expressly acknowledges that it has read this Agreement le its series what uniterstands for rights end resp 20 under this Agreement and the provisions resulting to termination.

#### YAMAHA USE ONLY

#### "YAMAHA"

YAMAHA MOTOR CORPORATION, U.S.A. A California Corporation

"SERVICE CENTER"				
Business Name:				
By: (Authorized Signature)				
Title:	·			

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