

EXPLORER COMPETITION PRODUCTS, LLC

RESALE PRICE MAINTENANCE (“RPM”) POLICY

Effective: September 1, 2008

The Explorer Competition Products, LLC (“ECP”) has adopted this Resale Price Maintenance Policy (“***RPM Policy***”) on selected products, which shall apply to distributors and retailers, including catalogs and internet retailers (collectively, “Resellers”) who resell ECP products under the “ProComp” suspension brand name to end users located in the U. S. and abroad. This RPM Policy is intended to comply with the legal requirements of *Leegin Creative Leather Products, Inc. v. PSKS, Inc. (U.S. Supreme Court) No. 06-480.*

PURPOSE:

ECP is adopting this RPM Policy to avoid depreciation of, or damage to, the goodwill, trademarks, trade dress, brands and trade names under which its products are sold, as well as to preserve its strong reputation for providing customers with high value products and strong after-sales support. ECP also desires to promote free trade, inter-brand competition and economic stability amongst itself and Resellers of its products. ECP greatly values the efforts of all Resellers who distribute and sell ECP products and, in turn, requires their support to protect and achieve the foregoing goals.

ECP is not seeking agreement, per se, with its Resellers regarding their adherence to this RPM Policy. Each Reseller must make up their own mind as to whether or not they want or desire to sell the products of ECP under the terms and conditions of this RPM Policy. It is entirely the decision of the Reseller as to whether or not they want to be bound hereby.

HOW IT WORKS:

The RPM Policy shall work under the following terms and conditions:

1. The RPM Policy shall apply to all ECP-branded products sold to any Reseller under the pricing requirements listed at the end of this document as Exhibit “A.” RPM pricing is established by ECP for selected products and may be adjusted by ECP at any time in its sole discretion.
2. The RPM Policy applies to all advertisements of designated ECP products in any and all media, including, without limitation, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, Internet or similar electronic media including websites, email newsletters, email solicitations, television, radio, and public signage. The RPM Policy shall also apply to the actual end-selling price for any designated ECP product so sold, including any end-price, end-of-transaction sales price,

as well as any “in cart” price and/or any “check-out page” of any Reseller’s website or related internet site.

3. Should any Reseller advertise or actually provide the giving of any article of value in connection with the sale of any designated ECP product, or the making of any concession in connection with the sale of any designated ECP product (including but not limited to percentage discounts, bundling, quantity discounts, gift cards, rebates, lowered or free shipping, etc.) which results in the sale by the Reseller at net prices below that which is set forth and allowed hereby, Reseller will be in violation of this RPM Policy.

4. Internet auctions may not display or have reserved bid or other acceptable prices below the RPM price.

5. To the extent the Reseller is a distributor of ECP, it is the responsibility of that distributor to ensure that: (1) all those persons to whom that distributor sells ECP-branded products (e.g., jobbers, retailers, etc.) promptly receives a full copy of this RPM Policy (or any subsequent amendments or changes thereto as ECP may issue); and (2) those persons to whom the distributor sells ECP-branded products, themselves, adhere fully and completely to the pricing requirements set forth herein.

6. If it is determined by ECP that a Reseller has violated the terms of this RPM Policy and/or the advertising and/or selling practices set forth herein, ECP can require all Resellers (not just the party which sold ECP-branded products to the offending Reseller) to cease and desist all further sales to that offending Reseller.

7. It is the responsibility of all Resellers of ECP-branded products to assist in the policing of this Policy as to those persons to whom they, or other Resellers, sell ECP-branded products, and if a violation is discovered, to immediately contact ECP with the identity of the offending party (regardless of which Reseller may have actually sold the product), as well as the facts and circumstances surrounding the alleged violation.

VIOLATIONS OF RPM POLICY:

8. In cases of any violation of the RPM Policy, Resellers will be allowed twenty-four (24) hours to bring any and all violative advertising and/or selling practices into compliance or ECP may do each or all of the following:

- A. Cease supplying products to the Reseller for a specified period of time to be determined by ECP in its sole discretion. In cases of intentional and/or repeated failure to abide by this RPM Policy, ECP will terminate all orders to the Reseller;
- B. Revoke any and all implied or express copyright, trade dress and/or trademark licenses given to Reseller by ECP in connection with Reseller’s advertising and sale of ECP products. Should such revocation occur, Reseller must immediately cease and desist using any and all intellectual

property of ECP in connection with the advertisement and sale of any ECP product, including but not limited to pictures, logos, images, and product descriptions. Failure to so comply will result in civil and criminal prosecution under all applicable state and federal law.

- C. Discontinue support of any sponsorship of, or co-op program with, Reseller, including but not limited to advertising and marketing support;
- D. Accelerate payment of any and all monies owed ECP by Reseller under any then-applicable credit agreement notwithstanding any “current” account status; this RPM Policy shall constitute an express modification and amendment to any applicable credit agreements with ECP in this regard; and/or
- E. Demand immediate return of any and all point-of-sale merchandise and product displays and literature;
- F. Place violating Reseller on a “Do Not Sell” list which will be distributed to all other Resellers to whom ECP sells its products (and all Resellers subject to this RPM Policy must honor the “Do Not Sell” list and not sell ECP-branded product to any offending Reseller until further notice from ECP at its sole discretion).

EXCEPTIONS:

9. The RPM Policy does not establish maximum advertised prices. All Resellers may offer ECP products at any price in excess of the RPM level established for such products.

10. The RPM Policy does not in any way limit the ability of any Reseller to advertise that “they have the lowest prices,” or they “will meet or beat any competitor’s price,” that consumers should “call for a price” or phrases of similar import as long as the price advertised or actually sold for the designated ECP products is not less than RPM.

11. From time to time, and in its sole discretion, ECP may instigate and promulgate promotions for products covered by the RPM Policy for any reason it deems prudent, including but not limited to products being damaged, obsolete, discontinued, etc. In such case, ECP reserves the right to modify or suspend the RPM Policy with respect to the affected products by notifying all Resellers of such a change. ECP further reserves the right to adjust the RPM Policy with respect to all or certain products at its sole discretion.

MISCELLANEOUS TERMS:

12. This RPM Policy is solely ECP’s decision and responsibility. No employee or sales representative of ECP has any authority to modify this policy verbally or in writing other than a designated Officer such as the President or General Counsel, and in any case,

any such modification must be in writing. Any questions about this policy should be in writing and directed to Darren M. Salvin, Esq., General Counsel & Executive V.P., Explorer Competition Products, LLC, 300 W. Artesia Blvd., Compton, CA 90220., who will respond only in writing.

13. The foregoing RPM Policy and any RPM Product Listing is subject to modification or discontinuance by ECP, in its sole and absolute discretion, at any time.

14. ECP shall be a third party beneficiary of any contract, express or implied, between any Resellers of any ECP-branded product which is/are subject to the terms and conditions of this RPM Policy of which the Reseller has notice.

BY CONTINUING TO DO BUSINESS WITH ECP AFTER THE EFFECTIVE DATE OF THIS POLICY, YOU WILL BECOME AUTOMATICALLY BOUND TO THE TERMS AND CONDITIONS CONTAINED HEREIN.

EXHIBIT "A"
RPM POLICY PRICING GUIDE

AS TO SALES BY WHOLESALERS TO RETAILERS:

No more than forty (40) percent back from the "Jobber" price established by ECP in its sole discretion for any particular ECP-branded product (as is published by ECP in its most current and applicable "Jobber Price Sheet").

AS TO SALES BY RETAILERS TO END CONSUMERS:

No more than twenty-five (25) percent back from the "Jobber" price established by ECP in its sole discretion for any particular ECP-branded product (as is published by ECP in its most current and applicable "Jobber Price Sheet").

***** EXCEPTIONS*****

Level Lift Kits	No more than 4.5% back from "Jobber"
MX6R Shocks	No more than 5% back from "Jobber"
Accu/Power Pro Tuners	No more than 7% back from "Jobber"