



**INTERNET ADDENDUM TO
The Cycle Group DBA (Box Components)
AUTHORIZED DEALER AGREEMENT**

THIS INTERNET ADDENDUM (“**Addendum**”) to the Authorized Dealer Agreement (the “**Agreement**”) is executed by and among The Cycle Group DBA (Box Components), with offices at 1580 N. Orangethorpe Way, Anaheim, CA 92801; (“**Seller**”) and the Authorized Dealer which has electronically executed this Addendum and the Agreement (“**Dealer**”). Seller and Dealer are each sometimes referred to herein as a "party" or collectively as the "parties."

For Definitions of “Portal”, “Products”, “Territory”, and “End-User” please refer to Section 1 of the Authorized Dealer Agreement.

Background

Seller and Dealer have entered into an Agreement under which Dealer may purchase Products from Seller for distribution, marketing, and resale. The parties desire to supplement the Agreement with additional terms and conditions applicable only to the purchase and sale of Products in accordance with Seller’s Internet Sales Program. The parties intend that except as specifically modified in this Addendum, the term and conditions of the Agreement shall remain in full force and effect.

The parties, intending to be legally bound, agree as follows:

- 1) **Capitalized Terms.** Capitalized terms used herein that are not otherwise defined shall have the meaning given to such terms in the Agreement.
- 2) **Modification of Agreement; Conflict.** The parties agree that this Addendum only modifies Section 3 of the Agreement. Should any conflict between the Agreement and the Addendum arise other than with respect to Section 3 of the Agreement and the definition of Territory as it applies to this Addendum, the terms and conditions of the Agreement shall govern the conduct of the parties.
- 3) **Amendments.** Seller may amend any Appendix in this Addendum and any such amendment shall become effective immediately upon receipt of such notice, which shall include posting such notice on the Portal.
- 4) **Internet Appointment.** If Dealer intends to sell Products on the Internet, then Dealer is required to strictly comply with the terms of this Addendum, in addition to the terms and conditions set forth in the Agreement. In consideration of such agreement, Seller appoints the Dealer as a non-exclusive Internet Dealer entitled to sell and ship Products only to End-Users located within the Territory, solely on the Internet URL locations listed in the business locations section of the Authorized Dealer Portal and as approved by Seller. “Territory” as used herein is defined in Section 1(c) of the Agreement. Seller has appointed and reserves the right, in its



sole discretion, to sell on its own behalf and appoint additional Dealers to sell the Products from any location including any location on the Internet or by any other means, all as may be chosen by Seller.

5) **Internet Products**: The (“Internet Product(s)”) shall mean those authorized Products (or a certain selection of Products) that are specifically listed on this Internet Addendum Appendix A and Authorized to be sold on the Internet. The Internet Addendum Appendix A may or may not be the same as the Agreement Schedule A.

6) **Prohibited Marketplaces**. Dealer shall be allowed to sell or advertise Products only on Internet marketplaces approved by Seller as listed in the online URL locations section of the Authorized Dealer Portal. Dealer is expressly prohibited from selling on Alibaba, Best Buy, Bonanza, Craigslist, eBay, Facebook, Google Express, Jet, Newegg, NexTag, Overstock, Pricefalls, Rakuten, Sears & Walmart marketplaces or any other similar third-party online marketplaces, unless expressly authorized by Seller. The Amazon marketplace is prohibited and not permitted under any circumstances. Box Components will be the exclusive seller of Products on Amazon. Note, the limited, non-exclusive IP license granted to you as a Dealer is limited to the URL locations authorized by Seller. Promotions or advertisements of Products on any location that is not authorized is an infringement of Seller’s IP rights. Seller reserves the right, with reasonable notice, to include other prohibited marketplaces. ***It is Dealer’s responsibility to request Seller advance approval of Internet marketplace sales authorization.***

7) **Marketplace Restrictions and Limitations**. Marketplace participation and sales are subject to the restrictions and limitations described in this Internet Addendum Appendix B

8) **Sales by Auction**. Sales by the Dealer of Product(s) by way of online auction are prohibited.

9) **No Extra-Territorial Online Sales**. Dealer shall not sell Products directly or indirectly, nor promote the sale of Products to End-Users located outside the Territory, by means of any Internet URL location or otherwise.

10) **Dealer's Responsibilities for Internet**.

For purposes of promoting and selling Products over Internet, Dealer:

- a) shall comply with the Agreement, Schedule B and C (relating to the use of IP) and Schedule D (Terms and Conditions of Sale) of the Agreement and shall display on Dealer’s website only the Seller brand and logo, and images and information about the Products that has been provided or authorized;



b) shall not: (i) sell or offer to sell any Seller branded products other than Products purchased by Dealer solely from Seller or (ii) purchase Products, or any other Seller branded products from any source other than Seller. Nothing herein shall be deemed to authorize or grant the Dealer the right to state or imply in any manner that Dealer is authorized to promote or sell Seller branded products other than the Products and the Dealer further agrees that it will not state or imply in any medium anything to the contrary;

c) agrees, in consideration of entering into this Addendum, to disclose to Seller the e-commerce sites in which Dealer currently sells or intends to sell products and, prior to selling on any individual e-commerce site, shall obtain the approval for each URL in the 'Locations & URLs' section of the Authorized Dealer Portal. Seller may elect, at its sole and absolute discretion, to specifically authorize sites in which Dealer is authorized to sell Products;

d) understands that sales outside the Territory are prohibited and Dealer shall not sell directly or indirectly or actively promote the sale of Products to any End-User located outside of the Territory, by means of any internet URL location or otherwise;

e) shall not use Box Components in any of Dealer's URL's, domains, subdomains, or the like and, further, Dealer shall not do business under any name, designation or website associated with or similar to any mark, trademark, trade name, service mark, or trade dress of Box Components;

f) shall not suggest or imply that its website advertisement is any way related to the website that is owned and/or operated by Seller and further, Dealer shall not use Google ad words, dynamic keyword insertion, or bid on any authorized mark or trademark used or owned by Seller;

g) shall accurately describe the Products and only use banners, video clips, and logos that have been provided or authorized by Seller;

h) shall not use terms such as "cheap", "pay less" or "liquidation" when referencing the Products and shall not partner with any third party that uses spyware, adware, or other software to engage in pop up or pop under advertising, and/or generating non-user initiated activity;

i) shall only use authorized Seller marks in page title or title tag(s) of any website used or owned by Dealer or as applied to Seller (Page title/title tags refer to text used to name or title a webpage);

j) shall provide a physical street address and landline phone number on their website(s) to handle consumer inquiries;



k) shall have the capability for a consumer to place orders fully and completely through Dealer's website;

l) shall provide a secure site for customer payment transactions and Dealer shall list their policies for returns, refunds and exchanges;

m) shall comply with all State and Federal regulations, statutes and rules, and local and jurisdictional laws applicable to taking and fulfilling orders, conducting business and selling products;

n) shall copy and distribute this Addendum to each of its employees who are involved in Internet Sales and take such other affirmative steps to ensure compliance with this Addendum;

o) agrees that its Website or any third-party platform it utilizes shall contain a clear and conspicuous statement of the Dealer's or the third party's privacy and usage policies with regard to all customer information gathered via the Dealer's or any third-party Website; and

p) Seller has the sole, complete and final discretion to determine if Dealer has complied with this Addendum. Any violation of this Addendum as determined by Seller in its sole, complete and final discretion may, in Seller's sole, complete and final discretion, result in the suspension or termination of Dealer's authority to use the Authorized marks in sponsored links, to display the Authorized images on its website or to sell Products via the Internet.

11) **Breach.** Any violations of the terms of this Addendum shall be deemed a breach of the Agreement, entitling Seller to terminate either one or both of the Addendum and the Agreement immediately, and to pursue all remedies available in the Agreement and at law.

12) **Termination.** This Addendum is effective as long as and until the Agreement is terminated. Notwithstanding the foregoing, Seller, may terminate this Addendum for any of the reasons set forth in the Agreement. In addition, either party may terminate this Addendum at any time upon thirty (30) days written notice by the other party. Upon termination of this Addendum, the parties shall comply with the termination provisions and obligations set forth in the Agreement, which shall apply with equal force to this Addendum.

13) **Electronic Execution.** The parties hereby agree to execute this Agreement using electronic means including the use of electronic signatures by the parties, which the parties agree shall have the full force and legal effect as if the electronic signatures were traditional hand-written signatures. Dealer acknowledges that it has the ability to retain this Agreement either by printing or saving it.



Each representative signing this document agrees that he or she has been authorized and has the authority to enter into the Agreement with an electronic signature on behalf of the applicable party and intends to sign this Agreement by applying his or her electronic signature as indicated.



APPENDIX A

Authorized Internet Products

Dealer Agreement Schedule A Products

(*Seller reserves the right to add or remove any Product from this list, within its sole discretion, with reasonable notice to Dealer)

All goods labeled or branded as "Box" or "Box Components"



APPENDIX B

Marketplace Restrictions and Limitations

1) Amazon 3P Marketplace Sales. Seller is the exclusive seller of all Products, referenced in Appendix A, on Amazon 3rd Party Marketplace. All other Dealers are prohibited from selling on Amazon 3rd Party Marketplace.

2) Amazon FBA Marketplace Sales. Seller is the exclusive seller of all Products, referenced in Appendix A, on Amazon FBA Marketplace. All other Dealers are prohibited from selling on Amazon FBA Marketplace.

3) eBay Marketplace Sales. Given Seller's explicit approval, Dealer may sell discontinued Products on eBay, provided Dealer has:

- a. Identified eBay selling website URL(s) and Seller/Merchant name(s) to Seller in the 'Locations & URLs' section of the Authorized Dealer Application;
- b. said eBay selling Website URL(s) and Seller/Merchant name(s) are explicitly approved by Seller;
- c. all Products are clearly listed as discontinued/past season,
- d. Products may only be marketed using the "Buy It Now" feature.

4) Other 3P Marketplace Sales. Given Seller explicit approval with receipt of separate 3rd Party seller (3P) authorization communication, Dealer may sell on 3P sites as a 3rd Party seller, provided Dealer has:

- a. Identified 3P site selling website URL(s) and Seller/Merchant name(s) to Seller in the 'Locations & URLs' section of the Authorized Dealer Application;
- b. said 3P site selling Website URL(s) and Seller/Merchant name(s) are explicitly approved by Seller;