



**RETAIL DEALER AGREEMENT**

By this Agreement, **effective as of** \_\_\_\_\_, **200**\_\_, K-2 Corporation, doing business as “K2 Sports,” on behalf of itself and all entities with which it is consolidated for U.S. Federal Income Tax reporting purposes (“K2”), and the Retail Dealer identified below, agree that the Retail Dealer will represent K2 Products in accordance with the K2 Sports Retail Dealer Terms and Conditions (page 2 and 3 of this agreement), the applicable K2 Product Prices and Terms, each as revised from time to time, and the following:

**K2 Products\* Represented by Retail Dealers:**

- |  |  |
|--|--|
| <input type="checkbox"/> K2 Skis       | <input type="checkbox"/> Ride Snowboards |
| <input type="checkbox"/> K2 Snowboards | <input type="checkbox"/> Morrow          |
| <input type="checkbox"/> K2 Telemark   | <input type="checkbox"/> Liquid          |
| <input type="checkbox"/> K2 Skates     | <input type="checkbox"/> 5150            |
| <input type="checkbox"/> Karhu Skis    | <input type="checkbox"/> Atlas Snowshoes |
| <input type="checkbox"/> Madshus       | <input type="checkbox"/> Tubbs Snowshoes |
| <input type="checkbox"/> Other _____   | <input type="checkbox"/> LINE Skis       |

*\* Includes related hard and soft goods and accessories. Any K2 Product additions or deletions are to be confirmed by the parties' execution of an applicable Addendum A.*

**Contract Period:**

This Agreement will remain in effect until terminated in accordance with the K2 Retail Dealer Terms and Conditions (page 2 and 3) then in effect.

**Retail Dealer's Authorized Locations\*:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*\* Identify the street address of each retail location. If more room is needed, please insert "See Attached List," and attach same. Any additions, deletions, or address changes are to be confirmed by the parties' execution of an applicable Addendum A.*

**Special Terms:**

\_\_\_\_\_  
\_\_\_\_\_

**K2 SPORTS**

**Retail Dealer:**

Name: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



## **K2 SPORTS RETAIL DEALER AGREEMENT TERMS AND CONDITIONS**

### **1. Scope.**

**1.1 General.** During the term of the Retail Dealer Agreement entered into between K2 Sports (“K2”) and Retail Dealer, Retail Dealer is authorized to (i) purchase K2 Products from K2, and (ii) display, promote, and sell K2 Products to end users only, at Retail Dealer’s Authorized Locations (or except as otherwise authorized by the parties executing an Addendum B—Supplemental Marketing), all in compliance with the terms of the Retail Dealer Agreement, with these Terms and Conditions and the applicable K2 Product Prices and Terms, all as revised from time to time (collectively the “Agreement”).

**1.2 Related Obligations.** Retail Dealer agrees:

- Except as otherwise authorized by K2 in writing, to only purchase K2 Products from K2 or its authorized designees;
- To maintain facilities and staff at Retail Dealer’s Authorized Location(s) for the promotion, sale, fitting and service of K2 Products, all as required to effectively promote, sell, fit and service K2 Products in a professional manner, and to maintain the high quality reputation of K2 and K2 Products;
- That no exclusive rights are conferred to Retail Dealer by this Agreement;
- That it will not impugn or otherwise disparage the quality or reputation of K2 or K2 Products, or engage in any misleading, deceptive, statements, actions or advertising or promotion concerning K2 or K2 Products, and will only use K2 and K2 Product trademarks and imagery in a manner consistent with any written guidelines issued by K2 from time-to-time, and in a manner otherwise consistent with the high quality reputation of K2 and K2 Products;
- That all Retail Dealer advertising of K2 Products will comply with applicable Minimum Advertised Prices, as communicated to Retail Dealer by K2 from time to time;
- That Retail Dealer will not extend any warranty of K2 Products, on its or K2’s behalf, other than any applicable standard K2 Product warranty, as issued by K2 from time to time.

### **2. Term.**

**2.1 Termination.** This Agreement shall be effective as of the date indicated on its face, and shall continue in effect until terminated as follows:

- Immediately, if Retail Dealer (i) becomes insolvent, becomes the subject of a bankruptcy petition or other creditor proceeding, (ii) engages in felony criminal activity or activity which is otherwise disparaging to K2 or K2 Products in the marketplace, (iii) experiences a change of control whether by sale of substantially all of its assets, merger, consolidation or other transfer, (iv) experiences a change in the persons principally responsible for Retail Dealer’s management, (v) defaults in any payment(s) due to K2 for a period of thirty (30) days or more, or (vi) trades, directly or

indirectly, in grey market products, or otherwise trades in K2 Products in violation of its obligations under this Agreement.

- Without cause at any time, on sixty (60) days prior written notice by one party to the other.

**2.2 Effect of Termination.** On termination of this Agreement, K2 may, at its sole discretion, cancel or deliver any of Retail Dealer’s outstanding K2 Product orders. Any amounts owed by Retail Dealer to K2 shall become immediately due and payable, Retail Dealer shall discontinue promotion of K2 Products and use of K2 trademarks or other images, and Retail Dealer shall immediately return to K2 any documentation, equipment or other materials furnished to it by K2 at no cost. Those obligations under this Agreement which are continuing by nature (e.g. obligations of non-disparagement, confidentiality, payment of outstanding obligations) shall continue in full force and effect upon termination.

**3. Orders.** All K2 Product orders by Retail Dealer shall be subject to the terms and conditions of this Agreement, and shall only be placed on K2 order forms (in the event non-complying Retail Dealer orders are placed, the terms and conditions of such orders, other than to the extent of identifying quantities of K2 Products which K2 has otherwise confirmed or shipped, shall not be applicable). Pre-season orders are firm and non-cancelable, without K2’s prior written consent. All other orders may be modified or cancelled by Retail Dealer not later than four (4) weeks prior to the first scheduled ship date.

**4. Shipping.** All pre-season orders for winter sport K2 Products must specify a ship date not later than November 1 of the applicable calendar year. All pre-season orders for non-winter sport K2 Products must specify a ship date consistent with K2’s applicable instructions. All other orders shall specify a preferred ship date. K2 reserves the right to ship two (2) weeks prior to requested ship dates without notification or authorization. All orders will be shipped FOB K2’s US shipping point, with carrier, method and route of shipment to be selected by K2 in its sole discretion, unless otherwise agreed by K2. Any claims for inaccurate shipments shall be submitted to K2 within thirty (30) days of shipment receipt.

**5. Returns.** K2 Products, as a general policy, are not returnable. Should K2, in its sole discretion, authorize a K2 Product return, it will be subject to a restocking fee of ten percent (10%) per item (subject to a \$20 per item minimum) and Retail Dealer will pay return shipping. All authorized returns, including without limitation warranty returns, must be marked with a return authorization number (issued by K2 Customer Service) and only K2 Products specified in the original return authorization will be credited.

K2 Customer Service contact numbers are:

Ski/Skate/Telemark: 800-972-4037

K2 Snowboard: 800-225-4119

Morrow/Liquid: 800-972-4067

K2 Bikes: 800-447-3824



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**6. Credit.** All Retail Dealer purchases from K2 are subject to cash in advance terms, except as otherwise authorized in writing in advance by the K2 Credit Department (1.206.805.4800).

### **7. General Terms.**

**7.1 Confidentiality.** During the term of this Agreement, and at all times thereafter, Retail Dealer and its staff shall maintain in confidence all proprietary or confidential information related to K2 Products or K2's business, which shall include any information which is not generally available to the public or is otherwise deemed by K2 to be proprietary or confidential, and which shall include, without limitation, the terms of this Agreement.

**7.2 Trademarks.** Retail Dealer acknowledges that K2 is the owner of various trademarks, logos and designs used from time to time in connection with the development, manufacture, marketing and sale of K2 Products, and the goodwill associated therewith ("Trademarks"), and agrees not to contest K2's validity or K2's ownership of the Trademarks or any applications or registrations therefore, and shall not at any time apply for or obtain the registration of any Trademarks or do anything or allow anything to be done which might in any way impair K2's rights in and to the Trademarks or any trademarks, service marks or trade names which are confusingly similar to the Trademarks. Retail Dealer also agrees to immediately notify K2 if it becomes aware of any potential infringement of any Trademark and to not use any Trademark in any manner without K2's prior written consent.

**7.3 Indemnification.** K2 agrees to indemnify and hold Retail Dealer harmless from any third party claim or liability involving alleged K2 Product design or manufacturing defects, intellectual property right infringement, or false advertising, to the extent due to K2's actions or failures to act, or related to K2's failure to perform its obligation under this Agreement. Retail Dealer agrees to indemnify and hold K2 harmless from any injuries or damage that Retail Dealer or its staff may suffer at any

time while testing, wearing or otherwise using any K2 Product, due to Retail Dealer's failure to perform its obligations under this Agreement, or otherwise due to Retail Dealer's or its staffs' actions or failures to act.

**7.4 Definitions.** Terms which are capitalized shall have the meaning attributed to them, as applicable, in these Terms and Conditions, the Retail Dealer Agreement or the applicable K2 Product Prices and Terms.

**7.5 Miscellaneous.** This Agreement constitutes the entire understanding between the parties and supersedes all prior agreements, representations or understandings between them relating to this subject matter. Except as otherwise set forth in the Agreement, this Agreement may only be modified or amended by written agreement of the parties. The parties agree that this Agreement shall be governed by the laws of the State of Washington, without regards to conflicts of law principles. All disputes arising under this Agreement shall be resolved by arbitration before a single arbitrator in Seattle, Washington, pursuant to the procedures and requirements, then in effect, of Judicial Dispute Resolution, Inc. The arbitrator's award shall be final and binding on the parties, and judgment on the award rendered may be entered in any Washington court having jurisdiction. The prevailing party in any action concerning this Agreement shall be entitled to an award of costs and reasonable attorneys' fees and arbitration costs. The provisions of this Agreement are severable, and should any provisions be void, unenforceable or invalid, such provision shall not affect any other portion or provision of this Agreement. Waiver of any right, obligation or breach must be in writing and shall not be construed as a continuing waiver of or consent to any subsequent breach of this Agreement. Any notice required to be provided hereunder shall be provided to K2, c/o General Counsel, 4201 6th Ave S, Seattle, WA 98108, and to Retail Dealer at the address indicated on the face of the Retail Dealer Agreement, or such other address as either may designate to the other in writing.