

Distributor Agreement & Dealer Agreement

Bang Golf, Inc

THIS AGREEMENT is mutually agreed by Bang Golf, Inc (hereafter referred to as “Company”) and the Master Distributor, or Distributor or Dealer (hereafter referred to as “Dealer”) signed and approved by Company in the attached Dealer Application Form. By submitting the Dealer Application Form, in consideration of the promises made herein and intending to be legally bound, Dealer agrees to terms of this agreement as follows, and agrees to the sales revenue quota commitment in the attached Dealer Application Form.

1. APPOINTMENT OF DEALER

1.1 Dealer of all levels, including master distributor, distributor and dealers, must be formally appointed by Company, must fulfill the required sales revenue quota stated in the attached Dealer Application Form. The Dealership status is subject to annual/semi-annual performance evaluation.

1.2 Dealer of all levels have different set of privileges and responsibilities as detailed in detailed terms of this agreement.

1.3 This Agreement is non-transferable. In the event of any changes to the entity of the Dealership, the new entity must re-sign this Agreement with Company.

1.4 This agreement, together with its amendments as well as the set of purchasing terms and price levels, are subject to change from time to time when Company deems as necessary. Company shall notify Dealer, although not mandatory, of such changes at least 30 days in advance.

1.5 Company shall have the right at any time to introduce new products, discontinue the manufacture or sales of any existing products without incurring any obligation or liability whatsoever. Company shall notify Dealer, although not mandatory, of such changes at least 30 days in advance.

2. PRIVILEGE AND RESPONSIBILITY OF DEALER

2.1 The Master Distributor and Distributor have an assigned sales territory, set forth in the Dealer Application Form and re-evaluated annually or semi-annually, in which Distributor shall allocate its resources to maintain a market share and sales volume, satisfactory to Company as per listed in Dealer Application Form.

2.2 The Master Distributor and Distributor shall maintain a certain level of product inventory, satisfactory to Company, in keeping with the sales potential in the territory and to reduce product reorder and handling costs.

2.3 A Dealer may not have a fixed sales territory assigned by Company. A Dealer located within the territory of a Distributor is encouraged to work in coordination with the Distributor and to purchase products from the Distributor to reduce the overall product reorder and handling cost. A Dealer that is not in the territory of a Distributor shall directly conduct business with Company.

2.4 Dealer of all levels, including Distributor and regular Dealer, shall aggressively promote the sale of Company products through, but not limited to, advertising, open houses, farm shows, field demonstrations and other applicable gatherings using Company's advertising and/or sales promotion materials as provided by Company, and by participation in early order and other sales related program offered by Company.

2.5 Dealer of all levels shall extend to its customers Company's applicable standard printed product warranty which is in effect at the time of retail sale. Dealer understands that no other warranty is expressed or implied. Dealer shall advise customers to promptly forward the completed warranty registration to Company, and shall service the customer's warranty claims on behalf of Company when customer choose to make the warranty claim with Dealer.

2.6 Dealer shall properly staff and train sales and service personnel with respect to Company products. Dealer shall be responsible for tier-1 customer supports and inquiries and shall only direct tier-2 customer support issues beyond Dealer's service ability to Company.

2.7 Dealer shall carefully store and care for al products for which Dealer is indebted to Company and protect them from damage or loss from any cause. Dealer shall be responsible for maintain insurance of such said products until the total product purchasing sum is fully paid to Company or the products are returned to the warehouse of Company.

2.8 Dealer shall encourage subsequent retailers and customers to use Company's original equipment parts in the repair and replacement of Company products. Dealer shall not represent, nor resale, non-Company parts or competitor parts of similar kind.

2.9 Dealer shall cooperative with Company's annual or semi-annual performance evaluation and any other programs or matters pertaining to the administration of the agreement.

3. PAYMENT TERMS

3.1 Dealer is assigned by Company a set of fixed and favorable purchasing prices. Prices are subject to change at Company's sole discretion. Dealer understands that price changes are normal due to lots of factors including but not limited to inflation, exchange rate fluctuation, raw material market status, etc. Company, though not mandatory, shall notify Dealer of such changes at least 15 days in advance.

3.2 All prices are FOB Company's warehouse, and do not include transportation cost, applicable federal, state or local taxes which shall be borne by Dealer. An amount equal to the appropriate taxes will be added to the invoice by Company where Company has the

legal obligation to collect such taxes unless Dealer provides Company with a valid tax exemption certificate authorized by the appropriate taxing authority.

3.3 Dealer is agreed with a certain payment method with Company for the products purchased. Payment term is net cash prepaid upon delivery except where satisfactory credit is established in which case payment term shall be net N days from the date of delivery, where N is 1 to 30 based upon Company's assertion with the approval of the Dealer Application. Company reserves the right to revoke any credit extended at Company's sole discretion. Dealer agrees to pay such invoices when due regardless of other scheduled deliveries. Invoices not paid within 30 days of the invoice date will have 1.5% per month finance charge assessed against the unpaid balance from the date of invoice until the date of payment.

3.4 When credit is extended to Dealer, Dealer agrees that title to all Company products with right of repossession for default shall remain with Company until the purchase price is paid in full. Credit will be extended to Dealer after execution and filing of security agreements and related documents satisfactory to Company. Should Company deem itself insecure, Company may suspend or reduce Dealer's credit limit, or take other steps necessary to protect Company's interest.

3.5 For all payment rendered via credit card or debit card, payment must be approved by card issuing bank upon delivery. For all payment made by personal check or company check, payment must be cleared by the transaction banks before the delivery is made. For each bounced check, a \$35 back check fee posed by the bank will be added to Dealer's balance.

4. ORDER PLACEMENT AND DELIVERY

4.1 Dealer can place order online at www.BangGolf.com at any time, or can place order via telephone during Company's regular business hours. Dealer may also order by email or fax. Regardless of the method of order placement, Dealer must obtain an order number from Company as a proof that the order has been properly placed. Company assumes no responsibility for orders not placed through due to any reasons, including but not limited to email routing problems or distractions of junk mails or junk faxes.

4.2 Unless otherwise notified or on backorder, all orders placed before 2pm PST shall be shipped the same business day, and all orders placed after 2pm PST, though may still be shipped the same day without any guarantee, shall be shipped the next business day.

4.3 At the time of order, Company may provide estimated shipping cost for reference purposes only. Dealer should understand that such shipping cost estimation, unlike consumer retail business, is impossible to be nearly accurate, and would be far more inaccurate for bigger and complex orders. Company shall post the actual cost at the time of shipping as per shipping carrier's actual charge amount. Company may use a different shipping carrier of the same delivery type without notice if Company deems economically beneficial for Dealer.

4.4 Return of all products or services, and exchange of all products, must be authorized in advance by Company and must be issued an RMA number. Company shall not be

obligated to accept any returns without Company's authorization, unless otherwise arranged by Company. Company is not obligated for return freight expenses unless the return is a result of the fault of Company or unless otherwise pre-approved by Company. Some products may incur a restocking fee or fee to cover the excess wear-tear or damage at the time of return, per terms of Company return policy.

5. TRADEMARKS AND PROPERTY RIGHTS

5.1 Dealer is licensed to use Company's name and trademarks in the normal course of distributing Company's products and performing related services under this agreement. Dealer agrees not to use Company's name and trademarks as part of Dealer's name or in any manner including but not limited to internet domain registration, web page composition, etc., which would misrepresent the relationship between Dealer and Company. Dealer may represent itself as an "authorized distributor" or "authorized dealer", whichever applies, of Company, and, with prior approval of Company, may use Company's name, logo, trademarks on its websites, signs or other advertising or promotional materials. Dealer's license to use Company's name and trademarks is limited to the aid of the marketing and sales of Company's products and is prohibited for any other use, and Dealer shall abide by restrictions and limitations imposed by Company from time to time. Upon termination of this agreement, Dealer shall immediately cease representing itself as a distributor or a dealer of Company, and shall cease use of all Company names and trademarks and any signs or other materials, of whatever nature.

5.2 Dealer's license to use Company's name and trademarks include but not limit to the terms of a) statement declaring the name and trademarks are property of Company, whenever applicable; b) whenever Company logo is used on web site or marketing materials, or whenever Dealer proclaim itself as a distributor or a dealer of Company on web site, a hyperlink must be clearly evident and functional so that a click on Company logo or Company name shall direct the web site to Company's main web site (<http://www.BangGolf.com>) or the distributor directory page of Company's web site, where the Company logo and Dealer's proclaim can be easily verified by the public on the internet.

5.3 Dealer may also use product literatures, product images for normal marketing use, provided that Dealer acknowledges the copyright of Company and uses the literatures and images in its entirety with no modifications, retouches or alterations of any kind that may cause misunderstandings and misinterpretations.

6. TERMINATION

6.1 Unless otherwise provided by applicable law, either party may terminate this agreement without cause and for any reason, upon a written notice given to the other party no less than 30 days in advance. Upon termination for any reason, all amounts owed to Company shall become immediately due and payable, and Dealer shall immediately cease to use all Company's names and trademarks, and shall no longer proclaim itself as a distributor or a dealer of Company.

6.2 Dealer that fails to fulfill the sales revenue quota or fails to pass annual or semi-annual distributorship/dealership evaluation shall automatically result in change of its distributorship/dealership status or the termination of this agreement.

7. RIGHTS OF COMPANY

7.1 Company has the rights to modify and to interpret this agreement. Company has the rights to re-evaluate the performance and validity of Dealer's dealership annually, semi-annually or at any given time, and change the status of the Dealership accordingly.

7.2 Company has the rights to sell directly any of its products to any of the following: (a) United States government or any of its agencies, bureaus, commissions, or departments; (b) Any foreign government or any of its agencies, bureaus, commissions, or departments; (c) Academic institutes, churches, charities, trade organizations or any other non-profit entities;

7.3 Company has the rights to change the design of any products or part thereof at any time without notice to Dealer.

7.4 Company has the rights to change the price of any of its products from those shown by its present price list. In the event of price change, Company shall, although not obligated to, inform Dealers of such changes at least 15 days in advance.

8. CLAIMS AND LEAGAL DISCLAIMERS

8.1 If during the term of the Agreement, Dealer shall have reason to believe it has any claim against Company in any respect of any transaction growing out of this Agreement, Dealer shall notify Company in writing within 60 days after Dealer knows, or has reason to know, the basis of any such claim. Failure to give the claim notice shall relieve Company from all liability on any claim in respect to any transaction growing out of this Agreement.

8.2 This Agreement does not constitute Dealer the agent or legal representative of Company for any purpose whatsoever. Dealer is not granted any right or authority to assume or to create any obligation or responsibility, express or implied, on behalf of or in the name of Company or to bind Company in any manner.

8.3 The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws of the State of California, Unites States of America, the state in which this Agreement is being executed. It is understood, however, that this is a general form of agreement, designed for use anywhere in the world wherever Company may desire to sell its products and that any provision herein which in any way contravenes the laws of any state or jurisdiction shall be deemed not to be part of this Agreement therein.

8.4 Jurisdiction and venue: By signing this Agreement, Staffer submits to the exclusive personal jurisdiction and venue with respect to any action, special proceeding, or other proceeding that may be brought arising out of, in connection with, or by reason of this agreement before the court of State of California, located in Los Angeles County or such other California court as Bang Golf may elect.

8.5 If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provision will nevertheless continue in full force without being impaired or invalidated in any way.

8.6 If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret to provision of this Agreement, the prevailing party will be entitled to reasonable attorney's fees, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which that party may be entitled.

8.7 This Agreement, together with the Dealer Application Form, may be signed in counterparts and may be transmitted by one party hereto to another party by means of facsimile transmission. Any such signature transmitted by facsimile shall be deemed to be in the original for all purposes.

8.8 This Agreement is valid only when the signed and approved Dealer Application form is attached.

BANG GOLF, INC.
10004 Garvey Avenue
El Monte, CA 91733 USA
Phone: +1 (626) 618 0303
Fax: +1 (626) 618 0330

Rev. 2007

Bang Golf Dealer/Distributor Application Form

Applicant Business Information

Name: _____ DBA (if any): _____

Billing Address: _____

City: _____ State/Province: _____ Zip/Postal Code: _____

Country: _____ Phone: _____ Fax: _____

Email: _____ Website: _____

Type of Business: _____ Date Business Starts: _____

Federal Tax ID: _____ Resale License Number: _____

Projected Annual Sales of Bang Golf Products (in US Dollar): \$ _____

Estimated Initial Order Amount from Bang Golf (in US Dollar): \$ _____

Ownership: ☐ Sole Owner/Individual ☐ Partnership ☐ Corporation ☐ LLC
☐ Mgmt. Co. ☐ Other _____

Shipping Address (if different): _____

City: _____ State/Province: _____ Zip/Postal Code: _____

Country: _____ Phone: _____ Fax: _____

Do you plan to drop-ship to your customer's addresses? ☐ Yes

List other golf vendors you currently do business with: _____

Do you have a showroom/retail storefront? ☐ Yes

If yes, what percentage of retail floor space would be allocated for Bang products?

☐ 0-25% ☐ 25-50% ☐ 50-75% ☐ 75% or more

Do you currently or plan to do online business through Internet? ☐ Yes

If yes, what percentage of your total sales would result from Internet sales?

☐ 0-25% ☐ 25-50% ☐ 50-75% ☐ 75% or more

Who may order for this account: _____

Purchase order required? ☐ Yes ☐ No

I hereby state that the information contained herein is correct and not misleading, and I agree to the terms described in the Dealer Agreement associated with this Application. I understand the above information is given in confidence for the sole purpose of requesting an account with Bang Golf.

Applicant: _____ Signature: _____

(Full Name in Print)

Title: _____ Date: _____

Please send this completed and signed application form via fax to Bang Golf, Inc. Fax: (626) 618-0330