

## AUTHORIZED DEALER PURCHASE AGREEMENT

This Authorized Dealer Purchase Agreement (the "Agreement") is effective as of the date on which the last party to this Agreement duly executes this Agreement (the "Effective Date"), between JL Marine Systems, Inc., a Florida corporation (the "Company"), having a mailing address of 9208 Palm River Rd suite # 303, Tampa Florida 33619, and \_\_\_\_\_, a \_\_\_\_\_, (the "Authorized Dealer"), having a mailing address of \_\_\_\_\_.

### Background

The Company has developed and owns the rights to certain patented JL Marine products (the "Products") described in this Agreement. Authorized Dealer wishes to purchase the Products to sell either as stand-alone Products or made part of finished boats that are also sold by Authorized Dealer (the "Finished Products"). The stand-alone Products and the Finished Products will be sold to Authorized Dealer's end-user customers (collectively, "Customers"). Therefore, the Company and Authorized Dealer desire to enter into this Agreement to set forth the terms and conditions of their relationship. *[DRAFT NOTE: Confirm that Authorized Dealers only customers will be end-users of the Product, either sold separately or sold as part of a boat.]*

### Operative Terms

The parties agree as follows:

1. Purchase Orders and Sale of Products. During the Term (as defined below) of this Agreement, the Company shall sell to Authorized Dealer, and Authorized Dealer shall purchase from the Company, the Products specified by Authorized Dealer in a written purchase order signed by Authorized Dealer and sent by Authorized Dealer to the Company by mail, facsimile, phone or Web site (each an "Order") at the prices for the Product as set forth by the Company from time to time, and on other reasonable terms and conditions that the Company establishes from time to time. The Company will deliver Products to Authorized Dealer pursuant to an Order that has been accepted and acknowledged by the Company in accordance with the requested delivery schedule. The Company will have two (2) business days in which to notify the Authorized Dealer that the acknowledged delivery dates do not meet Authorized Dealer's requirements. In the event that the Company notifies the Authorized Dealer that it will not be able to meet Authorized Dealer's requirements set forth in a particular Order, the Company and Authorized Dealer will agree to a revised Order. [The Company recommends a lead time of 14 to 21 days for each Order to ensure preferred Authorized Dealer pricing.] In the event that the Company fails to satisfy a particular order more than 14 business days following the scheduled delivery date set forth in such Order, Authorized Dealer may cancel such Order without penalty. Notwithstanding the content of any Order, this Agreement takes precedence and shall control over such Order, and any conflicting, inconsistent or additional terms of Order shall be null and void. *[DRAFT NOTE: Discuss whether Authorized Dealers will receive preferred pricing and if the bracketed language is relevant.]*

2. Delivery. The Company shall deliver the Product to the Authorized Dealer, F.O.B. shipping point. On the Company's delivery of the Product to a carrier for shipment, title and risk of loss will pass to the Authorized Dealer.

3. Company's Right to Cancel Orders. The Company reserves the right to cancel or suspend or delay shipment of Products for any Orders placed by Authorized Dealer and accepted by the Company if Authorized Dealer fails (i) to make payment as provided herein or in any Order, (ii) to meet credit or financial requirements established by the Company, or (iii) otherwise to comply with the terms and conditions of this Agreement.

4. Prices and Manner of Payment. The Company's current prices for the Products will be set forth on its Web site and the Company reserves the right to modify its prices at any time and from time to time. All payment for the Products shall be made in U.S. Dollars. Payment will be C.O.D., provided that after the Company has determined that proper credit has been established, payment will be due [ ] days from the date of invoice. The Company retains the right at any time and from time to time to deny credit terms to Authorized Dealer and require payment C.O.D. The prices stated are exclusive of income taxes, sales or use taxes, or other taxes, duties or levies imposed on the production, storage, sale, transportation or use of the Products. Authorized Dealer shall pay all taxes and like charges assessed upon the sale or storage of the Products, or otherwise by reason of the execution or performance of or under this Agreement, without deduction from or credit against any amounts payable to the Company under this Agreement. Any payment that is not received when due will bear interest at a monthly rate equal to the lesser of 5% or the maximum rate allowable under applicable law.

5. Obligations of Authorized Dealer.

a. Authorized Dealer shall adhere to the Company's specifications and instructions (collectively, the "Specifications") in effect from time to time with respect to the Products' installation, maintenance, service, operation, use, marketing, promotion, advertising and sale. Authorized Dealer shall not install or use in connection with any Product any part or equipment or supplies that might damage the Product or prevent its normal use or that are not fully in accord with the finish, dimensions, durability, form, material, precision and other characteristics of the parts, equipment, and supplies which the Company may furnish for the same purpose or otherwise approve, or which is not otherwise in accord with the Company's Specifications and instructions for the Product.

b. Authorized Dealer shall inspect and properly service the Product before delivery to an Authorized Dealer Customer and shall provide any required service in accordance with the Warranty Terms (as defined below) of the Company and/or Authorized Dealer.

c. Except as expressly provided in this Agreement, Authorized Dealer shall acquire no rights under this Agreement, or by the use of the Company's Intellectual Property Rights relating to the Product. Authorized Dealer irrevocably waives, releases, and disclaims any and all right, title, and interest in and to such Intellectual Property Rights, and hereby assigns any interest in such Intellectual Property Rights that may accrue to the benefit of, or be acquired by, Authorized Dealer as a result of this Agreement.

d. Authorized Dealer will comply with all applicable local, state and federal laws, ordinances, regulations and orders with respect to its performance under this Agreement.

e. Authorized Dealer will comply with the Company's Minimum Advertising Pricing (MAP) Policy in the form attached to this Agreement as Exhibit C, provided that the Company may modify the MAP Policy at any time and from time to time.

6. Intellectual Property.

a. Ownership of Intellectual Property; Goodwill. The Products and the Intellectual Property Rights embodied therein or associated therewith, including without limitation the Specifications and the Company's trademarks, are owned exclusively by the Company. Authorized Dealer shall have no right, title or interest therein except as expressly stated in this Agreement, and the Company reserves all right in and to the Products and such Intellectual Property Rights not expressly granted herein. The Company is also the owner of any goodwill attached or which shall become attached to the Products and such Intellectual Property Rights. Any such goodwill shall inure solely to the benefit of the Company. "Intellectual Property Rights" means all of the Company's rights, interest

and title in and to patents, trademarks, trade names, inventions, copyrights, know-how, trade secrets and other intellectual property relating to the design and operation of the Products.

b. License Grant. Subject to the terms and conditions of this Agreement, the Company hereby grants to Authorized Dealer, and Authorized Dealer hereby accepts, a limited, nonexclusive, nontransferable (except to the extent permitted in this Agreement), worldwide right and license to:

- i. practice, use and operate the Products and only those of the Company's Intellectual Property Rights embodied therein which are necessary for the purposes of the reasonable exercise and enjoyment of the limited rights expressly granted herein;
- ii. create derivative works based on the Products only by bundling the Products with Finished Products;
- iii. to market, distribute, sell and display the Products either as stand-alone Products or as part of the Finished Products and only in accordance with the Specifications provided to Authorized Dealer from Company from time to time;
- iv. reproduce, use and distribute all documentation in the Company's name associated with the Products under this Agreement; and
- v. to grant sublicenses to end-users for use of the Products either as stand-alone Products or as part of the Finished Products subject to the requirements set forth in this Agreement.

c. Limited Trademark License. Subject to Authorized Dealer's compliance with the Company's trademark usage and advertising policies, Authorized Dealer may use and display the Company's trademarks solely in connection with and solely to the extent necessary for the marketing, distribution and support of the Products in accordance with the terms of this Agreement. Authorized Dealer shall market, distribute and support the Products only under the Company's trademarks, and not any other trademark or logo.

7. Term of Agreement. Unless this Agreement is sooner terminated pursuant to Section 8, this Agreement and the license granted herein shall continue in effect from the Effective Date until the [ ] year anniversary of the Effective Date ("Initial Term"), and shall automatically renew thereafter for [ ]-year renewal terms (each, a "Renewal Term"), so long as either party has not provided the other party with written notice of its intent not to renew within 60 days from the end of the Initial Term or a Renewal Term, as the case may be (the "Term").

8. Termination.

a. Termination for Cause. Either party may terminate this Agreement effective upon written notice to the other party if the other party breaches this Agreement and fails to cure the breach within 30 days following the receipt of written notice to such party specifying the nature of the breach. Further, either party may terminate this Agreement effective upon written notice to the other party if any of the following events occur: (i) the other party files a voluntary petition in bankruptcy or any similar proceeding under any law regarding insolvency or relief for debtors, or makes an assignment for the benefit of creditors; (ii) a receiver, trustee or similar officer is appointed for the business or property of the other party; (iii) any involuntary petition or proceeding under bankruptcy or insolvency laws is instituted against the other party and not stayed or discharged within 60 days; or (iv) the other party initiates dissolution proceedings or ceases to conduct business.

b. Effect of Termination. The termination of this Agreement shall not release the Company from its obligation to fill and deliver any Orders accepted prior to the date of termination. The termination of this Agreement shall not release Authorized Dealer from its obligation to pay for Orders made prior to the date of termination or to pay monies due or to become due to the Company to complete unfulfilled orders, and upon termination, the due date of all outstanding invoices for Orders shall automatically become accelerated and all such invoices shall become due and payable. Authorized Dealer or the Company shall not be liable to each other for any damage or loss of any kind sustained by reason of or resulting from the termination of this Agreement. Upon termination of this Agreement, Authorized Dealer shall promptly return to the Company all written materials with respect to Confidential Information (as defined below). All Orders or portions thereof remaining unshipped as of the date of termination may be cancelled by the Company, at its option, to the extent such Orders call for delivery more than 30 days following the date of termination.

c. Survival. The following Sections shall survive termination of this Agreement: Sections 4, 5, 6(a), 8, 9, 11, 12, and 13.

9. Confidentiality. Authorized Dealer recognizes and agrees that the information relating to the Company's business and Products and the other information defined below as Confidential Information are of great value to the Company and that the provisions of this Section 9 are reasonably necessary to protect the Company's rights in the Confidential Information. Authorized Dealer shall not, and shall not permit any of its affiliates, employees, agents, or other representatives, or any person in a contractual or fiduciary relationship to it, directly or indirectly, disclose or divulge any Confidential Information to any person other than the Company or Authorized Dealer's responsible officers and employees and other responsible persons in a contractual or fiduciary relationship with Authorized Dealer who agree in writing similarly to hold the Confidential Information in confidence (such persons are collectively, "third parties"). For purposes of this Agreement, the term "Confidential Information" means any information made available by the Company to Authorized Dealer or a third party, acquired by Authorized Dealer or a third party during visits to the Company's facilities, or otherwise acquired in the performance of Authorized Dealer's obligations under this Agreement, that relates to the business, products, procedures, or interests of the Company and that Authorized Dealer knows or should reasonably be expected to know is regarded by the Company as confidential. Authorized Dealer acknowledges that a violation of this Section 9 or Section 6(b) will cause irreparable damage to the Company, that the determination of such damages will be difficult and that no remedy at law will be adequate and agrees that the Company is entitled to pursue equitable remedies (including specific performance and injunction) to enforce the provisions of this Section 9. Authorized Dealer hereby agrees to waive the necessity of the Company's posting a bond in order to obtain a temporary restraining order or permanent injunction.

10. Product Modification. The Company may change, revise, or modify the design or construction of any of the Products, without obligation of the Company to make the changes or improvements to Products previously ordered or shipped. Any model of a Product may be discontinued at any time, without notice to or consent from Authorized Dealer; all Orders will refer to models current when the Company receives them, unless specified otherwise.

11. Warranty Terms.

a. The Company's warranties with respect to each of its Products can be found on the Company's Website at [www.power-pole.com](http://www.power-pole.com). The Company's warranty procedures are set forth on Exhibit D (collectively, the "Warranty Procedures"). The Company reserves the right to modify its warranties and Warranty Procedures at any time. Authorized Dealer will, and will require its resellers, to comply with the Warranty Procedures.

b. THE COMPANY MAKES NO WARRANTY OF ANY KIND TO ANY PERSON, EITHER EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, AS TO ANY PRODUCTS OR INFORMATION FURNISHED TO AUTHORIZED DEALER IN CONNECTION WITH THIS AGREEMENT, EXCEPT AS EXPRESSLY PROVIDED FOR IN THE WARRANTY TERMS ON ITS WEBSITE OR ATTACHED TO THIS AGREEMENT.

12. Limitation of Liability. THE COMPANY SHALL IN NO EVENT BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, OR OTHER DIRECT OR INDIRECT DAMAGES, FORESEEABLE OR UNFORESEEABLE, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, SUFFERED BY AUTHORIZED DEALER OR ANY CUSTOMERS OR THEIR EMPLOYEES OR AGENTS OR ANY OTHER PERSON ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR WITH THE PURCHASE, USE, DESIGN, OR PERFORMANCE OF ANY PRODUCT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT PRODUCT LIABILITY, OR OTHERWISE. THE COMPANY SHALL NOT BE LIABLE FOR OR BOUND BY ANY ACTS OR STATEMENTS OF AUTHORIZED DEALER OR CUSTOMERS, WHETHER ORAL, WRITTEN OR IMPLIED. THE COMPANY'S MAXIMUM LIABILITY TO AUTHORIZED DEALER WITH RESPECT TO THIS AGREEMENT SHALL BE THE AGGREGATE FEES PAID UNDER THIS AGREEMENT BY AUTHORIZED DEALER AND RECEIVED BY THE COMPANY DURING THE 12 MONTHS IMMEDIATELY PRECEDING THE DATE IN WHICH THE FACTS UNDERLYING THE CLAIM OCCURRED.

13. Arbitration. Except for disputes regarding the non-payment of any amount due to the Company hereunder or the Company's right to pursue equitable remedies in accordance with Section 9, any controversy, claim or misunderstanding arising out of, or relating to including, but not limited to, any alleged breach of, default, compliance with or interpretation of any terms or provisions of this Agreement, shall be settled by arbitration. The arbitration proceedings shall take place in Hillsborough County, Florida. The arbitrators shall conduct the arbitration in accordance with the rules, procedures and standards of the American Arbitration Association. The parties may select one arbitrator if they can agree on a single arbitrator; otherwise each opposing party shall be entitled to select one arbitrator. These two arbitrators shall, in turn, select a third arbitrator. The first two arbitrators shall be chosen within twenty days after the party seeking arbitration delivers notice of same to the other party. If one of the parties fails to timely select an arbitrator, the arbitrator that was timely selected shall be the sole arbitrator, no others being appointed. If neither party selects an arbitrator within the twenty day time period, the first arbitrator selected thereafter shall be the sole arbitrator, no others being appointed. Where the parties each have properly and timely selected an arbitrator, such arbitrators shall have ten days from the end of the initial twenty day selection period to select a third arbitrator. In the event the arbitrators are unable to agree to a third arbitrator within such ten day period, either party may, upon the expiration of such period, petition a judge in the Circuit Court of Hillsborough County, Florida, for appointment of the third arbitrator.

14. Miscellaneous.

a. Independent Contractor. Authorized Dealer shall be and act as an independent contractor of the Company, not as an agent, partner, or joint venture of the Company. Authorized Dealer shall assume and pay all expenses incurred by it in connection with its performance under this Agreement, shall incur such expenses and sell, install and service Products only in its own name and for its own account, and shall not in any way or under any circumstance transact any business for or in the name of the Company, nor on Authorized Dealer's behalf make any warranties or representations of any kind, express or implied, nor assume or create, or attempt to create, any obligation of any kind for or in the name of the Company. Moreover, Authorized Dealer shall take

any steps necessary to prevent or remedy any misunderstanding regarding the nature of its relationship with the Company. Authorized Dealer shall be independently liable to the Company for compliance with the terms of this Agreement and for the payment of the purchase price for all goods purchased by it under this Agreement, regardless of any agreements that Authorized Dealer makes with its customers or any other person.

b. Publicity. For so long as this Agreement is in effect, Authorized Dealer grants the Company a nonexclusive, fully paid-up right and license to use the Authorized Dealer's trademark and logo in accordance with Authorized Dealer's specifications in connection with the Company's advertising, marketing and promotional efforts.

c. Severability. The parties have executed this Agreement with the intention that every provision of it is valid, lawful, and enforceable. Accordingly, each provision of this Agreement should be applied and interpreted so it is valid, lawful, and enforceable. If a provision of this Agreement (or the application of it) is held by a court to be invalid, unlawful, or unenforceable under applicable law, however, that provision will be considered separable from the remaining provisions of this Agreement, will be reformed and enforced to the extent that it is valid and lawful, and will not affect the validity, lawfulness, or enforceability of any other provision of this Agreement or the application of that provision to a person or circumstances to which it is valid, lawful, and enforceable.

d. Assignment. Neither this Agreement nor any interest in it may be assigned by either party without the prior written approval of the other party, which approval may not be unreasonably withheld, delayed or conditioned. Notwithstanding the foregoing, either party may assign this Agreement in its entirety to any purchaser of all or substantially all of its business or assets (by merger, sale of stock or assets or otherwise); provided, however, that the assigning party provides the other party with written notice of the assignment within 30 days after the date of the transaction giving rise to the assignment.

e. Waiver. The failure of any party to require the performance of any term of this Agreement or the waiver by any party of any breach or default under this Agreement will not prevent a subsequent enforcement of the term, nor in any other way affect the effectiveness of the term, nor be deemed a waiver of any subsequent breach or default.

f. Entire Agreement; Amendment. This Agreement, together with all exhibits, schedules and attachments hereto and all Orders, constitute the entire agreement and understanding between the parties, and supersede any prior agreements related in any way to the subject matter of this Agreement. This Agreement may not be modified, altered, or amended, and no provision of this Agreement may be waived, except by a writing executed by both parties or, in the case of a waiver, duly executed by the party against which the waiver is being asserted. Except as set forth in this Agreement, Authorized Dealer has not relied on any representation, warranty, or agreement of the Company in connection with the transactions contemplated by this Agreement.

g. Export Licenses. Authorized Dealer agrees that it will not export, directly or indirectly, any Products obtained under this Agreement to any country without first obtaining proper governmental licenses and/or approvals.

h. Force Majeure. In no event will the Company be liable to the Authorized Dealer or any other person in any manner by reason of failure to deliver an order, or delay or nonconformity in the delivery of, all or any part of an order, and Authorized Dealer shall not attempt to hold the Company liable in any respect for any such failure, delay or nonconformity, caused directly or indirectly by an event of force majeure or other contingency beyond the reasonable control of the Company, including without limitation fire, strike, union disturbance, injunction or other labor

problems, war (whether or not declared), riots, insurrections, terrorist attacks, government restrictions, or other government acts.

i. Notices. Every notice, demand, consent, or other communication required or permitted under this Agreement will be valid only if it is in writing and delivered personally, by overnight nationally-recognized commercial courier, or certified or registered United States mail, to the addresses first written above, unless the parties are subsequently notified of any change of address in accordance with this Section 13(i). A validly given notice, demand, consent, or other communication will be effective on the earlier of its receipt, as indicated by the date on the signed receipt, or its refusal or rejection.

j. Governing Law; Jurisdiction. The validity, construction, enforcement, and interpretation of this Agreement are governed by the laws of the State of Florida and the federal laws of the United States of America, excluding the laws of those jurisdictions pertaining to the resolution of conflict with laws of other jurisdictions. Each party to this Agreement (a) consents to the personal jurisdiction of the state and federal courts having jurisdiction in Hillsborough County, Florida, (b) stipulates that the proper, exclusive, and convenient venue for any legal proceeding arising out of this Agreement is Hillsborough County, Florida, for state court proceedings, and the Middle District of Florida, for federal district court proceedings, and (c) waives any defense, whether asserted by a motion or pleading, that Hillsborough County, Florida, or the Middle District of Florida, is an improper or inconvenient venue, or lacks personal jurisdiction over such party.

k. Costs and Expenses. In any mediation, arbitration, or legal proceeding arising out of or related to this Agreement, the losing party shall reimburse the prevailing party, on demand, for all costs incurred by the prevailing party in enforcing, defending, or prosecuting any claim arising out of this Agreement, including all fees, costs, and expenses of agent, experts, attorneys, witnesses, arbitrators, and supersede as bonds, whether incurred before or after demand or commencement of legal or arbitration proceedings, and whether incurred pursuant to trial, appellate, mediation, arbitration, bankruptcy, administrative, or judgment-execution proceedings. A party to this Agreement who fails to pay when due any amount owed to another party pursuant to this Agreement shall pay to the other party, on demand, interest on the unpaid amount, from the date when due until paid in full, at the annual rate then provided by Florida law for the payment of interest on judgments generally (the current annual rate of interest on judgments is prescribed by section 55.03, Florida Statutes).

l. Counterparts. This Agreement may be executed in multiple counterparts, any one of which need not contain the signature of more than one Party but all of which together will constitute one agreement. A Party's receipt of a facsimile or portable document format (PDF) signature page to this letter agreement shall be treated as the Party's receipt of an original signature page.

The parties have executed this Agreement to be effective as of the Effective Date.

**"Company"**

JL Marine Systems, Inc.

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

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

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

Date: \_\_\_\_\_

**"Authorized Dealer"**

\_\_\_\_\_

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

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

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

Date: \_\_\_\_\_

EXHIBIT A  
Products



**SWIFT. SILENT. SECURE.**

Registration No. 3,417,439

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Power-Pole shallow water anchor is a registered trade mark of JL Marine Systems, Inc. The "Authorized Dealer" acknowledges that JL MARINE SYSTEMS, INC. owns the LICENSED TRADEMARK(s) and all rights therein and that nothing in this Agreement shall give the Company any right, title or interest in or to the LICENSED TRADEMARK(s).

The "Authorized Dealer" agrees that it will do nothing inconsistent with JL MARINE SYSTEMS, INC.'s ownership of the LICENSED TRADEMARK(s) and shall not claim adversely to JL MARINE SYSTEMS, INC., or assist any third party in attempting to claim adversely to JL MARINE SYSTEMS, INC., with regards to such ownership. The Company agrees that it will not challenge the title of JL MARINE SYSTEMS, INC. to the LICENSED TRADEMARK(s), oppose any registration thereof, or challenge the validity of this Agreement or the licenses granted herein. Furthermore, the "Authorized Dealer" will not register, nor attempt to register, any trade name or trademark which, in whole or in part, incorporates or is confusingly similar to the LICENSED TRADEMARK(s).

**Power-Pole U.S. Patent # 6,041,730**

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## EXHIBIT B

# Ordering & Shipping:

Orders can be placed by calling our sales department or by utilizing our web site.

### Phone Orders

When calling in an order please have the item code or description ready, Purchase order # if applicable, and date delivery is needed. Please notify us if you require orders to be shipped complete or allow backorder on out of stock items. JL Marine Systems, Inc. will automatically ship any backordered items as soon as they are available. Once orders are placed a copy of the sales order is automatically sent to your e-mail address for verification.

### Web Site Orders

Using the website to place an order is fast, convenient, available 24/7, offers instant inventory availability, and the ability to track shipments.

### Setting up a Web account

First determine if the account was set up by phone or through the power-pole.com website.

### By Phone

1. No password- Go to [www.power-pole.com](http://www.power-pole.com), click the login button, enter E-mail or account code; we will email a temporary password, repeat the login using the temporary password, and follow the instructions to create your permanent password.

### By Website

2. Have password- Go to [www.power-pole.com](http://www.power-pole.com), click the login button, enter E-mail or account code, password, then place your order.
3. Forgot your password, enter your email address, answer the secret question and the password will be sent via e-mail.

Should you have any questions please call customer service (813)689-9932

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## EXHIBIT C

### Minimum Advertised Pricing (MAP) Policy

JL Marine Systems, Inc. (JLM) has worked hard to ensure that all ("Dealers") provide end consumers of JL Marine products™ with the kind of advise, service, knowledge, and support necessary to maintain the high level of customer satisfaction developed over the years. JLM has concluded that certain types of advertising can affect our goodwill and is damaging to the standards and reputation that JL Marine products have achieved. Therefore, JLM is establishing a Minimum Advertised Price ("MAPS") policy.

#### Objectives:

1. To ensure that our dealer-product relationships are consistent and value based.
2. To maintain the proper positioning of JL Marine products in the marketplace.

**The MAP Policy:** Dealers may advertise JL Marine products at or above the minimum advertised price. **The MAP is equal to the MSRP** displayed in our website and catalog. For purposes of the MAP Policy "advertising" means any advertising through authorized media. Authorized media consists of billboards, newspapers, magazines, catalogs, brochures, direct mail, retail flyers, television, radio, e-commerce, and Dealer internet sites or any other method which uses the hypertext transfer protocol ("http") or any internal link to a web based shopping cart is considered advertising for the purposes of this policy.

Advertising that does not mention the MAP or higher price violates the MAP Policy. Any price with a "strike through" treatment is not considered a proper display of the MAP or higher price. Any advertised price, discounts such as coupons, or free accessories resulting in an effective advertised price for JL Marine products at less than the MAP will constitute a violation of the MAP Policy. A Dealer who advertises bundles of products, which include JL Marine products, must advertise the price or value of the JL Marine products at or above the MAP. For example, the advertised bundle should say "includes JL Marine product, which has a suggested retail price of \$XX.00 (or higher)". **It is (JLM)'s unilateral policy to cease supplying products to any Dealer who offers any JL Marine product on an internet auction site!**

The MAP Policy applies only to the dealer's advertised prices, not **selling** prices. Dealers are free to sell JL Marine Products at whatever price they choose.

JLM will monitor compliance with this policy. JLM may, at it own discretion, stop supplying product to any Dealer found to be in violation of the MAP Policy.

If a Dealer has any questions about whether a planned advertisement complies with this policy please contact JL Marine Systems, Inc. at (813)-689-9932 for guidance.

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## EXHIBIT D

# Warranty Procedure

1. First, identify the problem with the Power-Pole® Shallow Water Anchor.
2. Next, determine if any parts need to be repaired or replaced, If necessary, call our tech support hotline (813) 689-9932 for assistance.
3. If any parts need to be replaced; locate the Power-Pole serial # on the stern bracket, call the tech support hotline to obtain a return material authorization (RMA) number. When returning an item you must include a copy of the **original purchase receipt** and have the **RMA #** written on the outside of the box in order to insure proper credit. Ship the bad part back to JL Marine Systems, Inc. (JLM). A warranty invoice will be generated and the replacement parts will be shipped to the "Authorized Dealer".
4. (JLM) will extend warranty credit to all "Authorized Dealer"s for 30 days; no payment will be required upon receipt. After receiving and testing a bad part, JLM will apply a credit to the balance on the warranty invoice, If JLM does not receive the bad part within 30 days, a bill for the balance of warranty invoice will be sent to the "Authorized Dealer".
5. **\*NOTE\*** In an effort to get replacement parts out quickly, often the new part ,and the bad part will cross in the mail, so please be sure about the status of a part being covered by the JLM warranty policy prior to fixing a customer's Power-Pole! **Water damage parts, or parts out of the warranty period are not covered.** If "Authorized Dealer" installs parts prior getting warranty approval, and they are later determined not to be covered, **the "Authorized Dealer" will be responsible for paying for the new parts.**
6. If "Authorized Dealer" is not sure about a part being covered by the JLM warranty; there are two options:
  - **Option 1-** "Authorized Dealer" may pay for a new replacement part first; then if the part is covered, a credit will be issued by JLM to the "Authorized Dealer". Charge or credit the customer accordingly.
  - **Option 2-** Ship the part to JLM, wait for the part to be tested, and JLM will notify you if the part is covered, or not covered. Then the "Authorized Dealer" can order the new parts and charge the customer accordingly.
7. In an effort to keep "Authorized Dealer" margins as high as possible, JLM does not cover the "Authorized Dealer" labor costs for repairing JL Marine products. It will be up to each "Authorized Dealer" to charge or not charge a customer for labor expenses. JLM will always strive to manufacture the most reliable products possible, keeping repairs to a minimum.

If you have any questions about our warranty policy please call us at (813)689-9932

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