

January 21, 2009

International Dealer Application
Telephone 608-627-0499
Fax 608-627-0766
mhillegass@sscycycle.com
walexander@sscycycle.com



Dear Potential S&S Dealer:

Thank you for your interest in our products. To become an S&S dealer you must meet the following criteria:

- Complete an S&S Cycle Dealer application listing at least **2** of the following major V Twin Distributors:
Drag Specialties, Zodiac, Custom Chrome Europe, ECC, or Power Twins.
- Proof of a full time motorcycle service/sales business (**Non Automotive**) on **retail zoned** property
- Proof of a service tech credentials to include schooling and or résumé's.
- Provide a business permit or sales and use tax permit.
- Provide a copy of yellow page ad and business card.
- Provide photos of the interior showing service area and showroom. (**Please email photos to mhillegass@sscycycle.com**)
- Provide exterior photos of the establishment including the complete storefront and a permanent storefront sign.
- Minimum annual* sales need to be **\$1,250.00** directly with S&S in order to keep your account active.
- Place an *initial order* of **\$750.00** or a discounted suggested service parts package.
- Initial order must be shippable product.
- S&S will not consider applications from performance shops and dealerships that cannot provide service and direct support to its customers.
- Sign and return the original Internet Reseller Policy Acknowledgement/New Dealer Agreement/IRP Enforcement Procedures signature page.
- The signature of the Dealer Principal on the submitted application serves as acceptance in servicing S&S customers already existing within their territory and acknowledgement of the semi-annual S&S leveling process.

The S&S Dealer Review team will assess and process applications on a regular basis to determine if adequate information has been provided. S&S reserves the right to deny any new application.

- To become a "Standard Dealer" you must complete all of the above and become accepted as a "Standard Dealer". Your Customer Support Representative can then instruct you on the "Authorized Dealer" process.
- To be an "Authorized Dealer", the applicant must have 2 service technicians successfully complete our "distance learning" certification programs offered by S&S (IST, Carb Tuning, Quick Set-up installation and EPA) within 90 days of acceptance into the S&S Dealer Network. Upon completion, a "Standard Dealer" may be posted on our Dealer Locator as an "Authorized Dealer". Validation of completion will be done by the S&S Training and Certification staff upon submission. Failure to successfully validate and complete these courses with S&S will result in the "Standard Dealer" identification on our Dealer Locator. Validation testing will be required every 24 months to ensure the shop has retained the appropriate level of validated technicians (2). S&S may waive the (2) technician requirement based partially on the shop location and territory size on a case by case basis. The Customer Support Representative will also instruct the dealer on further developmental opportunities such as specialized class offerings, "Authorized Dealer" benefits and identification as well as associated costs.



All qualified "Standard" and "Authorized" dealers within the S&S Dealer Network will be extended the opportunity to earn discounts on their purchases, which will be reviewed twice a year. Mid-Year leveling takes place during the month of March and goes into effect April 1st of each year. S&S will review the dealer's previous 12 months sales and other performance related issues and assign, reduce, or discontinue the current discount applied to that Dealer's account status based on the published discount policy listed below. Dealers may not necessarily be inactivated during this round of leveling for not meeting the minimum annual requirements (\$1,250.00), discounts can be adjusted accordingly.

S&S is one of the few manufacturers that make frequent visits to its customers. S&S Staff travels throughout the world on Dealer Development trips as well as Trade Show, Rally and Race appearances. Any dealer wishing to have an S&S representative stop by their establishment should notify their Customer Support Representative for scheduling during future S&S staff visits to that market area. Continual verification of our dealer network is important to S&S. Dealers not operating under the guidelines listed throughout this publication may immediately be terminated upon discovery.

Year End leveling happens during September of each year to determine the appropriate discount for the next catalog year. October 1st through September 30th is designated as the S&S catalog year. Any Domestic or International Dealer not meeting the annual requirements may be inactivated. Each Domestic and International Distributor will provide us with a complete list of dealers within their dealer network who have done \$2,500.00 worth of S&S specific product with them. Those dealers may remain active in the S&S system for continued ordering capabilities at the discretion of S&S Cycle, Inc.

S&S offers several key initiatives and programs: Our Dealer Training and Certification Program, Internet Reseller Policy, P.O.P. and Spiff Programs, our new "Pre-Paid and Free Freight Program" (highlighted below) and a more aggressive discount structure. At a time when consumers expect excellence in the area of service and product knowledge, S&S makes it beneficial for shops to seek additional training and certification for its technicians. We have incentives for dealers at all levels to experience additional discounts by sending their staff to our Training and Certification facility in La Crosse, Wisconsin. Please ask your Customer Support Representative for further details.

FY2009 Discount Structure: Effective October 1, 2008 thru September 30, 2009

Dealer Level	Annual Volume	Additional Discount on all "Qualified Parts"	
Standard Dealer	\$1,250.00 - \$9,999.00	Standard	
Authorized Dealer	\$1,250.00 - \$9,999.00	Authorized	"Auth" icon on Dealer Locator*
<i>PTC Plus</i>	<i>\$2,500.00 - \$9,999.00</i>	<i>5% Discount</i>	<i>"PTC" icon on Dealer Locator**</i>
Bronze Dealer	\$10,000.00 - \$19,999.00	7.5% Discount	
<i>PTC Bronze</i>	<i>\$10,000.00 - \$19,999.00</i>	<i>10% Discount</i>	<i>"PTC" icon on Dealer Locator**</i>
Silver Dealer	\$20,000.00 - \$49,999.00	10% Discount	
<i>PTC Silver Plus</i>	<i>\$20,000.00 - \$49,999.00</i>	<i>12.5% Discount</i>	<i>"PTC" icon on Dealer Locator**</i>
Gold Dealer	\$50,000.00 and Up	12.5% Discount	

Note: PTC = Pro Tuning Center

***PTC and all other icons related to a specific dealers training and certification level or other industry relationships will also be noted within the dealer locator where applicable (i.e. VFI Tuning Center or Sidewinder Center).**

****For a Pro Tuning Center to qualify for the next level of discount outlined, the dealer must maintain 2 validated "Pro Tune Certified" technicians on staff at all times. S&S may waive the (2) technician requirement based partially on the shop location and territory size on a case by case basis. S&S reserves the right to verify employment of certified technicians at any time throughout the year and may do so semi-annually during the S&S leveling process" during March and September of each catalog year.**



All orders are shipped via UPS or Fed-Ex unless they exceed the weight limit and require another form of transportation. *Note: All Dealer orders placed and "Pre-paid" for shipment within the continental United States will benefit by S&S applying our freight discount and handling charges to the order rather than the individual dealers'. Our Logistics Department negotiates the best possible freight rates, and we will pass that savings along to you. This will mean significant savings in truck and UPS freight charges as we operate on a much higher discount level with the major freight carriers.*

Also, S&S will pay for the freight for any active domestic dealer in the 48 contiguous states that places an order at or above \$750.00 on available product directly with S&S will receive standard ground shipping free of charge. This free shipping policy will include complete assembled engine shipments as well, but does not apply to backorder items. It is important to note that any domestic dealer desiring shipping faster than ground will be required to pay all shipping for such an order.

All orders are shipped COD cash unless prepaid by credit card, wire transfer or the receipt of certified funds. After six months you may send in a written request for a change in your payment terms. Upon the completion of a credit application, S&S will consider "Open Account" for qualified dealers. S&S Cycle, Inc. accepts Visa and MasterCard.

***Refusing COD cash order will result in immediate termination of the account!**

Once the above information has been received and approved we will send a catalog, price list and all applicable product updates, flyers and additional resources for you to begin putting together your initial order. Your Customer Support Representative will call and issue your dealer number. Your initial order must be placed within 45 days of the acceptance letter. *If the initial order is not placed within 45 days, the account will become inactive and the dealer will need to re-apply.*

Sincerely,
The S&S Dealer Development Staff



INTERNATIONAL DEALER APPLICATION

Are you interested in becoming a: "Standard Dealer" "Authorized Dealer"

Legal Applicant's Name: _____ Business Opened Date: _____

Doing Business As: _____ Sales Volume Last Year: _____

Street Address: _____ Projected Sales This Year: _____

City: _____ State: _____ Zip Code: _____

Billing Address: _____

Phone Number: _____ FAX #: _____

E-Mail Address: _____ Web Page: _____

Business Hours: _____

Sole Proprietorship Partnership Corporation, State of Corporation _____ Tax I.D. # _____

Drivers License# _____ State _____ Social Security # _____

NAME OF OWNERS, PARTNERS SHAREHOLDERS, OFFICERS

Name	Title	Home Address	City/State/Zip Code	SS#	Phone#
1.	_____	_____	_____	_____	_____
2.	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____

Major Motorcycle Industry References

- Name: _____ Dealer Account #: _____
 Address: _____ City: _____ State: _____ Zip Code: _____
 Phone: _____ Type of Account: ___ Open ___ C.O.D. Check ___ C.O.D. Cash
- Name: _____ Dealer Account #: _____
 Address: _____ City: _____ State: _____ Zip Code: _____
 Phone: _____ Type of Account: ___ Open ___ C.O.D. Check ___ C.O.D. Cash
- Name: _____ Dealer Account #: _____
 Address: _____ City: _____ State: _____ Zip Code: _____
 Phone: _____ Type of Account: ___ Open ___ C.O.D. Check ___ C.O.D. Cash ___



BANKING INFORMATION

Bank Name: _____ Account #: _____

Address: _____ City: _____ State: _____ Zip Code: _____

Phone: _____ Type of Account: _____ Checking _____ Savings _____ Loans

This application has been completed to obtain credit. The statement above, on the reverse, and any attachment(s) are certified to be true and complete. S&S Cycle Inc. is hereby authorized to obtain information pertaining to this application from any source herein mentioned or otherwise obtained; check credit references including Bank references; obtain credit reports from sources deemed necessary. S&S Cycle Inc. is further authorized to provide credit information about this transaction to others and to give a copy of this application to anyone who has agreed to pay debts incurred on the basis of this application.

Applicant hereby authorizes Bank and Credit references herein mentioned or otherwise obtained to release credit information about applicant that may be requested by S&S Cycle Inc.

It is agreed that S&S Cycle Inc. may provide single notice at the address listed in this application. It is further agreed that applicant will pay interest at the rate of 1.5% per month on all past due accounts and \$15.00 return check fee on each check returned to S&S Cycle Inc.

Legal Firm Name: _____

By: _____
Signature Title Date

The undersigned jointly and severally if more than one, hereby unconditionally and absolutely guarantee to S&S Cycle Inc. the prompt and full payment and performance when due of all indebtedness and obligations whether arising by orders, overlimit, returned checks, refused shipments, or in any other manner which _____ (business name) may now or at any time hereafter owe S&S Cycle Inc., including without limitations interest and collection costs specified in any document evidencing securing or pertaining to any such indebtedness and obligations and for the purpose of securing payment of indebtedness now or hereafter owing from applicant to S&S Cycle Inc., the applicant hereby grants a security interest to S&S Cycle Inc. in and to inventory of parts, apparel, accessories and equipment including but not limited to those parts apparel, accessories and equipment received from S&S Cycle Inc.

Signature of Owner/Officer Title Date

The Following Items must be included to process!

- Completed S&S Cycle Dealer application, with signed & dated Internet Reseller Policy and Enforcement Procedures Acknowledgement
- Photos of the interior and exterior of the establishment
- 1 or more *major* motorcycle industry reference
- Business license or sales and use tax permit
- Business card
- Yellow page ad

Please state why you should be approved as an S&S Dealer? _____



Note: The following is for S&S "Standard" or "Authorized" Dealers (Victory Only Dealers are exempt from this portion of the requirements)

The purchase of the S&S Dealer Stocking Parts Kit is highly recommended for established dealers as well. That's because having this collection of "most used" parts on hand is not only an easy way to get started, but is critical in providing great service. A stock of replacement parts is something that you can use as a selling point in persuading customers to purchase S&S products. If your customer knows that you stock replacement parts, he or she will have confidence in your ability to provide service, and will be more likely to make a purchase. It is designed to help our dealers by making it easier for them to service S&S products, and ultimately to provide better service to their customers.

The S&S Dealer Stocking Parts Kit consists of three convenient sub kits in durable hinged vinyl divider boxes, and a package of somewhat larger items. The Sub Kits (the Dealer Jet Kit, the S&S Carburetor Parts Kit, and the Miscellaneous Parts Kit) contain jets, carburetor repair parts, and a variety of items including oil pump parts. The hinged storage boxes have labels on the inside cover for easy location, identification, and reordering of parts. The larger items such as air filters and top end gaskets are normally stocked on a dealer's shelf or on a peg board. The Dealer Jet Kit and the S&S Carburetor Parts Kit may be purchased separately.

S&S Standard and Authorized Dealer Kit Requirements:

S&S Dealer Stocking Parts Kit Part #11-3100

(Contains kits listed below)

S&S Jet Kit Part #11-3102

S&S Carb Parts Kit Part #11-3103

Misc. Parts Kit Part #11-3100P



Internet Reseller Policy & Enforcement Procedures Acknowledgement/New Dealer Agreement

I have read & understand the S&S Internet Reseller Policy and its Enforcement Procedures and agree to all the terms and conditions. I understand that to violate the Internet Reseller Policy may result in permanent loss of my authorized dealer status with S&S Cycle, Inc. I also acknowledge that to maintain my “Standard Dealer” status with S&S Cycle, Inc. I must agree to purchase no less than \$1,250.00 annually and in addition, must successfully validate and complete the 3 “Distance Learning” courses to be considered an “Authorized Dealer”. S&S Cycle, Inc. reserves the right to terminate inactive dealer accounts upon review.

Signature

Date

Print Name

Dealer ID Number

Please make a copy for your records & return original to:

*S&S Cycle, Inc.
Attn: Wendy Alexander
235 Causeway Blvd.
La Crosse, WI 54603*



Because every industry has a leader

RESELLER ADVERTISING AND SALE OF S&S ENGINE PRODUCTS ON OR THROUGH THE INTERNET POLICY

I. Purpose

To set forth the policy and guidelines on sales and promotion of S&S branded products and services by Resellers through the Internet (the “Reseller Policy”) while protecting the intellectual property of S&S Cycle, Incorporated (“S&S”), maintaining a strong S&S distribution channel, encouraging safe and appropriate use of S&S Engine Products, and ensuring customer satisfaction.

II. Scope

This policy applies to all Resellers worldwide. This policy pertains to all S&S Engine Products. Items exempt from this policy are limited to the following:

Apparel and accessory items, literature, promotional items, motor oil, oil filters, air filters, air cleaner kits, mufflers and exhaust, ignition coils, shop supplies, and tools.

III. Definitions

A. Internet: The global information network that includes all systems utilizing Internet protocols. This includes but is not limited to the World Wide Web, e-mail, RSS, ATOM, IRC and instant messaging. Notwithstanding the foregoing, this term shall not include an Intranet or Voice over Internet Protocol (sometimes referred to as VoIP)

B. Intranet: Any private network created, used and maintained inside S&S or a Distributor using software like that used on the Internet, but for internal use only within the company, including for communication with Resellers, and not accessible by the public.

C. Distributors: Those distributors which have executed a Distributor Agreement with S&S, or otherwise act as a distributor of S&S Engine Products.

D. Dealers: Businesses that obtain S&S Engine Products from S&S or its Distributors which are authorized by Distributors or S&S to sell and service S&S Engine Products. Dealers are identified by an S&S or Distributor dealer number.

E. Resellers: Distributors and Dealers.

F. S&S Engine Products: All products manufactured or supplied by S&S, except items listed as exempt in Section II above.

IV. Policy Statement

This Policy protects S&S customers, its brands and its Resellers. The objective is to establish a program that leads customers to the appropriate Reseller to obtain proper product selection, sales, installation and aftermarket support. As such, there are several broad policy guidelines:

A. Resellers may not solicit or accept orders for any S&S Engine Products on or through the Internet.

B. Notwithstanding this prohibition, a Reseller may:

1. Advertise in general terms on the Internet that S&S Engine Products are available from the Reseller. Any such advertisement must instruct the reader to call the Reseller for specific S&S Engine Product details and prices. Reseller may not advertise the price of any S&S Engine Product on the Internet.

2. Advertise on the Internet that it is a Distributor or Dealer of S&S Engine Products and in such advertisement the Reseller may use S&S “Marks” such as the trademark or trade name, “S&S®,” “Sidwinder®,” “Proven



Performance™,” “S&S Cycle, Inc.™” and “Super Stock®,” but only in the form, wording and content authorized by S&S.

C. THE RETAIL PRICE A RESELLER ACTUALLY CHARGES ITS CUSTOMER AND THE METHOD OF COMPUTING SAME ARE AT THE SOLE DISCRETION OF THE INDIVIDUAL RESELLER.

V. Reference

A. S&S reserves all rights in its trademarks, trade names and other intellectual property.

B. Samples of authorized uses of S&S trademarks are available from S&S. S&S will provide samples to Resellers at no charge upon reasonable request.

C. S&S may from time to time in its sole and absolute discretion change the form and content of the approved use of its trademarks, including adding new form and content and revoking approval of previously approved form and content. Reseller agrees to implement all changes in this regard within a reasonable time after receiving notification of the same from S&S.

VI. Prohibited Internet Tactics and Practices

Given the realities of a multi-channel marketplace, S&S distribution agreements and the worldwide reach of the Internet, certain online marketing tactics and practices by individual Resellers must be limited or prohibited.

A. Search Engine Keywords

Resellers shall not purchase or register search engine keywords, search terms or other identifying terms that include any trademarks, trade names, copyrighted materials, names, brand products, or any other assets owned by S&S, or any variations or deliberate misspellings thereof, for use in any search engine, portal, sponsored advertising service or other search or referral service.

B. Spam

Under no circumstances shall Resellers send commercial electronic mail messages as defined in the Federal spam law, the CAN-SPAM Act of 2003, with respect to S&S Engine Products that in any way indicate or imply that the message is from or endorsed by S&S.

C. Domain Names

Resellers are prohibited from registering or using Internet domain names containing any trademarks, trade names, copyrighted materials, names, brand products, or any other assets owned by S&S, or for any variations or deliberate misspellings thereof.

Any Reseller that is in possession of such domain names shall be required to stop usage of the domain name, and transfer ownership to S&S.

D. Affiliate Programs

Resellers shall not sell S&S Engine Products via any relationship where another entity receives commission, placement fees, finder's fees or referral fees or other compensation for promoting or selling S&S Engine Products on the Internet. This includes but is not limited to auction, classified advertising or broker sites, Internet malls, storefronts or catalog sites.

E. Misleading Communications

Resellers are prohibited from using misleading advertising or any other public statement to misrepresent their status with S&S. This includes, but is not limited to, the following words used in conjunction with any trademarks, trade names or copyrighted materials: "authorized," "center," "certified," "direct from the factory," "exclusive," "factory," "factory outlet," or "official," or any other words that may mislead consumers.

VII. Modifications

S&S reserves the right at any time to modify or cancel the terms of this Reseller Policy without advance notice.



VIII. IRP Enforcement Procedures

S&S has included its IRP Enforcement Procedures to ensure all dealers signing the “acknowledgment” page are aware of the severity in which S&S will deal with violators of this policy.

A. First Offense

1. A member of the S&S Customer Support Team will contact the violator via e-mail, telephone or letter and remind them of the Policy and identify the nature of the violation.
2. A copy of the Policy will be sent to the violator and they will be required to sign and return the signature page acknowledging the violation and their willingness to conform.
3. The violator will be given 10 working days to conform to the Policy and cure the violation.
4. A permanent record of this process will be documented in an S&S internal file for future reference.

Non compliance within the 10 working day cure period will result in 6 month suspension period with S&S and its Distributors in which no S&S product may be sold to the violator by S&S or its Distributors. (Distributors are required by their Distributor Agreement to follow the enforcement procedure of this Policy.) Anyone found to be supplying a violator during their probationary period will be subject to the same suspension as the original offender.

B. Second Offense

- i. A member of the S&S Customer Support Team will contact the violator via e-mail, telephone or letter and again remind them of the Policy and identify the nature of the violation.
- ii. The violator will be reminded of their previous offense and a copy of the signed conformance page will be forwarded to them.
- iii. The violator will then be placed on another 6 month suspension period in which they will be unable to obtain S&S product from S&S or its Distributors under the same terms stated above in Section I.
- iv. At the end of the 6 month suspension period, S&S will make a determination as to whether the suspension will be continued for another 6 months. If the suspension is continued, it will be reviewed by S&S at the end of each 6 month period and either continued or terminated.

C. Third Offense

1. Anyone found to be violating the Policy a third time will be permanently banned from purchasing S&S products from S&S and its Distributor network.
2. This permanent suspension will apply to the entity violating the Policy as well as to the owners and or operators of the violator. (For example, closing and re-opening the operation under a new name would not lift the ban).
3. Anyone found to be supplying a violator after a permanent ban is in place under this Section III will be subject to a permanent ban.

Any determinations by S&S under these enforcement procedures shall be binding upon the violator. It is the intention of S&S to update and educate the industry on the enforcement of our Policy in the hopes that we work jointly towards the goal of zero violators. S&S does not wish to create any confusion among its dealers and or customers, regardless of their direct status with us. It is also the desire of S&S to have the policy and its enforcement procedures relayed through its Dealers and Distributors worldwide to customers that do not do direct business with S&S. These activities will further educate S&S customers at every level enhancing the ability of the consumer to interact with the dealerships at the level of technical expertise needed in identifying, selling, installing and servicing the S&S product line in the field.