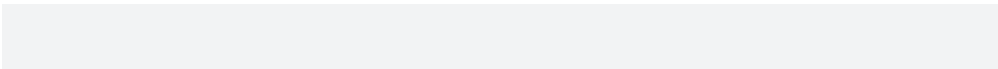


DISTRIBUTION CONTRACT BETWEEN

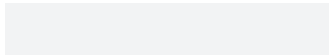
ORBEA S. Coop. Ltda.

AND



(TRADING NAME)

In Mallabia, on DATE:



For one party,

ORBEA S. COOP. Ltda., is a company incorporated under the laws of Spain, whose registered office is in Poligono I. Goitondo (48269), Mallabia, Vizcaya, Spain, bearing Fiscal ID Number F20032348, represented by Mr Juan Bautista Fernández Llorente bearer of National ID Document 22.723.115-N, under a power granted by the notary of Eibar Ms. María Dolores García Sillero, on 27 October 2011, and contained in her protocol under no. 1217 (ORBEA).

And for the other:

residing in,

bearing the Natl. Insurance number

WHEREAS:

a) "ORBEA", whose full name is ORBEA S. COOP. Ltda., whose registered office is in Poligono I. Goitondo (48269), Mallabia, Vizcaya, Spain, bearing Fiscal ID Number F20032348, acts in its capacity as a manufacturer and distributor of products.

b) [redacted] intervenes as: *(Select as appropriate)*

On their own behalf, and as the owner of the above-mentioned commercial entity in their capacity as an independent entrepreneur (hereinafter, DEALER).

On behalf of and representing [redacted] a company, whose registered address is, [redacted] and bearing the company number [redacted] represented by the party hereby acting, in their capacity as [redacted] (hereinafter, DEALER)

The "DEALER" is an entity (legal or natural), with whom ORBEA has established or, if appropriate, will establish through this document, a business relationship, its above-mentioned registered office being the place authorised to sell the products which are the subject to this contract (should this not be the case, set out the address(es) of the establishment owned by the DEALER).

Both parties mutually recognised that they have sufficient capacity to enter into this contract and state as follows:

**1st. PURPOSE.** Both parties, by way of this document, hereby reach a sales agreement, whereby the DEALER undertakes to distribute the products supplied by ORBEA in accordance with the conditions outlined and set out in this contract.

Therefore, any clause applied unilaterally by the DEALER, which has not been expressly accepted beforehand by ORBEA, and appended in writing as an annex to the present trade agreement, is expressly excluded from it. This trade agreement, unless otherwise expressly and exceptionally agreed in writing, will apply to all sales of all products supplied by ORBEA to the DEALER.

This Agreement cancels and renders null and void everything contradicting or contravening it in any contract, agreement or terms and conditions that might previously have been signed between the parties.

**2nd. PRODUCTS SUBJECT TO THE AGREEMENT.** All "Products" manufactured or distributed by ORBEA, understood as such, any merchandise or movable good supplied by ORBEA, including bicycles and accessories, independently of the brand name under which they are marketed by ORBEA, as well as any service provided by ORBEA to end customers, are subject to this agreement.

Dealer Initials

[redacted]

**3rd. COMMERCIAL CONDITIONS.** The DEALER undertakes to purchase the products marketed by ORBEA, to resell them and provide an after-sales service for them exclusively in the above-mentioned authorised sale location(s), all this in accordance with the contents of the present trade agreement, as well as the terms and conditions laid down in the "general sales programme" which on a yearly basis will be renovated and sent by ORBEA to the DEALER with each annuity and appended as an annex to this agreement.

The DEALER cannot make any modifications to the products supplied by ORBEA, unless it has obtained its written authorisation, and must sell to end customers all the products marketed by ORBEA without making any changes or modifications to them. All this without prejudice to any improvements which it could make to any product (bicycles) at the express request of the customer prior to sale, and which will exclusively entail the replacement of components, which must be consistent with the use and sport modality of the bicycle to be sold. The DEALER will be liable for any modifications made to an ORBEA product. Such modifications must be recorded in writing in the bicycle's warranty.

The DEALER must also:

- a. Assemble the bicycles following the handbook for each product that comes with them, leaving all the warning stickers in place before delivering them to the customer.
- b. Adjust all bicycles before delivering them to the final consumer, they being in perfect usable condition, with maximum safety for the user.
- c. Provide consumers with all the documents which ORBEA provides with the bicycle, filling in and sealing the warranty, as well as providing the corresponding purchase invoice.
- d. Provide users with an after-sales product maintenance and repair service, also including the warranty service, under the terms and conditions provided for in this contract.
- e. Employ qualified personnel to assemble the bicycles and adjust them to the client, who also have the ability to maintain or repair them.
- f. Provide mechanical knowledge and sufficient training to personnel hired to assemble and adjust any ORBEA product.
- g. Complete, through the software supplied by ORBEA, the registration of the bicycle and user purchaser with all the data required by the system, in order to correctly identify the bicycle and its buyer, all in accordance with current data protection legislation.

The DEALER may advertise and sell products from their own website, which will be associated to their authorised sale location(s), or to a website that has been approved beforehand and in writing by ORBEA, subject to the following conditions:

- a. All deliveries of bicycles made by the DEALER will take place in the sale location(s) (1.2) authorised by ORBEA.
- b. The DEALER should state clearly on its website that the bicycles will be delivered to the client at the sale location(s) (1.2) authorised by ORBEA.
- c. The DEALER assures that any bicycles delivered to consumers through mail order have been correctly assembled, safety checked and repackaged for minimum consumer intervention, and includes appropriate instructions and tools required to finalise the assembly.
- d. In deliveries of bikes through mail orders, the DEALER must mount the bikes according to the handbook of each product, adjust the bicycles before delivering them to the final consumer, being the same in perfect conditions of use, with maximum safety for the user. The DEALER being the sole and exclusive responsible for any circumstance that could happen due to an improper or incorrect adjustment or assembly of the bicycle delivered to the consumer by this means, being ORBEA exonerated expressly of any responsibility in these assumptions.
- e. The DEALER may not sell any product supplied by ORBEA on auction pages, or on online third-party pages or "portals".

The DEALER will attempt to reach the level set in the "general sales programme" and comply with the commitments included in the same. Likewise, the DEALER authorises ORBEA to invoice for any difference arising from a failure to comply with the level of sales contained in the "general sales programme" which applies from time to time.

The DEALER will not perform any commercial or advertising activity that damages or diminishes the reputation of ORBEA products or the ORBEA brand.

The DEALER will show and promote the sale of ORBEA's products in a well-cared for and orderly environment with a stock in proportion to the volume of sales and market conditions of the area where it is located. The DEALER acknowledges that it has an appropriate product inventory, in accordance with planned sales and in keeping with the needs and desires of its client base.

The DEALER will only sell bicycles in accordance with the law and other applicable provisions. The DEALER may not sell products for re-sale, to other DEALERS or companies in the same sector, for export or to any third parties who intend to lease them, unless expressly authorised to do so by ORBEA.

If desired, the DEALER may expressly join the "ORBEA CLICK & COLLECT programme", a tool created by ORBEA in order to enhance Internet sales of ORBEA's products for the benefit of its DEALERS. By joining this sales programme, the DEALER will also become a point of delivery for ORBEA's products, supplied directly to end customers through the website "ORBEA.COM". The terms and conditions of this programme are set out in its annex, and the terms of this contract will be directly applicable to this programme insofar as they are compatible with the terms of the "Click & Collect" programme, which in every case will be specifically regulated by the provisions contained in its terms and the rules of the current contract, which may be applicable to it.

**4th. DURATION.** This agreement will come into force on the day it is signed, its originally planned duration is one (1) year. This agreement will be automatically extended for equal periods of one year if neither of the parties expressly objects to it, one month prior to the expiration of the same or any of its extensions.

Once this agreement and, if necessary, any of its extension(s) comes to an end, for any reason, there will be no possibility of requesting compensation or a financial indemnity from ORBEA, since both parties acknowledge that this trade agreement, for the distribution of products through the DEALER to final customers, does not generate any type of client base which could continue to produce future profits for ORBEA. In any event, it may be possible to request between the parties compensation for the amount of those investments not redeemed by either of them incurred by the advice and express agreement of the other, where the amount has been consensually accepted beforehand.

**5th. PRICE.** Unless otherwise expressly stated, all offered prices are ORBEA's wholesale prices from its store in Mallabia, without Value Added Tax (VAT), or any other tax or charge. Should ORBEA's costs change significantly during the period between the date of the DEALER's order and the date of delivery, ORBEA can increase the price by an amount equivalent and proportional to said increase. This applies in particular to any significant change in the price of raw materials, purchases from suppliers, petrol, currency fluctuations, etc... If on the day of the product's dispatch to the DEALER, the price is higher or lower, the DEALER will be invoiced for the price on that day, the DEALER will be informed of this beforehand, unless agreed otherwise, and this will be recorded in the delivery note's declaration of conformity.

**6th. DELIVERY.** The delivery of the products subject to this trade agreement, by default, will be carried out EXWORKS, in other words, at ORBEA's store located in Mallabia (Vizcaya).

Orders for ORBEA products will be delivered, in principle, as soon as possible following the receipt of the order and on the delivery dates indicated in the order confirmation, which in every case will be considered merely an estimate of the delivery date. Failure to comply with this estimated delivery date will not authorise the DEALER to request the termination of the product's contract of sale, nor to claim any loss or damages, except where ORBEA can be proven to have been negligent regarding the delay.

ORBEA may make partial deliveries of any order, and, as a result, may charge such partial deliveries to the DEALER.

ORBEA may suspend the following deliveries, and will not be forced to carry them out, should the DEALER delay in making the agreed payments for prior expired invoices, or has exceeded the credit limit that it has extraordinarily been offered.

It is the intention of both parties that ORBEA shall retain title to all goods until the DEALER completes the entire payment for each invoice related to said goods. Nothing in this clause is intended to create a charge requiring registration a Companies House

**7th. PAYMENT.** ORBEA invoices will be paid as a general term within thirty (30) days of the invoice date, unless agreed otherwise in the order confirmation. The invoice will be issued, unless otherwise agreed by the parties, within 30 days of the date of delivery in the shipping note.

Should the DEALER delay in making any payment, all debts of the same which were accrued up to that point in time will be considered expired, accruing furthermore interest on arrears for commercial transactions under Law 3/2004, of 29 December, setting out steps against late payment in commercial transactions, or any other similar law which may replace it in the future.

Where invoices are unpaid, the DEALER must pay in addition any bank charges that its default has generated, such as any costs arising from any related claims, both judicial and extrajudicial.

**8th. CLAIMS.** At the time of the delivery of the goods by the carrier, the DEALER will inspect the products supplied, and will be precluded, after the time limit set out in this document, from making any subsequent claim, for a fault or defect in terms of the products' quantity or quality.

Any claim must be sent to ORBEA within a maximum period of 15 days from the delivery by the carrier, specifying precisely the object of the claim and providing proof of the date of delivery by sending a copy of the corresponding shipping note.

If a claim is not presented as specified above, it will be deemed that the products have been properly accepted by the DEALER to their satisfaction, and that ORBEA will have no liability regarding any damage, loss, non-delivery or defect of any kind, which would have been apparent had they been diligently checked by the DEALER at the time of delivery.

If a claim is presented as specified above and ORBEA accepts that the products are not as requested in the order, at its sole discretion, it will replace the products or grant the DEALER a credit against the price to be used in future product order invoices with ORBEA. Should the goods be returned for replacement, they will be sent in their original packaging, by the means of transport agreed between the parties.

**9th. FORCE MAJEURE.** Should ORBEA be unable to supply products either completely or partially, be it temporarily or permanently, due to external circumstances outside its sphere of control due to force majeure, ORBEA will be entitled to extend the delivery periods as well as terminate any product sale and purchase agreement and/or services agreed with the DEALER without incurring a penalty or being liable to pay the DEALER compensation.

**10th. ASSIGNMENT OF CONTRACT AND CHARGES.** The DEALER may not assign the rights arising from this trade agreement, or assign or encumber any of their rights from the same without the prior written consent of ORBEA. This prohibition includes, in the case of commercial entities, intervivos transmissions of shares /stock in a significant amount involving the loss of effective control of the DEALER's company by current members or at the time of signing or the annual extension of this agreement.

**11th. TERMINATION OF THE CONTRACT.** This agreement may be terminated by either of the parties in any of the following circumstances:

- I)** At any time and without notice, this agreement will be terminated at the request of either of the parties, for breach of the substantive duties assumed by the other party either under this agreement or any other contract, trade agreement or terms signed between the parties and currently in force.
  - II)** In the event that the DEALER has agreed to put its company into liquidation (this covers corporate entities of any nature), or its activity is terminated for any reason, or it has been declared insolvent.
  - III)** There has been a change in the people responsible for directing the DEALER's company and for company policy, either through the purchase of shares, by a work or commercial contract, or by any other legal means used for this purpose.
  - IV)** Assignment of this contract without ORBEA's authorisation.
  - V)** By changing the DEALER's authorised sale location, without seeking ORBEA's prior written consent for the new location.
  - VI)** Should the DEALER fail to make payment regarding any of the invoices issued by ORBEA prior to its expiry date, or honour its credit agreement with ORBEA granted to this effect.
  - VII)** Breach the commitments entered into by the DEALER under the "general sales programme".
- In the cases set out in this clause (11.I-VI) the defaulting party will not be entitled to demand any indemnity or financial compensation for the premature termination of the contract from the non-defaulting party.

In addition to the above-mentioned causes, the contract may be terminated unilaterally at any time, for reasons not imputable to the other party, by a written notice sent to them at least one month in advance. In this case, neither of the parties will be entitled to any form of compensation other than that set out in the fourth clause of the current agreement.

**12th. WARRANTY.** ORBEA guarantees that all its products are compliant at the time of delivery and therefore do not have any material or manufacturing defects that might reduce considerably the value or usefulness thereof, or to make them unsafe to be used by consumers and users.

ORBEA reserves the right to make any variations regarding the technical specifications, accessories, colour and shape which do not substantially alter the nature and characteristics of the product, without said variations being subject to any claims against it.

The warranty shall be deemed null and void, and without any validity, if the products supplied are stored, transported, handled, assembled, processed, maintained or repaired in an improper, incorrect or negligent manner, or if they are damaged or modified, without complying with the above-mentioned terms set out in the third clause. In any of these cases it will be the DEALER who assumes the costs of the legal and conventional warranties that ORBEA offers to consumers and users regarding its products, as well as any loss or damages caused to the same, and arising from a negligent performance by the DEALER in the terms provided for in this paragraph.

The DEALER undertakes towards ORBEA and any users to process the implementation of the ORBEA warranties (both legal or conventional) through the channels authorised by ORBEA (SAT), and in accordance with its policy on warranties under legislation currently in force and established by ORBEA from time to time. These will always be available for consultation on ORBEA's website. The DEALER will process the warranties on any ORBEA product.

In the event of a claim under warranty made by a user, the DEALER cannot unilaterally assume liability for it, without the express approval of ORBEA SAT. Should the DEALER accept a claim under warranty against ORBEA's opinion, it will bear the cost of said claim, expressly releasing ORBEA from any liability to that effect.

**13th. LIABILITY.** Except for in cases of negligence or bad faith on ORBEA's part, it will only be liable for loss or damages caused to the DEALER for any reason arising from this contract, up to the amount of the invoice paid by the DEALER for the products causing said loss or damages.

ORBEA will never be liable for loss or damages caused to the DEALER's profits, this includes, but is not limited to, the loss of profits, losses and costs incurred, loss of contracts, personnel costs, or losses caused by the termination or interruption of business.

ORBEA will not be liable for loss and damages caused to the DEALER by the negligence or bad faith of its commercial agents and/or employees, the liability for any loss or damages caused by these being limited by the above-mentioned terms, but rather only for those acts performed when carrying out those functions specific to them and within the sphere of ORBEA's management.

Should any loss or damages caused be covered by ORBEA's civil liability and damage insurance, the liability set forth in this provision will not be applicable, ORBEA being exempted from paying any amount additional to that funded by the insurance company for every claim made.

**14th. TRADEMARK AND INTELLECTUAL PROPERTY RIGHTS.** The DEALER will use the ORBEA or Orca trademarks or any other owned by ORBEA, as well as any other pre-existing and future brand names and logos belonging to ORBEA, only in the manner it authorises and in accordance with the exclusive design and use criteria set by ORBEA.

Within these parameters, the DEALER may use these names and logos through its usual business advertising channels and without any limitations (traditional press, trade catalogues, websites, mailshots, social networks, trade fairs and any supported or organised events, etc.), both graphically and audio visually, and incorporating them into their own promotional products.

In every case, the DEALER will refrain immediately from using the above-mentioned trademarks, brand names and logos when requested to do so by ORBEA or when this agreement between ORBEA and the DEALER has been terminated for any reason, and at that point in time they must immediately alter any reference to ORBEA's trademarks and logos in the above-mentioned business advertising channels. The DEALER will not use or include the ORBEA trademark in its company name or in the name of its physical store, or its website.

**15th. CONTRACTUAL RELATIONSHIP BETWEEN THE PARTIES.** The DEALER is not in any manner or form ORBEA's agent or representative. It has, therefore, no right or authority to incur, assume or create, in writing or otherwise, liabilities or duties of any kind, either express or implied, in the name of or representing ORBEA.

THE DEALER will act before final users or customers, always and at all times, as an independent ORBEA dealer, so it will enter into contracts with them in its own name and behalf, assuming the risks inherent to any commercial transactions performed.

Therefore, the DEALER will work as a fully independent and responsible trader, assuming the risk and enterprise for each transaction. Thus, its activity will be exercised outside any mandate, and it cannot involve ORBEA in the risks or liabilities of any kind which it might incur.

**16th. AMENDMENT AND PARTIAL NULLITY OF THE CONTRACT.** Any amendment, variation and/or change made to this contract will be ineffective unless it is agreed in writing and signed by the duly authorised representatives of both parties.

If for any reason, any provision or agreement contained in this contract were to be considered or declared legally or judicially ineffective, unenforceable or illegal for any reason, that part of the contract will be removed and replaced, where appropriate, by an appropriate legal provision, but without affecting the remaining terms, which will be retained in their entirety, and which will remain fully valid and binding on the parties.

**17th. CONFIDENTIALITY.** Each of the parties undertakes not to disseminate, under any circumstances, the conditions agreed between the parties in this contact, or the terms thereof, unless such information is in the public domain or the disclosure thereof is required by law or any judicial and/or administrative authority.

**18th. APPLICABLE LAW AND COURT WITH JURISDICTION.** This commercial contract will be governed by what has been agreed between the parties herein, and where appropriate, by the law of Spain. Both parties state that in any case, and expressly, that this commercial relationship will not be regulated by the provisions of Law 12/1992 on Agency Contracts, which neither of them consider to be applicable to this agreement, given the characteristics of the same.

The parties hereby undersigning expressly accept and consent to, that should there be any disagreement on the application and/or interpretation of this document, this will be settled before the courts and tribunals of Bilbao, expressly waiving any other jurisdiction that may be applicable to them.

As evidence of their conformity as set out in this agreement, the dealer has signed, and notarised where required, all seven pages that comprise this document.

**Dealer Signature**

**Name (Block Capitals):**

**Date:**

NB: ALL PAGES OF THIS AGREEMENT SHOULD BE INITIALLED AS NOTED

Dealer Initials