

AUTHORIZED HUNTER DISTRIBUTOR AGREEMENT

THIS AUTHORIZED HUNTER DISTRIBUTOR AGREEMENT (the "Agreement") is made and entered into by and among:

A. SALES REPRESENTATIVE:

_____, d/b/a or company name(if applicable, otherwise indicate "N/A"),
_____, whose mailing address is

_____;

B. DISTRIBUTOR:

_____ (business name),

_____ (Federal Taxpayer Identification No.), a

(select only one)

corporation

limited liability company

partnership

sole proprietorship

organized under the laws of the State of _____, whose mailing address is

_____;

C. HUNTER ENGINEERING COMPANY, a Missouri corporation with its principal offices located at 11250 Hunter Drive, Bridgeton, Missouri 63044 (hereinafter referred to as "Hunter").

WITNESSETH:

WHEREAS, Sales Representative is an independent contractor who has contracted with Hunter to solicit orders for Hunter products and promote Hunter's products pursuant to a Sales Representative Agreement entered into with Hunter; and,

WHEREAS, Sales Representative desires to appoint Distributor, and Distributor desires to be appointed, as an authorized distributor of Hunter products; and

WHEREAS, Hunter is willing to recognize Distributor as an authorized distributor of its products, pursuant to the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the premises and the promises and undertakings hereinafter set forth, the parties hereto agree as follows:

1. Appointment of Distributor. Sales Representative hereby appoints, and Hunter hereby recognizes, Distributor as an authorized distributor of the Hunter products listed in Exhibit A attached hereto (the "Equipment") in the primary sales area described in Exhibit B attached hereto (the "Territory"), both of which Exhibits are incorporated herein by this reference as if fully set forth. Distributor hereby accepts such appointment and agrees to use reasonable best efforts to promote and increase sales of the Equipment in the Territory. All parties understand and agree that the appointment of Distributor as an authorized distributor of the Products in the Territory is non-exclusive and that Sales Representative may appoint other distributors in the Territory, subject to Hunter's right, in the exercise of its reasonable business judgment, to reject any prospective distributor.

2. Distributor's Obligations. In consideration of the appointment of Distributor hereunder as an authorized distributor of the Equipment, Distributor agrees to:

a. Actively and diligently promote the sale of all Equipment to all segments of the automotive aftermarket within the Territory, including specifically:

- i. Independent garages and repair facilities.
- ii. Service stations providing automotive services.
- iii. Automobile and truck tire dealerships.
- iv. Auto body repair shops.
- v. Any other organization that provides automotive services.
- vi. Vocational schools and educational institutions.

Although Hunter and Sales Representative understand and agree that Distributor may sell and/or bid to sell the Equipment outside the Territory, it is anticipated that Distributor will concentrate Distributor's efforts on and be primarily responsible for covering all possible customers within the Territory. Furthermore bidding on Equipment contracts with publicly funded entities (governmental units or educational institutions) is permissible only for deliveries within the Territory. All others are considered outside the Territory. Please refer to Exhibit C.

b. Provide Hunter with a copy of each State Sales Tax License for all states in the Territory and where transactions may occur. All said copies will be labeled and set forth as Exhibit E attached hereto (the "Sales Tax Licenses") and by this reference incorporate herein as if fully set forth. For clarity, a Sales Tax License may be referred to, but not limited to, as a: (i) Resale Permit / License; (ii) Sellers Permit; (iii) Certificate of Authority; (iv) Use and Sales Tax License / Permit; (v) Sales and Use Tax; or (vi) Transaction Privilege (Sales) Tax.

For further clarity, a Sales Tax License is applicable in the following states: Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming.

Distributor understands and agrees that Hunter will only sell and ship to a location where an applicable valid Sales Tax License is contained within Exhibit E, regardless of the physical location of Distributor.

c. Exceed \$ [REDACTED] in gross sales of Equipment within the Territory (the "Quota") during the Initial Term of this Agreement. It is understood and agreed by Distributor that failing to achieve sales of Equipment in all segments of the automotive aftermarket described in the preceding paragraph, even though making Quota, may result in the cancellation of this Agreement upon the expiration of the Initial Term or any subsequent Renewal Term (as those terms are hereinafter defined).

d. Maintain a minimum of \$20,000 average daily assorted and adequate inventory of Hunter Equipment sufficient to display, demonstrate and promptly deliver Equipment to customers solicited by Sales Representative or Distributor.

e. Maintain in good condition and repair, in conformity with Hunter's then applicable quality standards for the Equipment, a mobile demonstration unit for use in calling on prospective customers and provide Equipment demonstrations which will be made available to multiple customers at the same time.

f. Refrain from offering any warranty on any piece of Equipment which extends beyond the written warranty for such Equipment issued by Hunter.

g. Sponsor at least one (1) technical seminar in the Territory during each calendar year during the Term hereof.

h. Require each sales person employed by Distributor who will be selling the Equipment to attend a one (1)-week sales training program at Hunter's home office in Bridgeton, MO, at Distributor's cost and expense.

i. Obtain prior approval from Hunter of Distributor's intended use of any Hunter trademark or logo, provided such use may be exactly and only as shown in the U.S. Trademark Registration for such trademark or logo. Distributor further agrees to refrain from using any other name, trademark or logo in connection with the sale and promotion of the Equipment, or from altering in any manner any approved use, and that all such use will inure to the benefit of Hunter.

j. Comply, without deviation or exception, with all sales practices and policies established and communicated by Hunter and the "Terms and Conditions" of sale set forth on the back of the Distributor Discount Schedule (Form 57T) as the same may be amended from time to time by Hunter and provided to Distributor, a current copy of which is attached hereto as Exhibit C and by this reference incorporated herein.

k. Comply with all federal, state and local laws, rules and regulations applicable to Distributor's business or which may be necessary to perform Distributor's obligations under this Agreement.

3. Sales Representative's Obligations. Sales Representative agrees to the following, to be carried out using such manner, methods and means as Sales Representative determines, and subject to such deadlines or such frequencies as reasonably may be requested:

a. Schedule periodic visits to Distributor to assist Distributor in attaining the Quota set forth above.

b. Provide training for Distributor's sales personnel on at least an annual basis.

c. Conduct sales meetings for Distributor's sales personnel to explain new Equipment and sales programs on at least an annual basis.

d. Assist in the arrangements for the annual technical seminar required to be conducted by Distributor.

e. Furnish Distributor with sales materials, such as product catalogs, price sheets, brochures, etc., without charge.

f. Furnish such other merchandising aids as may be reasonably requested by Distributor at minimal cost.

4. Hunter's Obligations. Hunter agrees to:

a. Maintain and, unless Distributor is past due on invoices or fails to meet the credit requirements set forth herein, sell an adequate supply of Equipment to enable Distributor to timely fill orders pursuant to the authority granted hereunder.

b. Invoice Distributor for all Equipment sold hereunder in accordance with the Discount Schedule set forth in Exhibit C attached hereto.

c. Make available to Distributor and Sales Representative as requested a reasonable amount of sales materials and other merchandising aids to assist them in their promotion and sale of the Equipment.

d. Permit Distributor and Sales Representative to represent themselves as being authorized to sell Hunter products so long as the Sales Representative Agreement or this Agreement, respectively, is in effect, as applicable.

5. National Account Sales. Hunter has established business relationships with various customers considered by Hunter to be "National Accounts," a list of which is attached hereto as Exhibit D and by this reference incorporated herein, which are subject to policies and/or procedures peculiar to each such customer. Accordingly, Distributor is prohibited from selling Equipment during the Term hereof to any customer listed on Exhibit D. Distributor further agrees that Exhibit D may be amended from time to time by Hunter in its sole discretion upon notice to Distributor. Violation of the provisions of this paragraph shall constitute a material breach of this Agreement.

6. Hunter Trademarks. Distributor recognizes Hunter's exclusive ownership of all trademarks used by it on or in connection with the Equipment sold by Distributor hereunder and agrees that he/it will not, either while this Agreement is in effect or at any time thereafter, register, use or attempt to obtain any right in or to any such trademark or any trademark confusingly similar thereto. All such use shall be in strict accordance with the quality and use standards of Hunter which are then applicable.

7. Independent Contractors. The relationship between the parties hereto is that of independent contractors and no party has the authority to act for or bind any other party hereto without the prior written approval of that party; provided, however, Distributor may describe himself/itself as an authorized distributor of Equipment in the Territory. It is the essence of this Agreement that the relationship between Hunter and Sales Representative, between Hunter and Distributor, and between Distributor and Sales Representative, respectively, is that of independent contractors and businesses. Any contrary final determination by any Board, Tribunal, Agency, or Court of competent jurisdiction shall require the amendment of this Agreement (and the parties hereto agree that this Agreement shall automatically be amended) in any way necessary to establish and create an independent contractor relationship, as applicable.

8. Indemnification/Insurance. Each party agrees to defend, indemnify and hold the other parties hereto harmless from and against any loss, liability, damage or expense (including reasonable costs and attorneys' fees) incurred in connection with any claim, action, suit or proceeding attributable to or resulting from the indemnifying party's performance hereunder as follows:

a. In the case of Distributor, with respect to claims, actions, suits or proceedings attributable to or resulting from representations or warranties made by Distributor with regard to the Equipment that are not approved by Hunter or contained in Hunter's labeling, promotional materials or literature or that are attributed to or resulting from any negligent act or omission, bad faith, or willful misconduct on the part of Distributor.

b. In the case of Sales Representative, with respect to claims, actions, suits or proceedings attributable to or resulting from any negligent act or omission, bad faith or willful misconduct on the part of Sales Representative in performing hereunder.

c. In the case of Hunter, with respect to claims, actions, suits or proceedings attributable to resulting from (i) any alleged defects in the design and/or manufacture of any Equipment sold hereunder (except for any such claim, action, suit or proceeding attributable to or resulting from the actions of the Distributor); (ii) representations or warranties made by Hunter with respect to the Equipment; or (iii) any alleged infringement of a patent held by any company, individual or entity not a party hereto due to the sale of any Equipment hereunder.

No party shall be liable to any other party for consequential, special, indirect, incidental, punitive, treble or exemplary damages. The foregoing limitation of liability shall not apply however, in the event that a party is seeking indemnification from another party with respect to a third party claim or to claims arising from a party's gross negligence, fraud, or willful misconduct.

The obligations of the parties under this Paragraph 8 will survive the termination or expiration of this Agreement. This paragraph 8 contains the parties' entire obligation for indemnification under this Agreement.

Hunter and Distributor each will maintain during the term of this Agreement sufficient insurance with insurance companies to cover its risks or subject matter contemplated under this Agreement, including commercial general liability, product liability, and all property risk insurance. Hunter's insurance policies shall include Distributor as an additional insured. Upon request, each party shall provide the requesting party with a certificate of insurance evidencing the foregoing coverages.

9. Notices. Any notice expressly provided for under this Agreement shall be in writing, and shall be given either by delivery in person or by certified mail, postage prepaid, and return receipt requested, by overnight express delivery service (e.g. Federal Express), by facsimile transmission or by electronic mail (provided that such facsimile transmission or electronic mail must be confirmed by mail or overnight delivery). Delivery by messenger or courier will constitute personal delivery. A notice will become effective upon receipt or rejection of personal delivery, two (2) days after it is deposited in the mail, one day after it is consigned to an overnight delivery service, or in the case of facsimile transmission or electronic mail on the day the sender receives electronic confirmation of receipt, provided that if receipt does not occur before 5:00 p.m. recipient's local time on a business day, the notice will take effect on the next business day. Any party may, by notice to the other parties hereto, change his/its address for receiving such notices.

10. Term and Termination.

a. This Agreement will commence upon acceptance by Hunter (the "Effective Date") and will terminate automatically on the last day of February following the Effective Date (the "Initial Term") unless the parties, by mutual written agreement, extend the Initial Term for an additional twelve (12) months (the "Renewal Term").

b. The provisions of the preceding paragraph notwithstanding, this Agreement may be terminated by (i) any party upon thirty (30) days prior written notice in the event of an uncured breach (within such thirty day period) of this Agreement by any other party hereto; (ii) Sales Representative or Hunter upon thirty (30) days prior written notice in the event Distributor fails to fulfill the obligations set forth in Paragraph 2 above and fails to cure the same within such thirty day period, or (iii) any party immediately with no prior written notice in the event any other party goes into liquidation, has a receiver appointed for all or a portion of its assets, is adjudged bankrupt or insolvent, files or has filed against it a petition in bankruptcy or insolvency or makes an assignment for the benefit of its creditors.

c. Termination of this Agreement under 10 (a) or (b) shall not result in a termination of the Sales Representative Agreement, but termination of the Sales Representative Agreement shall terminate this Agreement as to Sales Representative (but not as to the other parties to this Agreement).

d. Upon termination of this Agreement for any reason, Distributor agrees to immediately cease all use of Hunter trademarks and logos and promptly destroy any and all printed material and stationery on hand bearing any Hunter trademark(s), logo(s) or other Hunter identification.

11. Governing Law. This Agreement shall be deemed to have been made and accepted in the State of Missouri and shall be construed in accordance with, and governed by, the law of such State (without regard to conflict of law principles).

12. Assignment. This Agreement may not be assigned by Distributor without the prior written consent of Hunter and Sales Representative, and may not be assigned by Sales Representative without the prior written consent of Hunter and Distributor, but may be assigned by Hunter.

13. Inquiries and Communications. Distributor agrees to refer all questions concerning this Agreement or Hunter's sales policies to Hunter or Sales Representative, as applicable. In addition, Distributor and Hunter agree to provide Sales Representative with copies of any correspondence or other communication between them pertaining to this Agreement.

14. Entire Agreement. This Agreement (including the Exhibits attached hereto and incorporated and the "Terms and Conditions" contained in Exhibit B) constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and may not be changed orally, but only by a subsequent instrument in writing, signed by or on behalf of each of the parties, which states that it is an amendment to this Agreement. This Agreement shall be deemed to have been drafted by both parties and shall not be interpreted as if only one party drafted the Agreement.

15. Waiver. Failure or delay of either party to exercise any of its rights or remedies under this Agreement upon one or several occasions shall not waive its right to exercise the same on another occasion. No single or partial exercise of any right or remedy shall preclude any other or further exercise thereof or the exercise of any other right or remedy.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto, or their authorized representatives, in multiple counterparts, each of which will be deemed an original instrument but all of which together constitute one and the same document, as of the Effective Date.

Effective Date: _____, 2017.

SALES REPRESENTATIVE

HUNTER ENGINEERING COMPANY

Signature

Regional Manager's Signature

Printed Name

Regional Manager's Printed Name

Territory Number

DISTRIBUTOR

Company Name

Principal's Signature

Bill to Address

Principal's Printed Name

Ship to Address

Phone Number

City, State, ZIP Code

Fax Number

Email Address

Number of Sales Personnel

EXHIBIT A
PRODUCTS

The Products, which the Distributor is authorized to sell pursuant to the Authorized Hunter Distributor Agreement to which this Exhibit A is attached, and of which it forms a part, are as follows (check those which apply):

NOTE: If there are specific product groups sold in only a portion of the territory, check the appropriate product description on Exhibit B by zip code.

System Products

BLT Products

HD Products

**REMOVE THIS PAGE
AND
INSERT DETAILED EXHIBIT B.**

EXHIBIT C

CONFIDENTIAL

Hunter Engineering Company
POLICY AND DISTRIBUTOR DISCOUNT SCHEDULE

*(Supersedes all previous prices and quotations. Subject to change without notice.)
(Possession of this schedule does not constitute an agreement of sale.)*

EFFECTIVE MARCH 1, 2017

AUTHORIZED DISTRIBUTOR DISCOUNTS

1. Equipment Groups:
 - A. Equipment groups as listed on Forms 700AD-SYS and 700AD-BLT that are sold and installed in Distributor's Territory as outlined on Exhibit A of Authorized Distributor Agreement
30% of Hunter Announced Dealer Price
 - B. Equipment groups as listed on Form 900AD-HD that are sold and installed in Distributor's Territory as outlined on Exhibit A of Authorized Distributor Agreement
20% of Hunter Announced Dealer Price
 - C. Equipment groups as listed on Forms 700AD-SYS and 700AD-BLT that are sold and installed outside Distributor's Territory *
20% of Hunter Announced Dealer Price
2. Minor assemblies, parts, tools, accessories and exchange replacements sold and installed in Distributor's Territory
15% of Hunter Announced Dealer Price
3. Promotional and instructional material
Net, No Discount
4. Sales to publicly funded entities if outside Distributor's Territory
Net, No Discount

Prices of items deleted from Equipment groups are computed at the Hunter Announced dealer price for those items less the discount applicable to the group.

* Distributor may sell to customer locations outside of signed Territory and receive full discount (30% of Hunter Announced Dealer Price), if said customer is headquartered within distributor's signed Territory.

EXHIBIT C

CONFIDENTIAL

TERMS and CONDITIONS

1. **DISTRIBUTION** - Hunter Engineering Company ("Hunter") reserves the right to select its Distributors and National Accounts.
2. **PRICES** - All prices are subject to change without notice.
3. **PURCHASE ORDERS** - Only bonafide orders will be accepted from authorized Distributors and current National Accounts. All orders are subject to approval by Hunter's Credit Department. Purchase orders must be in writing and may be sent via mail, FAX, Hunter's web site, or other means approved in advance by Hunter.
4. **CASH TERMS** -
 - a. Net - C.O.D. All accounts without established credit history.
 - b. 5% 10 Days, Net 11th Day - All accounts with satisfactory credit history.
 - c. No cash discount is allowed on shipping charges.

Payment terms start with the day after the date of invoice, regardless of weekends and/or holidays. Payment must be received or postmarked within the applicable term. Full invoice amounts are due on payments postmarked after the stated term. A service charge of 1-1/2% per month may be added to accounts more than thirty (30) days old.
5. **FREIGHT AND SHIPPING** - All truck freight shipments are F.O.B. Point of Shipment: Bridgeton, MO; Union, MS; Durant, MS; or Raymond, MS. Actual freight charges will be collect or, upon request, prepaid and added to the invoice. Orders qualifying by size and weight will be shipped via U.P.S., insured and prepaid, with all charges added to the invoice.
6. **MERCHANDISE RETURNS - EXCHANGES**
 - a. The item to be returned must be shipped prepaid to the Hunter facility from which it was originally shipped or is to be shipped. These locations are Hunter's Service Center in Maryland Heights, MO, or any of three factories located in Bridgeton, MO; Durant, MS; Union, MS; and Raymond, MS.
 - b. Only salvageable or rebuildable items listed on Form 409T will be eligible for exchange.
 - c. Items damaged or altered from their original condition will not be eligible for exchange.
7. **MERCHANDISE RETURNS - FOR CREDIT**
 - a. Merchandise returned without prior written authorization on Form 1506T, or an authorized RMA, will not be accepted from the carrier. (Form 1506T and RMA's can be obtained from Hunter's home office in Bridgeton, MO). Yellow copy of Form 1506T, or a copy of the RMA, must accompany the merchandise.
 - b. Merchandise must be unused and of current manufacture.
 - c. Merchandise must be shipped prepaid.
 - d. Merchandise is subject to inspection and acceptance by Hunter.
 - e. Hunter invoice numbers on which the original purchase was made must be supplied.
 - f. Handling and restocking charges will apply as follows:
 - 15% - For goods returned within nine (9) months from date of purchase.
 - 30% - For goods returned after nine (9) months from date of purchase.
 - g. Any charges on outgoing freight will not be subject to a credit allowance.
8. **IMPROVEMENTS AND ENCHANCEMENTS** - Hunter is continually improving product design and methods of manufacturing. Therefore, specifications and components of Hunter products are subject to change without notice or obligation to update existing equipment.
9. **CHANGE AUTHORIZATIONS** - Field Representatives are not authorized to make changes in Hunter's warranties, prices or policies without written authorization from Hunter's home office.
10. **QUOTATIONS** - Upon request, Hunter will provide a quotation directly in response to a government agency's competitive bid or request, or to a large National Account having a centralized procurement office. Hunter reserves the right to sell directly to National Accounts, government agencies or other outlets.
11. **WARRANTY** - The applicable warranty is set forth in the warranty document supplied with each Hunter product, a copy of which may be obtained from Hunter's home office.

FREIGHT CLAIMS: In case of receiving damaged merchandise or shortage of cartons, the consignee (receiver of shipment) must note that on the carrier freight bill and call Hunter's Traffic Coordinator, Kay Kovac, for claims assistance at the following number:

1-314-716-0258

EXHIBIT D
NATIONAL ACCOUNTS

1. Company-owned stores including, but not limited to, those owned by:
 - a. Sears, Roebuck and Company.
 - b. Firestone Tire and Rubber Company.
 - c. Goodyear Tire and Rubber Company.
 - d. Discount Tire.
 - e. Les Schwab.
 - f. Pep Boys.
 - g. Tire Kingdom.

EXHIBIT E
SALES TAX LICENSES

**LABEL ALL COPIES OF SALES TAX LICENSES
AS EXHIBIT E
AND INSERT HEREAFTER.**