

## Internet and Catalog Sales Addendum

This Internet and Catalog Sales Addendum ("Addendum") forms part of the Dealer Agreement between Dealer and Harman ("Agreement"). This Addendum sets forth additional terms and conditions that Dealer has agreed to honor relating to the sale of Products through or by means of a catalog or by the Internet ("Addendum Subject Matter"). In the event (and to the extent) of any conflict between this Addendum and the Agreement pertaining to the Addendum Subject Matter, then this Addendum shall prevail, and the Agreement shall prevail in respect of any other issue outside of the Addendum Subject Matter.

Dealer shall not transact the sale of any Product through or by means of the Internet (including, without limitation, by a Dealer or third party web site or auction site, either through the world wide web or through electronic device applications) unless Dealer is expressly authorized by Harman in writing to sell a particular Product or Product line (in accordance with Section 1.5 of the Agreement) via the Internet ("Authorization"). Any Internet sales by Dealer of any Product or Product line without the corresponding Authorization shall be a material breach by Dealer of the Agreement. For the avoidance of doubt, Harman's authorization of Dealer's Authorized Web Site[s] pursuant to Section 1.4 of the Agreement in conjunction with any Internet authorization[s] for any specific Product or Product line granted in accordance with Section 1.5 of the Agreement shall be deemed an Authorization.

The following terms and conditions shall apply to all of Dealer's Internet and Catalog Sales:

1. Definitions. For purposes of this Addendum, the following capitalized terms shall have the meanings given below. Any capitalized terms used in these terms and conditions but not defined below shall have the meanings given in the Agreement:

1.1. "Authorized Web Site" means, Dealer's web site at the specific URL location(s) identified in the Authorization. The Parties may add new web sites or change the URL contained in the Authorization only upon prior written approval from Harman.

1.2 "Catalog" means any written, tangible document that is published and distributed by Dealer for the purpose of soliciting orders from potential customers, including, but not limited to, any catalog, booklet, flyer, or leaflet. The Parties may add new catalogs only upon prior written approval of Harman. Unless expressly authorized by Harman, Dealer shall not offer or sell any Product through any catalog that is not published and distributed by Dealer.

2. Authorized Web Site and Catalog Sales.

2.1. Authorization. Any Authorization provided to Dealer for any Product shall be non-exclusive. All rights not expressly granted to Dealer are reserved unto Harman. Dealer shall not offer Products for sale through use of a private extranet site or on any Internet network other than the public World Wide Web network unless the proposed network has been first approved by Harman in writing. Dealer shall notify Harman in the event that Dealer offers Products on the Internet (either on its own URL or through a Third Party Site) under a different seller name, or if Dealer makes any changes to such seller name. Unless expressly otherwise approved in writing by Harman, no Authorized Web Site shall at any time include any Third Party Sites, provided that, for any such authorization of Third Party Sites to be valid and binding, Dealer must expressly and affirmatively state that a certain web site is a Third Party Site, and explicitly request Harman's authorization to sell Product thereon, which authorization may be withheld at Harman's sole discretion. Dealer acknowledges that its transactions and dealings with any Third Party Site shall be at Dealer's own risk, and any authorization given by Harman to sell Products via any Third Party Site shall not be deemed as any endorsement, recommendation, certification or any assumption of any risk by Harman relating to such Third Party Site, which risk is undertaken and borne solely by Dealer. Any authorization to sell any Product online or via Catalog shall be limited to sales to End Users only, and shall be without prejudice to any non-diversion obligations that Dealer may have under the Agreement (including, but not limited to, those under Section 1.2.2 of the Agreement).

2.2. Term. Any Authorization granted to Dealer to sell via the Internet of Catalogs automatically terminates, without need for any notice, upon the expiration or termination of the Agreement. Either Party

may terminate the Authorization at any time for any or no reason whatsoever upon providing the other Party thirty (30) days prior written notice of termination.

2.3. Approval. Harman shall have the right to review and approve the Authorized Web Site and all subsequent revisions to the Authorized Web Site prior to the publication, posting, or dissemination thereof. Harman reserves the right to withhold its approval if, in its sole discretion, the content does not meet the requirements of Harman Trademark Usage Addendum, or the request for Authorization is otherwise inconsistent with this Internet and Catalog Sales Addendum.

2.4. Territory. Notwithstanding anything to the contrary, sales of any Product through the Authorized Web Site and Catalog are authorized only in the United States of America. Any sales outside of said territory shall be a material breach of the Agreement.

2.5. Drop Shipping. Dealer shall maintain adequate stock of the Products at warehouse(s) owned or leased by the Dealer and agrees that direct shipment of Products to End Users either from Harman or from stocks located at locations under the control of third parties (drop shipment) is a violation of this Agreement. Harman will not drop ship Products to End Users.

2.6 Monitoring and Enforcement. From time to time, Harman may (but shall have no obligation to) monitor and police unauthorized sales of Products via the Internet. Harman makes no warranties or representations as to the accuracy, effectiveness or results of such efforts, and Dealer may, from time to time, receive correspondence and warnings relating to such monitoring and policing efforts, and Dealer acknowledges that selling via the Internet includes the risk of receiving such correspondence and warnings, and hereby assumes such risks and releases Harman from any and all liability relating to Harman's monitoring and policing efforts.

### 3. Quality Control.

3.1 Display of Product. Dealer shall maintain the Authorized Web Site and Catalog in a manner conducive to the retail sale of the highest quality audio and video components. Dealer shall consistently encourage the purchase of the Products by customers to the best of its ability and shall at all times display and otherwise represent the Products fairly in comparison with competing products from other manufacturers. The display space or web site/Catalog location/placement that Dealer affords to the Products shall be at least equivalent in size, positioning, and other factors to that afforded to competing products. Products must be presented with, but not necessarily limited to, pictures and complete descriptions, provided that Dealer shall not be required to provide pictures and/or descriptions unless same have been provided by Harman. Discontinued models and refurbished goods and other Restocked Merchandise (as defined in Harman's Product Condition Claims Policy) must be accurately and clearly identified as such.

3.2. Proper Identification. All contact between Dealer and End Users, including, but not limited to, Internet content, email, telephone, facsimile, and/or mail must indicate that the contact and purchase/service is with Dealer and shall not state or imply any agreement, representation, or warranty, on behalf Harman.

3.3. Credit Cards. Dealer shall accept credit cards, debit cards and other customary electronic payment methods as methods of payment from End Users.

3.4. Security; Privacy. On-line ordering and related transactions must be carried out on a secure server provided by Dealer, and all transactions and End User personal information stored and handled, in accordance with applicable law and industry standards.

3.5. Availability of Products. Dealer must advise the End Users of product availability and estimated delivery times.

3.6. Shipping and Other Costs. Dealer must offer multiple shipping options to End Users, and any charges that may be levied against End Users beyond the stated cost of the Products, including, but not limited to, taxes, shipping, handling, and extended warranty options, must be clearly and separately identified.

### 4. Service and Support

4.1. Customer Service. The Authorized Web Site and Catalog shall contain and clearly feature an e-mail address and toll-free telephone number of the Dealer for the specific purpose of providing customer support during and after the sale.

4.2. Technical Support. It is Dealer's exclusive responsibility to provide adequate technical support for the End Users who need help installing or operating their Product. Dealer shall not suggest and/or encourage End Users to seek technical support from Harman, or any other dealer or distributor of the Products.

4.3. Repair. If repair is required, Dealer must supply the End Users with a current listing of Harman's authorized service centers. Dealer may offer a replacement product at its own expense.

4.4 Warranty Notice. Dealer shall maintain copies of each of the applicable Harman's Product Warranties (if any) available for display at all times on the Authorized Web Site and shall provide a hard copy to customers upon written request.