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## Dealer Policies

All Horsepower Inc. Dealers,

Thank you for your interest in becoming a dealer of our products. All of us here at HPI would like to thank you for your hard work to sell our products. We look forward to a great business relationship. Below are a few guidelines for you to review:

### **Orders:**

Parts can be ordered via telephone (317) 757-8668 Monday-Friday 9AM-5PM EST. Most parts can be shipped UPS within 24 hours. Priority "Next Day" and "2<sup>nd</sup> Day" orders must be placed by 1PM EST. Faxed orders can be sent to (317) 222-6360 and email orders can be sent to [laura@horsepowerinc.net](mailto:laura@horsepowerinc.net).

### **Payment Policy:**

We accept all major credit cards, Visa, MasterCard, Discover, and AMEX as payment purchases. Funds must be available on credit card at the time of purchase. If for any reason the card is declined, a \$2 fee per transaction will be charged.

### **Refund Policy:**

All sales are final when shipped. You may only cancel an order prior to shipment. Custom orders are not refundable under any circumstances. Horsepower Inc. does not give cash refunds for any reason. Cancelled orders are subject to a 15% restock fee and the remaining credit will be placed on dealer's account for future orders. Authorization number is required on all returns.

### **Authorized Dealer Status Requirements:**

All dealers are required to meet a minimum sales volume of \$2,500 per year to resume dealer status. All qualified dealers will be extended the opportunity to earn discounts on their purchases several times throughout the year. All dealer sales will be announced in emails and in some cases on our website and social media pages.

### **MAP (Minimum Advertised Price) Policy:**

Horsepower will issue price lists indicating Manufacturer's Suggest Retail Pricing (MSRP) and maintain a current listing with effective date of MSRP on its internet website which can be amended at any time by Horsepower at its sole discretion. Horsepower believes that marketing our Products at a price other than the suggested retail price ("SRP") undermines the industry reputation and market value of our Products. Therefore, Horsepower does enforce this Policy, which is intended to preserve the goodwill, market value, reputation, and image of Horsepower and our Products.

Advertising practices that have the effect of changing the advertised price from the SRP, such as, for example, combining a Product with a "free" product or in the "package" with other products or with a

discount coupon or promotional code and discounts with membership violate this Policy. Advertisements containing phrases such as “click for price,” “email for price,” “email for best offer,” “call for price,” or other similar phrases that imply the price will be different than the SRP are a violation of this policy. Internet auctions may not display or have reserved bid or other acceptable prices below the current MSRP. Advertisements that offer discounts must specifically and conspicuously exclude our products. An advertisement that offers or implies a price other than the SRP on any Product will be a violation of this Policy. An advertisement that advertises a price above the Original Retail (defined below) or implies that a price other than Horsepower’s SRP is the SRP violates this Policy. This Policy is not applicable to any in store advertising such as in-store displays or signs.

For purposes of this Policy, “advertisement” is defined as any advisement, announcement, information, publication or notice given or made by Dealer in connection with the solicitation of business or sale of any Product(s) in whatever medium is now known or hereafter developed including print, radio, newsletter, television, handbill, sign (except signs inside the Dealer’s retail store directed to consumers inside the store), catalog, letter (including email). Electronic media (including, but not limited to, the use of text messages, Twitter, Facebook, blogs, forums and other forms of social media) that includes, a Trademark, Copyrighted Material or a reference to the Dealer’s website where the Products are advertised for sale, telecommunication, internet or online sales. For purposes of internet sales, the entire web site, including, but not limited to, the “shopping cart” or similar web site location, will be considered part of the “advertisement” if it can be accessed by links contained on or within the website. It is a violation of this Policy for any Dealer to support, supply or in any way facilitate other dealers, distributors or retailers who advertise in violation of this Policy.

This policy applies to current and non-current Products. From time to time, Horsepower may reduce the SRP of a Product (“Price Reduction”) or Horsepower may increase the SRP of a Product (“Price Increase”). A Price Increase will be reflected as the “Original Retail” and the “Current Retail” on the website [www.horsepowerinc.net](http://www.horsepowerinc.net).

If a Dealer violates this Policy, Horsepower will enforce this Policy in the following manner:

**FIRST OFFENSE:** A member of Horsepower will contact the violator via email, telephone or letter and remind them of the MAP Policy and identify the nature of the violation. A copy of the MAP 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. The violator will be given (5) business days to cure the violation. A permanent record of this process will be documented in a Horsepower internal file for future reference.

**SECOND OFFENSE:** A member of Horsepower will contact the violator via email, telephone or letter and remind them of the MAP Policy and identify the nature of the violation. The violator will be reminded of their previous offense and a copy of the signed conformance page will be forwarded to them. The violator will then be placed on a (6) month suspension period in which they will be unable to obtain Horsepower product from Horsepower or its Distributors under the same terms stated above.

**THIRD OFFENSE:** Anyone found to be violating the MAP Policy a third time will be permanently banned from purchasing Horsepower products from Horsepower and its Distributor network. This permanent suspension will apply to the entity violating the MAP Policy as well as to the owners and/or operators of the violator, and to any organization owned by the owners and/or operators of the violation. (For example, closing and reopening the operation under a new name would not lift the ban). Anyone found to be supplying a violator after a permanent ban is in place under these Enforcement Procedures will be subject to a permanent ban.

The Limited License rights granted in this policy do not include the right of Dealers to register the Trademarks as or within domain names or to use the Trademarks in Dealer trade names. Dealer recognizes that Horsepower has the exclusive right to all Trademarks used by Horsepower to identify its Products and Dealer agrees that it will not claim any right, title or interest therein. Nothing herein shall be construed to give Dealer any right, title or interest in the Trademarks or Copyrighted Material.

Any violations of this Policy and/or any apparent unauthorized use of the Trademarks or Copyrighted Material should be reported to the Horsepower Legal Department. This policy is subject to change at any time at Horsepower's sole discretion.

**Warranties:**

Your company must inspect the product prior to install. If your company receives a box and there is visible damage to the box itself, your company must report it to UPS and make a claim. Do not throw away the box or any packaging as it will be used for investigations with UPS. This process ensures that the product is covered by UPS for the damages that have been caused in transit. If the damage is not reported until after the fact, it makes for a difficult claim process. If damages are found once the box is opened, please take photos of the damages and contact us immediately. Photos and a copy of the invoice are required to warranty any defects. Once the products are installed and/or used we are no longer responsible for cosmetic issues.

**Acknowledgement:**

I have read and understand the Horsepower Dealer Policies, MAP Policy and its Enforcement Procedures and agree to all the terms and conditions. I understand that to violate the MAP Policy may result in permanent loss of my dealer status with Horsepower, Inc. I also acknowledge that to maintain my "Dealer Status" with Horsepower Inc. I must agree to purchase no less than \$2,500.00 annually. Horsepower Inc. reserves the right to terminate any inactive dealer accounts upon review.

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

Signature: \_\_\_\_\_

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

Print Title: \_\_\_\_\_ Date: \_\_\_\_\_

In closing, we want to thank you for being part of our business family, and we appreciate you! If there are any questions regarding this information, please do not hesitate to contact us. We are here to help in any way we can.

Thanks,

Horsepower Inc.

