

Addendum to Authorized Dealer/Distributor Agreement ("Addendum") is made as of \_\_\_\_\_ ("Effective Date") by and between Harman International Industries Inc., a Delaware corporation having its principal place of business at 8500 Balboa Boulevard, Northridge, CA 91329 ("HII") and \_\_\_\_\_, a \_\_\_\_\_ corporation. ("Dealer/Distributor"). HII and Dealer/Distributor may be referred to in this Addendum individually as a "Party" and collectively as the "Parties."

## 1. BACKGROUND

1.1. The Parties previously entered into the Authorized Dealer/Distribution Agreement dated \_\_\_\_\_ ("Agreement").

1.2. The Parties desire to modify and amend the Agreement to authorize Dealer/Distributor to sell Products both electronically over the Internet and via mail order pursuant to the Agreement.

1.3. The Parties agree to the following terms and conditions in consideration of the premises and mutual covenants set forth in this Addendum and for other good, sufficient, and valuable consideration, the receipt of which is specifically acknowledged.

## 2. DEFINITIONS

Unless otherwise stated, the capitalized terms of this Addendum shall have the same meanings as defined in the Agreement.

2.1. "Authorized Web Site" means, Dealer/Distributor's web site at the specific URL location(s) accessible via the world wide web and identified in Schedule 1, as the Parties may amend from time to time upon prior written notice by Dealer/Distributor to HII of an addition, removal, or other modification of an Authorized Web Site, provided that such modification shall only be effective if (i) Dealer/Distributor delivers such notice at least thirty (30) days prior to offering any Products for sale at a new Authorized Web Site or discontinuing the sale of Products at an existing Authorized Web Site, and (ii) Dealer/Distributor does not object to such modification within thirty (30) days of receiving notice. **Note: All URL's must be approved by HII on an individual basis.**

2.2. "Catalog" means any written, tangible document distributed by Dealer/Distributor for the purpose of soliciting orders from potential Customers, including, but not limited to, any booklet, flyer or leaflet, as identified in Schedule 1.

2.3. "Customer" means an authorized purchaser of Products from Dealer/Distributor.

2.4. "Products" means the Products set forth in the Agreement, unless there are products listed in Schedule 2, in which case Products shall mean the products listed in Schedule 2. HII may amend Schedule 2 from time to time effective upon thirty (30) days written notice to Dealer/Distributor.

## 3. AUTHORIZED WEB SITE AND CATALOG SALES

3.1. **Authorization.** HII hereby authorizes Dealer/Distributor to sell and solicit the sale of Products through the use of the Authorized Web Site and Catalog, subject to the terms and conditions of this Addendum and the Authorized Dealer/Distribution Agreement. Dealer/Distributor 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 HII in writing. This Addendum shall become effective only upon its execution by Dealer/Distributor, acceptance and execution by HII.

3.2. **Term.** This Addendum and all rights defined herein shall immediately terminate upon the termination or expiration of the Authorized Dealer/Distributor Agreement, unless earlier terminated. Either Party may terminate this Addendum without cause at any time upon giving the other Party thirty (30) days prior written notice of termination.

3.3. **Approval.** HII shall have the right to prior review and approval of the Authorized Web Site and/or Catalog and all subsequent revisions to the Authorized Web Site and/or Catalog. HII reserves the right to withhold authorization if, in its sole discretion, the content does not meet HII standards.

3.4. **Territory.** Sales through the Authorized Web Site and Catalog are only authorized in the United States of America, its territories and properties.

3.5. **Minimum Purchase Requirement.** The Minimum Purchase Requirement shall be increased by the following amount in order to account for the additional demand for the Products that the Parties acknowledge will result from the sale of the Products by Dealer/Distributor through the Authorized Web Site and Catalog: Additional Minimum Purchase Requirement: \_\_\_\_\_

3.6. **Drop Shipping.** Dealer/Distributor shall maintain adequate stock of the Products at warehouse(s) owned or leased by the Dealer/Distributor and agrees that direct shipment of said stock to Customers, either from HII or from stocks located at locations under the control of third parties who are not specifically set forth in this Addendum (drop shipment) is a violation of this Addendum. HII will not drop ship Products to Customers.

## 4. QUALITY CONTROL

4.1. **Display of Product.** Dealer/Distributor 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/Distributor 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, which Dealer/Distributor 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 however that Dealer/Distributor shall not be required to provide pictures and/or descriptions unless same have been provided by HII. Discontinued models and refurbished goods must be clearly identified as such.

4.2. **Proper Identification.** All contact between Dealer/Distributor and Customers, including, but not limited to, Internet content, email, telephone, facsimile and/or mail must indicate that the contact and purchase/service is with Dealer/Distributor and shall not state or imply any agreement, representation, or warranty, on behalf HII. Dealer/Distributor must clearly disclose on the Authorized Web Site where the physical place of business is located including the address and phone number of the Dealer/Distributor's headquarters.

4.3. **Credit Cards.** Dealer/Distributor shall accept credit cards as a method of payment from Customers.

4.4. **Security.** On-line ordering and related transactions must be carried out on a secure server provided by Dealer/Distributor.

4.5. **Availability of Products.** Dealer/Distributor must advise the Customer of product availability and estimated delivery times. In the event that a product is backordered, the Dealer/Distributor must notify the Customers within one (1) business day and periodically up-date Customers on the status of orders. Dealer/Distributor shall ship all merchandise within two business days after charging Customers' credit card.

4.6. **Shipping.** Dealer/Distributor must offer multiple shipping options to Customers and any charges that may be levied

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against Customers beyond the stated cost of the products including, but not limited to; shipping, handling, and extended warranty options must be clearly and separately identified.

**4.7 Use of Portals.** Dealer/Distributor may not offer HII products through the use of third party web sites such as [www.amazon.com](http://www.amazon.com), [www.ebay.com](http://www.ebay.com), or similar without the express written consent of HII. Products may only be presented and sold directly to the customer through the list of approved domains in Schedule 1 of this Amendment. Dealer/Distributor understands that the use of mirror sites or other disguised Web Sites may be cause for immediate termination.

## 5. SERVICE AND SUPPORT

**5.1. Customer Service.** The Authorized Web Site and Catalog shall contain and clearly feature an e-mail address, mailing address, and toll free telephone number of the Dealer/Distributor for the specific purpose of providing customer support during and after the sale. Dealer/Distributor shall staff the toll free customer service with its employees for at least 10 hours daily and at least 355 days of each year. If utilizing a P.O. Box for a mailing address, the Dealer/Distributor must also provide and maintain a physical mailing address. The Dealer/Distributor must respond to all customer inquiries within one (1) business day.

**5.2. Technical Support.** It is Dealer/Distributor's exclusive responsibility to provide adequate technical support for the

Customer who needs help installing or operating their Product. Toll free dedicated phone access must be provided 313 days per year at no less than ten hours per day. Dealer/Distributor shall not suggest and/or encourage consumers who have purchased Products from them to seek technical support from any other Authorized Dealer or Distributor of the Products.

**5.3. Repair.** If repair is required, Dealer/Distributor must supply the Customer with a current listing of Dealer/Distributor's authorized service stations. Dealer/Distributor may offer a replacement product at its expense.

**5.4. Warranty Notice.** Dealer/Distributor shall maintain copies of HII's Product warranties available for display at all times on the Authorized Web Site and shall provide a hard copy to Customers upon written request.

**5.5. Fit Guide.** In the event the Dealer/Distributor is authorized for the sale of mobile electronics the Dealer/Distributor must maintain an accurate and up to date approved on line fit guide. Approval of such fit guide shall be provided at the sole discretion of HII.

## 6. GENERAL

This Addendum supplements the Agreement between the Parties and shall govern and prevail in the event that there are contradictory or contravening terms between this Addendum and the Agreement, the Authorized Dealer/Distributor Agreement shall prevail.

The Parties have executed this Addendum as of the date(s) below.

**HARMAN INTERNATIONAL INDUSTRIES, INC.**

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**DEALER/DISTRIBUTOR**

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**HARMAN INTERNATIONAL INDUSTRIES, INC. INTERNET ADDENDUM TO AUTHORIZED  
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**SCHEDULE 1**

**AUTHORIZED WEB SITES AND CATALOGS**

LIST AUTHORIZED DOMAINS:

LIST OF AUTHORIZED CATALOGS:

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**SCHEDULE 2**

**PRODUCTS**