



2008 Dealer Participation Agreement

Continental Tire North America, Inc.

2008 GOLD Program Dealer Participation Agreement

Introduction

The GOLD Program is designed Continental Tire North America, Inc. ("CTNA") to enhance distribution of Continental and General brand passenger and light truck tires listed on Exhibit A attached hereto ("Tires"). The GOLD Program Distributor will develop new GOLD Dealer business and thereby increase retail distribution of those Tires.

The parties to this agreement will abide by the provisions of the GOLD Dealer Program on the terms set forth in this agreement.

This agreement is entered into between:

GOLD Program Distributor: 74 ___ ___ ___ ___ ___ & 82 ___ ___ ___ ___ ___ (where applicable)

Name: _____

and

GOLD Program Dealer:

Name: _____

(hereafter "GOLD Distributor" and "GOLD Dealer") for the period _____ through December 31, 2008. Assuming specified conditions, which are set by CTNA, in its sole and absolute discretion, and communicated by the GOLD Distributor to the GOLD Dealer, are met, this agreement will automatically renew on an annual basis for one-year terms. If any of such conditions is not met for a specific GOLD Dealer Participation Agreement, there will not be automatic renewal of such agreement and the GOLD Distributor will notify the GOLD Dealer in writing of such non-renewal. If the agreement is renewed, the GOLD dealer will be renewed at their current GOLD level.

The agreement applies to _____ retail location(s). Pages 9-12 and W9 form must be completed for every retail location.

Required Approval

To be enrolled, the GOLD Dealer must be approved in writing by the CTNA Marketing Department and a Dealer Participation Agreement (using the template attached - Exhibit C) must be signed by the GOLD Dealer and GOLD Distributor and submitted to the Program Headquarters (as designated by CTNA) by the GOLD Distributor along with the required opening minimum order (as specified on page 5). Changes to the Dealer Participation Agreement cannot be made without the prior written consent of CTNA. The GOLD Distributor must obtain written approval by CTNA to activate a GOLD Dealer account. Upon approval by CTNA, the GOLD Dealer will receive notice of account activation from Program Headquarters. CTNA may decline to approve a dealer at its sole discretion. CTNA may withdraw its approval of a Dealer Participation Agreement at any time by written notice to the GOLD Distributor. The GOLD Distributor will immediately give written notice to the GOLD Dealer to terminate the GOLD Dealer's participation in the GOLD Program and the applicable Dealer Participation Agreement.

Continental Tire North America, Inc.

2008 GOLD Dealer Program

Eligibility And Requirements Of The GOLD Dealer

A GOLD Dealer is any designated RETAIL customer of a GOLD Distributor who agrees to all of the following conditions.

1. Place an opening order of tires from the GOLD Distributor, upon entry into the GOLD Dealer Program. GOLD dealer minimum order of Passenger and Light Truck tires (as specified on page 5) per designated retail location. A copy of the opening order must accompany the signed Dealer Agreement.
2. The annual GOLD Elite purchase commitment is 1,800 tires per retail location. The annual GOLD Select Dealer purchase commitment is 1,200 tires per retail location. The annual GOLD Standard purchase commitment is 700 tires per retail location. The annual GOLD Express purchase commitment is 300 tires per retail location Depending on date of acceptance of this agreement; the annual commitment can be adjusted and approved by the CTNA Marketing Department (Refer to Unit Requirement table on page 11.)
3. The annual commitment will be made up of four quarterly objectives. Each quarterly sales objective must equal 25% of the annual budget and approved by CTNA. This agreement and participation by the GOLD Dealer in this program is subject to termination by the GOLD Distributor for not meeting two quarterly objectives within the last four reported quarters.
4. Purchase, inventory and display a minimum of two Marketing Lines.
5. Offer high quality, professional Passenger and Light Truck service to the consumer.
6. Administer and service all Continental and General brand Customer Service programs including National Accounts, Government Sales, Warranty and Adjustment Programs (including OE customers).
7. Make available, at the request of the GOLD Distributor or Continental Tire North America, Inc., all sales and purchase information necessary to verify performance pursuant to the terms of this GOLD Dealer Program.
8. Identify each retail location with Continental and General Tire brand identification.
9. Participate in, at the request of Continental Tire North America, Inc., training programs including self-study and certification.
10. Sell Continental/General brand tires only from the locations designated in the Participation Agreement.

2008 GOLD Program Rules and Guidelines

1. Upon enrollment of the GOLD Dealer, the GOLD Distributor will set quarterly objectives for each GOLD Dealer retail location and identify the GOLD status of each location. Each quarterly sales objective must equal 25% of the annual budget. Enrollment of a new Gold Dealer in the 3rd month of a quarter must be initiated prior to the 5th day of that month.
2. The GOLD Dealer Program applies to the purchase of Continental and/or General brand products. The GOLD Distributor will report quarterly all tires purchased by each GOLD Dealer retail location. The units will be reported totals broken out into the categories listed in Exhibit A attached.
3. Quarterly, the GOLD Dealers will earn cash rewards on all Continental and General brand purchases from their approved GOLD Distributor. The quarterly cash rewards are passed directly to the GOLD Dealers that attain their quarterly objectives by CTNA, via direct deposit. A check can be mailed to the business for a fee of \$10.00 per check. All checks/deposits will be made payable to the retail location.
4. The quarterly cash rewards will be calculated as follows. GOLD Elite and GOLD Select dealers who attain their quarterly objective will earn \$4.50 per tire and \$3.50 per tire for Continental and General Tires, respectively. Standard GOLD Dealers who attain their quarterly objective will earn \$3.50 per tire and \$2.50 per tire for Continental and General tires, respectively. GOLD Express Dealers who attain their quarterly objective will earn \$2.50 per tire and \$1.50 per tire for Continental and General tires, respectively
5. Opening order requirements and quarterly tracking objectives apply to approved GOLD Program Dealer retail locations.
6. An approved CTNA Passenger and Light Truck Dealer that purchases tires direct from CTNA cannot be a GOLD Dealer.
7. The GOLD Dealer may change GOLD Distributors one time in a calendar year. If multiple GOLD Dealer locations are under the same ownership, the Distributor Change Request applies to all GOLD Dealer locations. One month notice is required to change distributors. The GOLD Distributor contacts the Program Headquarters at (800) 606-6416 to request a Distributor Change Agreement. The change will go into effect 30 days after the form and new GOLD Dealer Participation Agreement is received and written approval is issued by the CTNA Marketing Department.
8. The GOLD Dealer will select GOLD program level at enrollment. The GOLD Dealer will be allowed can change up a level(s) during the calendar year. Upgrades can only occur when the GOLD dealer meets the annual unit objective of the higher level. The GOLD Dealer will automatically be given the next level GOLD status and retroactively paid for all units purchased that calendar year through their GOLD Distributor at the higher GOLD level.
9. The GOLD Dealer will be allowed to change down a level once per calendar year, the change will not be retroactive. The change cannot be initiated in the last month of a quarter. To initiate a change, the GOLD Distributor must contact Program Headquarters at (800) 606-6416 to request a Program Level Change Request and submits the request to the CTNA GOLD Program Manager.
10. Active GOLD Dealers in good standing, attained the previous years annual objective, will be automatically renewed at their current level. Renewing GOLD Dealers will not be allowed to change down a level during enrollment at the beginning of the year.

11. At the end of each quarter a reconciliation payment will be made to GOLD Dealers that may have missed a quarter, but are tracking to meet their annual objective.
12. It is the responsibility of the GOLD Distributor to enter National Accounts and/or Government sales transactions. Once a GOLD Dealer has 5 transactions per month, the GOLD Distributor may request that the GOLD Dealer be set up on CONTILINK to enter its own transactions directly.

2008 GOLD Program Dealer Awards				
Program Level	GOLD Express	GOLD Standard	GOLD Select	GOLD** Elite
Yearly Units	300	700	1200	1800
Min. Opening Order	25	50	100	100
Rewards Trip	N	N	N	Y**
Quarterly Cash Reward (\$/tire)				
Continental	\$2.50	\$3.50	\$4.50	\$4.50
General	\$1.50	\$2.50	\$3.50	\$3.50
Marketing Support				
Showroom Credits*	n/a	200	300	300
Web tools points*	n/a	200	300	300
Enrollment Reward				
POS Kit*	N	Y	Y	Y
Menu Board*	N	Y	Y	Y
Continental Shirts*	N	Y (2)	Y (4)	Y (4)
Illuminated Sign*	N	Y	Y	Y
Exterior Sign*	N	N	Y	Y
GOLD Proprietary Display*	N	Y	Y	Y

*Items described in more detail in the Welcome Kit to be received upon signing the Dealer Participation Agreement and approval by CTNA as a GOLD Dealer.

**GOLD Elite Dealers (1,800 unit minimum) awards include all the benefits of GOLD Select Dealers, plus an invitation to the GOLD Dealer incentive trip.

Duration of Agreement

Unless terminated as provided herein, this agreement shall remain in effect until December 31 of the current calendar year. Assuming specified conditions are met, this agreement will automatically be renewed on an annual basis for one-year terms. If this agreement is automatically renewed, the GOLD Dealer will be renewed at their current GOLD level.

Additional Terms and Conditions

1. The GOLD Distributor and GOLD Dealer have each read and understand the GOLD Dealer Program and agree to abide by all its terms and conditions.
2. The GOLD Distributor and GOLD Dealer will use their best efforts to promote sales of the Tires.
3. The GOLD Distributor and GOLD Dealer will use Continental Tire North America, Inc. trademarks only as authorized by Continental Tire North America, Inc.
4. The GOLD Program Distributor and GOLD Program Dealer shall not disclose the terms of this Agreement or the GOLD Dealer Program to any other party without the consent of Continental Tire North America, Inc., except as required by law.
5. The GOLD Dealer Program and this Agreement shall be governed by the laws of the State of North Carolina and any dispute involving this Agreement will be brought before a court located in Charlotte, North Carolina.
6. Either party shall have the right to terminate this Agreement at any time, without cause or liability, upon thirty (30) days prior written notice to the other party.
7. This agreement represents the entire agreement and supersedes any and all previous agreements and understandings between the parties relating to the subject matter hereof, and may be amended only in writing, signed by both parties.
8. CTNA will not be a party to any of the Dealer Participation Agreements, but is a third party beneficiary of certain obligations of the parties to such agreements.

GOLD DISTRIBUTOR

GOLD DEALER

By: _____
(Authorized Representative)

By: _____
(Authorized Representative)

Name: _____

Name: _____

Its: _____

Its: _____

Date: _____

Date: _____

EXHIBIT A

GOLD PROGRAM PRODUCTS

All Continental and General brand products as listed in the most current Continental Tires Passenger and Light Truck Tire Product and Price Guide and the General Tire Passenger and Light Truck Tire Product and Price Guide are eligible for Gold Rewards. The GOLD Distributor will report quarterly all tire purchases broken out into the categories listed below for each GOLD Dealer retail location:

- Continental
 - **ContiSportContact 3 (CIL)**
 - **ContiSportContact 2 (CAV)**
 - **ContiExtremeContact (CBK)**
 - **ContiProContact (CCH)**
 - **ContiCrossContact UHP (CB2)**
 - **ContiCrossContact LX (CA4)**
 - **Continental Brand Other (CZZ)**

- General Tire
 - **Altimax HP (TI8)**
 - **Exclaim UHP (TG5)**
 - **Altimax RT (TI7)**
 - **Grabber HTS (TBK)**
 - **Grabber UHP (TBG)**
 - **Grabber AT2 (TE9)**
 - **General Brand Other (TZZ)**

EXHIBIT B

Payment Schedule for Total Annual Performance

Examples for illustration purpose based on GOLD Standard Dealer with a 50/50 split of Continental and General brand tires.

Example 1: Quarterly Reconciliation for missed quarter, but tracking to budget

	Q1	Q2	Q3	Q4	Q2 Reconciliation Payment	Q1 & Q2 Budget
BUDGET	175	175	175	175		350
ACTUAL	126	230	0	0	126	356
ACCRUAL \$	\$0.00	\$690.00	\$0.00	\$0.00	\$387.00	\$1,068

Example 2: Any GOLD dealer reaching next level annual objective will automatically be given the higher level GOLD status and retroactively paid. For this example dealer upgrades from GOLD Standard to GOLD Select by reporting 1,200 units. *An additional payment \$1,000.00 would be issued for Q1 and Q2 purchases.

	Q1	Q2	Q3	Q4	Gold Select Adjustment	TOTAL
BUDGET	175	175	175	175		700
ACTUAL	500	500	500	500		2000
ACCRUAL \$	\$1,500.00	\$1,500.00	\$2,000.00	\$2,000.00	\$1,000.00*	\$8,000.00

Example 3: The annual GOLD Select Dealer purchase commitment is 1200 tires per location. Depending on date of acceptance, the annual commitment can be adjusted. In the following scenario the GOLD Select Dealer was enrolled in August.

	Q1	Q2	Q3	Q4	TOTAL
BUDGET	0	0	200	300	500
ACTUAL	0	0	225	350	575
ACCRUAL \$	\$0.00	\$0.00	\$900.00	\$1,400.00	\$2,300.00

Example 4: A GOLD Select Dealer will be allowed to change down a level; the change will not be retroactive. * In Q3 the Program Level Change Request was approved to downgrade from GOLD Select to GOLD Standard.

	Q1	Q2	Q3	Q4	TOTAL
BUDGET	300	300	175	175	950
ACTUAL	175	200	175	200	700
ACCRUAL \$	\$0.00	\$0.00	\$525.00	\$600.00	\$1,125.00

EXHIBIT C



2008 Program Enrollment Form
Fax completed forms to 877-288-8862

Gold Dealer must provide Tax ID #, vendor banking information and W9 form in order to receive cash rewards.

Gold Dealer Number: _____

Gold Dealer Information	
Dealer Name	
Dealer Address	
City, State, Zip	
Dealer Phone	
Dealer Fax	
Contact Name	
E-mail address	
Your website	
Federal Tax ID#	
County	

This will also be used for the Dealer Locator on the Continental and General Tire websites.

Continental Tire North America, Inc. (CTNA) reserves the right to: change or cancel this program at any time; disqualify any distributor or dealer from the program at any time. In all matters relating to the interpretation and application of the program guidelines the decision of CTNA will be final. We reserve the right to audit all distributor and dealer sales and program records, including individual store locations.

EXHIBIT C (CONTINUED)



2008 Program Enrollment Form
Fax completed forms to 877-288-8862

Vendor Banking Information	
Name on Account	
Bank Name	
Address	
State	
Zip Code	
County	
Branch Name	
Bank Key Routing #	
Bank Account #	
Payment Type	<input type="checkbox"/> ACH (direct deposit)* <input type="checkbox"/> Check**

* Please include a copy of a cancelled check along with your enrollment form.

** A \$10.00 check processing fee will be deducted from your quarterly rewards.

GOLD Program Distributor:

(Print exact legal name of entity)

(Print DBA – if applicable)

Signature: _____

Title: _____

Date: _____

GOLD Program Dealer:

(Print exact legal name of entity)

(Print DBA – if applicable)

Signature: _____

Title: _____

Date: _____