

Échappé Equipment Shop Program

The Échappé Network:

Échappé founders Gabe Lloyd and David Wiswell prioritize collaboration within the existing framework of cycling and triathlon that includes, coaching, physical data analysis testing, athletes and local retail locations. The Affiliate Program is a direct approach towards giving the athlete a cohesive package of service without taking away existing means of income from any part of the network.

Where Local Bike Shops Benefit from Échappé Services:

We have found that customers prefer the security of a bike shop handling their equipment, taking our wheels to them for set-up. We believe a step in the right direction is to provide specific shops with these customers as a means of keeping the standards of Échappé in check as well as driving new business to established “brick and mortar” shops. Consequently, Échappé Equipment has created an affiliate program designed to meet the needs of all of our customers while benefiting both Échappé and those shops involved in the affiliate program.

Furthering Your Business: Getting Customers in the Door:

Becoming involved in the Échappé Equipment program gives local shops powerful marketing through Échappé. Currently, Échappé runs monthly ads in VeloNews, Facebook, Google, Yahoo!, AOL Search, NYVelocity.com, Cyclocross Magazine, many blogs, Road-Results.com, BikeReg.com and Slowtwitch. With these marketing tools, we are already driving 3700+ people per week to our site and generating enough sales to warrant the need for this letter. As an affiliate, you will be part of this marketing, boosting your shop from the local hot spot to a place where athletes coming from out of town for their next Half IM know to go because their rented equipment is there waiting for them.

Offer a Service for your Customers without the Overhead of the Product:

Do you host a local race or series from your shop? Wouldn't it be great to offer a race wheel rental service without investing in thousands of dollars worth of equipment? Make use of the Échappé inventory and structure to offer your customers what they want and make your event the race everyone wants to go to. What about that customer that wants to try something before they buy it? Don't lose them – use our service. Échappé only sells used wheels, so get your customers to buy the new wheels from you.

Basic Participation, FREE FOR ALL TREK CONCEPT STORES AND DEALERS.

All other stores, \$100/month:

Basic Participation is simply stating that you are an “Official Pick Up Point” and are agreeing to accept shipments from Échappé to your business. You, as a business owner, are free to charge your local service fees for setting up the Échappé customer with their rented wheels. We also encourage you to remind the customer that they are there because they are on their way to a race, so they should get that last GU pack from you, not at the Expo.

Specific Terms:

- 1) Customers will have the option of choosing to have their wheels shipped directly to your shop in our check out cart.
- 2) Shop agrees to provide set up service on the wheels if the customer needs.
- 3) Shop agrees to safely pack the wheels upon return from the customer. The shop further provides that it has business hours and a shop location that allows FedEx to pick up our wheels.
- 4) Shop is listed on the “Shop Pick Up” page and in the Échappé shopping cart, when appropriate.

Limitations to the Basic Participation:

- 1) Shop is not eligible to rent product from Échappé as “in store demo” equipment.
- 2) Shop is not directly integrated into Échappé advertising by name.
- 3) Shop is not allowed to sell our demo products

Comprehensive Participation: \$50/month plus monthly rental of in-store demo equipment:

You know that national championship event coming up in your area or that Half IM? You know you have those customers who are hemming and hawing over buying those new Zipp or HED wheels. Don't lose them. Get them to rent something from you.

The guidelines for the Comprehensive Affiliate program are listed below:

- 1) A shop enrolled in the Échappé Affiliate Program will rent wheels from Échappé at the agreed price on rotating 30 day time periods.
- 2) The shop's rental price is paid to Échappé Equipment in full at the beginning of each 15 to 30-day period.
- 3) A shop can then rent out the wheels through their shop on their own accord. 100% of all rental income is kept by the shop.
- 4) At the end of thirty (30) days, shops can renew the wheel rental for the same price or return the wheels to Échappé Equipment.

What this boils down to between two independent business owners: we stay out of each other's books. No monthly auditing. No checking to see if rentals have been made. No checking to see if its cash or credit. Once your rental fee is paid, you control the handling of charges and customers. Échappé keeps pushing the marketing to assist you in getting new customers.

Additional Guidelines for Comprehensive Participation:

- 1) Shops are allowed to switch a wheelset once per month but only within each price point. If a shop wants to change to a different "stage" of pricing they are required to pay the difference as well as shipping cost.
- 2) If a used wheelset is sold through the shop, Échappé receives our cost+5% for the wheel. The shop keeps all remaining profit. This can be either at the time of sale or at the end of the thirty (30) day rental period
- 3) If a wheel is not returned and the rental has not been renewed, the shop will be billed for Échappé's cost of the wheel.
- 4) Rental fees by the shop do not depreciate the final sale payment made to Échappé.
- 5) Cassettes can be rented for \$25/month by the shop.
- 6) If a walk-in customer wants a wheelset listed on the Échappé website, but the shop does not have the product in stock:
 - a. The shop must place the order with Échappé by phone or email to receive credit.
 - b. Échappé charges a \$35 handling fee to the customer as well as ground shipping charges to the shop.
 - c. The rest of the rental fee is given to the shop as payment for finalizing the sale
 - d. If the customer wants shipping expedited an additional rush handling charge of \$45 is billed by Échappé as well as the new shipping costs.

Pay NO FEES When for Either Level When You Order NS-Sportswear Custom Clothing:

Échappé Equipment is the exclusive North American Distributor of NS-Sportswear, a premium custom cycling and triathlon clothing company from Zwalm, Belgium. All products are made in Belgium by Belgians using state of the art sublimation and digital printing techniques. A standard clothing sponsor for professional 6-Day races in Ghent, BE, Échappé is proud to be able to provide you with this service. Ordering a minimum of 30pcs (total) will eliminate your monthly fees for a year. Please tell us that you're interested and would like a fit kit and pricelist and we'll get you set up.

Overall Conditions for Both Participation Levels:

The shop agrees to accept shipments from Échappé Equipment should there be a large event in the area (National Championships, Iron Man event, etc.). For accepting the shipments, Échappé will encourage customers to purchase their food, drink and other race essentials from the shop. From experience, this supplemental purchasing has been shown to produce a fairly large amount of additional income for shops.

We feel that both Échappé Equipment and our affiliate shops will both benefit greatly from working together. Échappé will receive more national exposure while every shop will have the benefit of working with a well-recognized name in a small but very essential field of business. Furthermore, the additional traffic coming through each shop will only help to boost sales while the shop's presence on Échappé's websites and advertising will help create a larger and more recognizable business. We are very excited about the

prospect of working together with various shops around the country and hope that your business can become a part of the Échappé family.

About Échappé Equipment:

Échappé Equipment is a successfully established niche business in the cycling industry specializing in race wheel rental of the most sought after products in the market. In late 2008 Échappé added the US distribution of NS-Sportswear custom cycling and triathlon clothing to its product line up. The company has continued to gain recognition around the United States and abroad with rentals that include professional athletes, current US National Team members and National Champion elite amateurs. Current brand offerings are Zipp, Bontrager, HED, Shimano, American Classic, Williams Wheels, Revolution Wheels, Échappé Wheels, NS-Sportswear custom clothing.

Sincerely,

J. Gabriel Lloyd & David Wiswell