

Point S Rebranding Advance Program

Up to \$25,000 advance with 5 year forgiveness

Must Commit by 9/30/2016 and complete rebranding by 12/31/16
 Subject to Credit Approval which may deny or limit the advance
 Minimum Store Standards will be considered
 Branding and Point S Commitments are Signed
 Plan submitted and approved by MBT
 Signed Branding Advance Agreement

ITEMS QUALIFIED FOR ADVANCE - all must be Point S branded

First Priority funded:

Intention is to pay cost of required "Rebranding" non negotiables at 100%

- 100% Replace Exterior red paint with Point S Green as required
 - 100% Replace Exterior TF signage with Tire Factory Approved Vendor
- These must be completed before second priority*

Second Priority funded:

- 100% Replace Service Truck signage/identification with Point S (not personal vehicles)
- 100% Replace exterior Branded or Red awnings with PointS approved branded awnings
- 100% If no preexisting building sign, first building sign branded Point S tire and automotive. (no readerboards)

Third level priority

- 80% Point S Uniforms / preferably Patches where possible
- 80% Reimaging interior fixtures with Point S colors (e.g. red to green)

Fourth Level Priority

- 50% New second Point S Pole or building sign not previously existing.
- 50% Other Point of Sale or Fixtures Transition (e.g. tire inserts, Tire Holders, etc)
- 50% Full exterior paint job
- 50% Other Minimum store standard improvements (e.g. first customer dedicated bathroom)
- 50% Replace rusty or damaged cans for pole signs
- 50% Replace Personal vehicle Tire Factory Signage

ITEMS NOT QUALIFIED FOR LOAN ADVANCE

Member cost (wear out and replace)

Stationary
 Check stock
 Warranty forms
 Tire bags (reorders)
 Business cards
 Bottled water
 Envelopes
 Invoice stock
 Pens
 Pencils
 Notepads
 Clipboards
 Window Clings in stores

TIRE FACTORY PROVIDES WELCOME KIT

Items Included in Kit

- 1 Metal Welcome Sign for Front Door
- 2 Design and Branding Guide
- 3 Banner
- 4 Counter Mat Insert 1
- 5 Counter Mat Insert 2
- 6 Instruction Sheet

Samples in Kit

- 7 Business Card
- 8 Stationary
- 9 Patch for uniforms
- 10 Tire Inserts
- 11 Tire Floor Display Stickers
- 12 Warranty crack-back stickers
- 13 Poster
- 14 Wall Map
- 15 Tire Tags
- 16 Cloud sign inserts

APPENDIX A

Branding Program and Operational Policy

1. Purpose of Policy. The Branding Program and Operational Policy provides guidance for independent tire and auto service dealers and Members of the Tire Factory Cooperative using the Point S brand (and Tire Factory Brand until September 30, 2017). It is our intent to help every Member beat their competition by arming a Member with superior advertising programs and tire pricing to help win more business every day!

There is significant value in the power of Members working together. As part of helping to build the Point S brand, it is critical all Members have a similar look and feel but maintain a local flavor. The barriers to joining the Cooperative are economically low. However, each Member will need to invest capital and time in the common brand by showcasing the Point S brand in their locations in a consistent manner. If all Members are good stewards of the Point S brand at every location, the brand recognition by consumers will be enhanced over time in all markets we serve.

It is in the best interest of all Members to adhere to the Branding Program and Operational Policy outlined below and further defined in the Member Manual posted on the Member Site (collectively, the “**Program**”).

2. Cooperative Intellectual Property. The “**Cooperative Intellectual Property**” means all Cooperative trademarks and service marks whether owned or licensed by Tire Factory (including the Point S brand and its trademarks and service marks and the Tire Factory logo and tread pattern on the logo), copyrights, patents and patent applications, secret processes, and trade secrets, such as proprietary data, cost saving techniques, marketing studies and materials and all other intangible rights used by the Cooperative in its business; including but not limited to: the Cooperative’s catalogs, order forms, flyers, confidential vendor information, Point of Sale material, Warranty Information, Tire Factory retail/commercial advertising and marketing guides and brand equity statements such as: THE BEST IN THE WEST® Warranty Program, Always The Right Tire Always the Right Price, Trust What you Love to Tire Factory, product selection lists, Cooperative software, electronic data and images and the like. This list may change from time to time at the discretion of the Cooperative and is subject to quality control by the Cooperative regarding specific requirements for the appearance of and use of the Cooperative Intellectual Property. In all cases, the use and appearance of the Cooperative Intellectual Property must conform to the guidelines set forth in the Point S Graphic Charter also known as the “Style Guide” in the Member Manual.

3. Quality Standards. All advertising and promotional materials used by Member must be designed in a style that complies with the Point S and Tire Factory (until June 30, 2017) design standards, trademarks and service marks, and by extension, on the Point S and Tire Factory names and reputation.

4. Service Marks and other Trade Marks

- a. POINT S® Use Rules. The “Point S” service mark (the “**Point S Mark**”) shall only be used exactly as shown in the Style Guide in the Member Manual. The Point

S Mark may not be reproduced in any other manner without the express written permission of the Cooperative, or its designated Advertising Agency. The Cooperative reserves the right to change the colors and appearance of the Point S Mark. The Point S Mark may only be used by Members who sign the Brand Commitment Agreement and upon approval from Tire Factory the Cooperative.

- b. TIRE FACTORY® Use Rules. The “Tire Factory” service mark (the “**Tire Factory Mark**”) *is only usable by Members who have previously branded Tire Factory as of May 28, 2015. All Members branded Tire Factory must cease the use of all Tire Factory related marketing materials and products (including but not limited to signs, warranty cards, Member maps, stationary, business cards, uniforms, etc.) no later than September 30, 2017.* For existing Tire Factory branded locations, Tire Factory Mark shall only be used exactly as shown in the Style Guide in the Member Manual. The Tire Factory Mark may not be reproduced in any other manner without the express written permission of the Cooperative, or its designated Advertising Agency. The Cooperative reserves the right to change the colors and appearance of the Tire Factory Mark.
 - c. Rebranding Transition Rules – The Cooperative must preapprove a Member to use the Point S brand in any way whatsoever. Once the Cooperative approves the Member’s request to rebrand from Tire Factory to Point S, then the Member may use Point S logos, service marks and trademarks next to the Tire Factory service marks and trademarks until September 30, 2017. After September 30, 2017, the Tire Factory name cannot be used in any way.
 - d. It is expected that Members will purchase at least 1,200 tire units per year (average per store) from Tire Factory sponsored programs (rebills, directs, and warehouse units) to qualify for the use of the Point S brand.
5. Telephone Book, Trade Publication and Internet Listings. Any Point S (or Tire Factory through September 30, 2017) trademarks or service marks in Member’s telephone book or trade publication listing or internet listings must follow the Style Guide in the Member Manual. Tire Factory trademarks and service marks may not be used in any publications or on the internet after September 30, 2017.
6. Enforcement of Cooperative Trademarks. Member shall immediately notify the Cooperative of any unauthorized or non-licensed use of the Cooperative Intellectual Property. In no event shall Member take any action on its own to enforce rights relating to the Cooperative Intellectual Property against another party without the prior written consent of the Cooperative.
7. Assignment. A Member may not assign, transfer or sub-license any rights or obligations contained in the Program or the License granted in the Membership Agreement.
8. Additional Locations. A Member is entitled to use the Program described herein at one Tire Dealership location only. New Tire Dealership locations must be approved by the CEO of the Cooperative and a Member must execute a new Membership Agreement for each new location.

9. Brand Commitment Agreement. All new Members must submit a Brand Commitment Agreement describing the conversion of an existing store to the Program or for a new store for a Tire Dealership location and the timeline for implementing the Program. The Brand Commitment Agreement must be approved by the Chief Executive Officer of the Cooperative or his designee. If a Member fails to submit the Brand Commitment Agreement or does not implement the plan in the Brand Commitment Agreement, then the Board of Directors may authorize remedial efforts at the Member's sole expense or terminate the Member pursuant to the Bylaws and Member Agreements.

10. The Internet and Websites.

- a. The Cooperative provides its Members with access to: (1) www.tirefactory.com and a successor Point S website (to be determined) to help drive retail customers to the individual Member's location; (2) a separate intranet website for Members to do business with the Cooperative. For a fee, a retail point of sale software system called Traction can be used by Members under a separate Sublicense Agreement. The Cooperative will have made available certain electronic intellectual property ("**Electronic Intellectual Property**") for Members use at their retail store in Traction or on the Members local website, or on the Cooperatives internal intranet site provided by the Cooperative. Other software may also be available from time to time and depending on the software, the other software may or may not require a Sublicense Agreement and/or fees.
- b. All information and intellectual property associated with the use of the two websites, and the Traction POS system including the enhanced content such as product images, advertising images, product downloads, attributed and normalized content, enhanced product details and descriptions, costs, store profitability stocking and analysis tools, retail price matrixes and all information of any nature used or included thereon, are, and shall always remain, the property of Cooperative. Licensee's use of the sites and the information contained therein is governed by the Cooperative.
- c. All Electronic Intellectual Property mentioned above is for the sole use of the Members retail store or retail point of sale system only and none of the content may be used for any other purpose outside of Members Tire Dealership or used on any other website operated or in any way affiliated with the Cooperative or Licensee. Licensee agrees and affirms that they will cease to use and remove any Electronic Intellectual Property of Cooperative at the termination of their Membership in the Cooperative except as permitted in any sublicense agreement.
- d. The Cooperative Web Guidelines were approved for the protection of all Members in 2013 and will be introduced with the conversion to Point S. Members may not under any circumstances register a domain name including Point S.

11. Software License Agreements. The Cooperative shall, from time to time, develop, purchase, license or otherwise acquire certain software and related technology products and services that will be made available to Members on a license or sublicense basis.

12. Requirements Upon Membership Termination. Except as provided for below, upon the termination of its Membership in the Cooperative, Member shall, at Member's own expense, immediately cease using all the Cooperative Intellectual Property and all items described in the Program. Member shall have thirty (30) days following the termination of its membership to remove all signs, carts, displays and other advertising and promotional materials bearing any of the Cooperative Trademark from the interior and exterior of all buildings and other areas where they are visible by the public. Furthermore, Member shall remove and cease to use any and all items used or referenced in the Program on a website or in Member's Tire Dealership. A Member specifically shall cease to use any website domain containing the name "Tire Factory" immediately when Member ceases to be a Member of the Cooperative for any reason.

13. Advantage Member Guidelines: With regard to the Brand, Advantage Members are subject to the following privileges and requirements:

- a. Are Members in Good Standing (as defined in the Bylaws).
- b. Are eligible to use the Member Local Site.
- c. Each Advantage Member contributes each month into the Build the Brand Advertising Program and the funds are directed by the Members for use in the Members Advertising Zone or Area so long as a Member's advertising spend is on approved advertising. The amount of Member monthly contribution is set by the Board of Directors annually. Approved advertising for the Build the Brand Advertising Program is defined in the Advertising Approval and Ad Rebate Policy on the Member website, which is approved by the Board of Directors annually.
- d. Have full rights under the Program and to use the Cooperative Intellectual Property.

14. Advantage Commercial Member Guidelines: With regard to the Brand, Advantage Commercial Members are subject to the following requirements and restrictions:

- a. Are Members in Good Standing.
- b. Are eligible to use the Member Local Site.
- c. May use the Advantage Commercial LOGO / sign on their building or on their commercial vehicles, at all times in compliance with the Style Guide. The exterior signs must be approved by the Cooperative prior to placement at a Member's location.
- d. Do not pay into the Build the Brand Bucket investment for advertising.

- e. Are required to pay monthly commercial dues.
- f. Do not have the same rights as Advantage Members to use the Program or the Point S (or Tire Factory Marks), unless described in Style Guide. The Tire Factory Mark may not be used after September 30, 2017.
- g. May not publicly advertise the name Point S or Tire Factory using any of the Program at any time, unless specifically approved in advance by the Cooperative.
- h. May use the commercial logo as described and shown in the Style Guide in the Member Manual.
- i. May not use the regular passenger tread logo/Mark for Tire Factory on their commercial fleet trucks as described in the Style Guide in the Member Manual.