



ADDENDUM TO LIQUID DEALER AGREEMENT FOR INTERNET SALES

This is an addendum to the Dealer Agreement ("DA") dated _____ between Liquid Icon, Inc. (hereinafter "Liquid") and _____ of _____ (hereinafter referred to as "Dealer").

WHEREAS, Liquid and Dealer desire to enable Dealer to offer Liquid products for sale via the Internet.

NOW, THEREFORE, the parties hereby agree as follows:

1. Definitions.

- A. "Affiliate" means a separate web site from Dealer's that advertises Liquid products and refers potential customers to Dealer's web site by way of a hyperlink, but that does not actually sell Liquid products.
- B. "Banner Ad" means graphical advertisements that appear embedded in HTML pages on a web site.
- C. "Content" means all text, pictures, sound, graphics, video and other data pertaining to Liquid products for use on Dealer's web site.
- D. "Cost Per Click Advertising" means advertisements placed on a web site with a cost that is based upon the number of responses ("clicks") by people visiting the web site.
- E. "Domain Name" means the name specified for a given Website and registered with an authorized registrar within the Internet Domain Name System.
- F. "Intellectual Property Rights" means any and all known or hereafter known tangible and intangible: (a) rights associated with works of authorship throughout the universe including but not limited to copyrights, moral rights and mask works; (b) trademark and trade name rights and similar rights; and (c) trade secret rights.
- G. "Search Engine" means a website that provides the service of locating information available on the Internet by way of user defined terms.
- H. "Search Engine Advertising" is online advertising that is delivered by Search Engines whether the actual viewed page is coming directly from a Search Engine or from an organization that has partnered with the Search Engine.
- I. "Search Engine Data Feed" means websites that provide a service that delivers product catalog information from a variety of sources to assist in comparison shopping.
- J. "Website" means the pages under a given domain name on the Internet.

2. DA. Dealer and Liquid acknowledge the existence of Dealer Agreement referred to above and agree to continue to be bound by its provisions. All provisions of the DA are incorporated herein by reference and shall remain in full force and effect, except to the extent inconsistent with this Addendum, in which case, the specific provisions of this Addendum shall be controlling.
3. Internet Sales. This agreement shall pertain to the following Dealer web site/domain name only: _____ . Said web site shall exist as a freestanding, independent entity, separate from outside framed sites and shopping networks. Dealer shall have the right to offer and to sell all Liquid product lines on the above identified web site that Liquid has designated for sale and that Dealer has purchased for sale in its retail location(s), subject to Liquid's right, in its sole discretion, to limit the product lines offered. Dealer may not offer or sell Liquid products on any other web site or on affiliate web sites without the written consent of Liquid.
4. Territory. Unless otherwise authorized by Liquid in writing, Dealer shall have the right to solicit and consummate sales to addresses within the United States only, and will not ship Liquid products outside the United States.
5. Indemnification. Dealer agrees to defend and hold Liquid harmless from any and all claims, actions, suits or proceedings brought by any third party relating to any of Dealer's acts or omissions relating to: (a) its business; (b) the operation (or in-operation) of its web site; (c) any breach of security relating to customer and/or credit information; or (c) the violation of any third party's intellectual property rights by Dealer; and Dealer will indemnify Liquid for all losses, damages, liabilities and all reasonable expenses and costs arising from any such claim, action, suit or proceeding.
6. Content and Advertising. All content on Dealer's web pages featuring or mentioning Liquid must be approved in advance by Liquid, and maintained to Liquid's satisfaction, in accordance with the retail standards set forth in the DA. Dealer may not otherwise advertise Liquid products in connection with its web site without the prior consent of Liquid. All internet advertising, including but not limited to, Banner ads; Cost-per-Click advertising, Search Engine advertising and Search Engine Data Feeds, or wording provided to any entity engaged in such advertising must be pre-approved by Liquid. Product images shall be obtained from Liquid or Liquid's web site, and must be maintained in JPEG format or other format of equal or higher quality and approved by Liquid, and may not be enlarged or reduced without Liquid's prior consent. Dealer agrees that it will not sell or display any products on its web site that infringe Liquid's intellectual property rights. Dealer may not advertise or sell Liquid products on ebay.com or any other auction website.
7. Trademarks. Subject to the terms and conditions of this Addendum, Liquid hereby grants to Dealer a limited non-exclusive, non-sublicenseable royalty-free world wide license to use Liquid's trademarks, trade names, logos and other product images or designations (hereinafter collectively referred to as "the marks") for the purposes of creating Content directories or indexes and for marketing but may not be used as any part of a domain name by Dealer. Dealer may not, however, at any time arrange to take a priority position with a Search Engine that is higher than that of Liquid's website (www.liquidpolarized.com). Unless agreed by Liquid in writing, Dealer has no right to otherwise use Liquid's names or marks in any of Dealer's advertising, publicity or promotion, or express or imply any endorsement by Liquid of Dealer's services, or directly or indirectly allow any third party to utilize Liquid's marks.
8. Dealer's Responsibilities to Customers.
 - 8.1 Dealer's web site shall include a fully operational shopping cart within the identified domain and purchases must take place on a secure server. At the time of the customer's purchase, Dealer must advise the customer of the availability and anticipated ship date of the products ordered by the customer. Dealer shall send each customer an order confirmation via email at the time an order is placed.

8.2 Dealer shall maintain a full inventory of all products offered for sale on Dealer's web site, which shall include a minimum of two units per item featured. Dealer will make its best efforts to ship all Liquid products to the customer within 48 hours of the placement of an order, and will state the anticipated shipping date for any products for sale on its web site that would not be available for shipping within said 48 hour period.

8.3 Dealer will also be responsible for all credit card fees and shall implement an appropriate policy to insure the security of credit card and other customer information, and to prevent on line fraud.

8.4 Dealer will use its best efforts to provide excellent customer service and Liquid reserves the right to randomly monitor customer satisfaction. Dealer must maintain a fully staffed customer service team dedicated to Internet sales. All customer service agents shall obtain training in accordance with Liquid's customer service policies. The customer service email address and telephone number shall be prominently displayed in an easily accessible area on Dealer's web site.

8.5 All freight and applicable sales taxes shall be the responsibility of Dealer.

8.6 All customer returns and/or exchanges shall be handled within 30 days of Dealer's receipt of the product from the customer.

9. Record Keeping. Dealer will maintain detailed business records pertaining to all Internet sales of Liquid products in such a manner to establish compliance with the terms of this agreement. Specifically, Dealer will maintain all invoices or other documentation setting forth the name and address of each customer, the date of the order, the date of shipment of the order and the amount charged in total and per unit. Liquid shall have the right, upon reasonable notice, to inspect said records on a random basis to ensure compliance with the terms of this agreement.
10. Diversion of Products Prohibited. Dealer may sell Liquid products to consumers directly, but shall not sell or divert products to any individual or entity for resale or export. Specifically, no Liquid products will be sold to any individual or entity that Dealer might reasonably believe has the intention of reselling the goods or exporting them from the United States. Dealer shall institute appropriate security measures to the satisfaction of Liquid to fulfill its obligations under this paragraph. This will include, but not be limited to, the structuring of its fulfillment system in such a manner that no more than ten (10) eyewear or other products are sold to the same customer, address or charged to the same credit card in a 90 day period without Liquid's consent. Dealer agrees that it will reimburse Liquid for the repurchase of Liquid products by Liquid that were diverted or exported in violation of this paragraph.
11. Term. This Addendum shall remain in full force and effect so long as the DA referred to above remains in full force and effect, except that this Addendum may, independently of the DA, be terminated upon 30 days written notice by either party. Upon termination, Dealer agrees to immediately discontinue the sale of Liquid products on its web site and cease and desist from any further reference to Liquid or its products on Dealer's web site.
12. Governing Law. This Addendum shall be governed and construed in accordance with the laws of the State of Arizona, without giving effect to principals of conflict of laws. The parties agree to submit to jurisdiction in Yuma County, Arizona and further agree that any cause of action arising under this Addendum shall be brought in an appropriate court in Yuma County, Arizona.

LIQUID ICON, INC.

DEALER

By:
Title:

By:
Title: