



RES. NO. \_\_\_\_\_

## SPARROW II

### RESERVATION CONFIRMATION AND DEPOSIT RECEIPT

Corbin Motors ("CORBIN") acknowledges receipt of the sum of Twenty Thousand Dollars (\$20,000.00) from \_\_\_\_\_ ("CUSTOMER"), consisting of a series of Twenty (20) One Thousand Dollars (\$1,000.00) deposits toward the purchase of Twenty (20) CORBIN SPARROW II Vehicles ("SPARROW II"). The parties further agree as follows:

1. CORBIN is currently in limited production of the Sparrow I. SPARROW II high volume epoxy tooling has begun. SPARROW II full production is estimated to begin first half of 2002. Reservations for the purchase of the SPARROW II are generally made numerically on a first come, first served basis, beginning with the number 11. Your reservation number is set forth above, which number applies to your first SPARROW II purchased. The remaining Nineteen (19) SPARROW IIs will not necessarily be assigned reservation numbers which immediately follow your initial number. CORBIN estimates that your first SPARROW II will be available within Nine (9) months from the date of this reservation and that your remaining SPARROW IIs will be available for delivery and purchase by you within Twelve (12) months after your first purchase.

2. The estimated dealer cost of the base model SPARROW II is Thirteen Thousand Six Hundred Dollars (\$13,600.00), and the estimated retail selling price is Sixteen Thousand Nine Hundred Dollars (\$16,900.00). However, CUSTOMER acknowledges and understands that the actual dealer cost and/or selling price may be more or less than the estimate. The parties acknowledge and understand that the dealer cost of the SPARROW represents a bona fide wholesale price for the SPARROW II, considering cost of production, quality, consumer acceptance, and other factors.

3. The deposit is fully refundable with respect to any Sparrow that CUSTOMER elects not to purchase. In the event that CUSTOMER wishes to have such deposit refunded, CUSTOMER shall notify CORBIN in writing at the address set forth below. CORBIN agrees to and shall refund the deposit, without interest, to CUSTOMER at the address set forth below within Seven (7) days of CORBIN's receipt of the written notice. If, however, CUSTOMER has signed an authorized dealer agreement with CORBIN for the SPARROW II, CUSTOMER acknowledges and agrees that the refund of CUSTOMER's deposit shall automatically terminate any such agreement, and all rights of CUSTOMER thereunder, immediately without separate notice.

4. CORBIN will notify CUSTOMER at the address set forth below at such time as each SPARROW shall become available for purchase in accordance with CUSTOMER's reservation numbers. If CUSTOMER does not respond within Seven (7) days from receipt of such notice, CORBIN may proceed with sale of the SPARROW to a party whose reservation number follows that of CUSTOMER, in which case CORBIN shall immediately refund CUSTOMER's deposit. The actual purchase of the SPARROW II by CUSTOMER shall be at such price as is established by CORBIN at the time of the purchase. In the event that CUSTOMER elects to proceed with the purchase of a SPARROW, the deposit shall be fully applied toward the purchase price.

5. At such time as may be required by CORBIN, CUSTOMER agrees to and shall submit to such financial institution as CORBIN shall reasonably select, such documentation and financial information as may be necessary or required to apply for and obtain adequate floor financing for the SPARROWS, and shall, within the time period prescribed by CORBIN thereafter provide CORBIN with satisfactory evidence that such floor financing has in fact been approved and secured. Within Sixty (60) days from the date of this Reservation Confirmation and Deposit Receipt, CUSTOMER agrees to deliver to CORBIN a fully-executed standard SPARROW II Dealer Agreement.

6. CORBIN has not granted to CUSTOMER under this Agreement any right to use or display any service mark, trademark, logo, advertising or other commercial symbol of CORBIN, including, but not limited to the name "SPARROW II", and any such use or display by CUSTOMER is strictly prohibited. CUSTOMER shall not communicate to purchasers of the SPARROW II any service mark, trademark, logo, advertising, or other commercial symbol of CORBIN or state or imply to any such party that CUSTOMER is in any way affiliated with CORBIN.

7. It is further understood and agreed by the parties that this Agreement does not create a fiduciary relationship between them, that CORBIN and CUSTOMER are independent contractors, and that nothing contained in this Agreement is intended to make either party an agent, joint venturer, partner, franchisee or franchiser or employee or employer of the other for any purpose. CUSTOMER shall conspicuously identify itself in all dealings with its CUSTOMERS, suppliers, public officials, and others as a CORBIN distributor only, and shall place such other notices of independent ownership on such forms, business cards, stationary, advertising

materials, other materials and business premises as CORBIN may require from time to time.

8. This document does not constitute an offer to sell the SPARROWS reserved hereunder. Accordingly, CORBIN may cancel this reservation at any time upon written notice to CUSTOMER, together with refund of CUSTOMER's deposit.

9. The terms of this document are expressly made subject to the provisions of CORBIN's standard form dealer agreement, which agreement may impose limitations on the maximum prices for which CUSTOMER may resell the SPARROW II. In the event that any term, condition or provision of said dealer agreement is inconsistent with any of the provisions of this document, the dealer agreement shall prevail.

10. CUSTOMER represents and warrants to CORBIN as follows: CUSTOMER owns and operates the motor vehicle retail business known as \_\_\_\_\_ located at \_\_\_\_\_ which sells the following product lines \_\_\_\_\_ (referred to herein as "the Existing Business"). CUSTOMER has owned and operated the Existing Business continuously for more than 24 months prior to the execution of this document. The SPARROW II vehicles and services that CUSTOMER may sell, subject to execution of a dealership agreement with CORBIN, are substantially similar to or related to the product and services currently offered and sold by the Existing Business. Sales of SPARROW vehicles and service by CUSTOMER will be ancillary to the operation of the Existing Business and CUSTOMER will not be acquiring or developing new facilities to sell or service the SPARROW II vehicles. CUSTOMER's current annual sales volume for all products and services through the Existing Business is approximately \$\_\_\_\_\_. CUSTOMER and CORBIN hereby confirm that they anticipate annual sales of the SPARROW II vehicles and services by CUSTOMER will be less than 20% of CUSTOMER's sales in dollar volume of all products and services sold at the Existing Business on an annual basis.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (signature) Date \_\_\_\_\_  
\_\_\_\_\_ (printed name)  
\_\_\_\_\_ (company name)  
\_\_\_\_\_ (address)

\_\_\_\_\_ (phone) \_\_\_\_\_ (fax) \_\_\_\_\_ (Email)

CorbinMotors.com, Inc.

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

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

2350 Technology Parkway

Hollister, CA 95023

(831) 635-1033 (phone), (831) 635-1039 (fax)

www.corbinmotors.com