



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 mid 2002, and that your remaining SPARROW IIs will be available for delivery and purchase 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 II represents a bona fide wholesale price for the SPARROW II, considering cost of production, quality, consumer acceptance, and other factors.

3. The deposit is only refundable with respect to any SPARROW II that is not actually delivered to CUSTOMER by June 30, 2003. 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 II 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 II to another party in which case one of the customer's deposits shall be forfeited as liquidated damages. If CUSTOMER accepts and pays for some, but not all, of the SPARROW IIs reserved hereunder, CORBIN may, in its sole discretion, either: (i) terminate any dealer agreement with CUSTOMER, and refund CUSTOMER's deposit with respect to the SPARROW IIs not purchased, or (ii) agree to the continuation of any such dealer agreement, in which case CUSTOMER's deposit will be forfeited as liquidated damages for those SPARROW IIs not purchased by CUSTOMER. 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 II, 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 SPARROW IIs, 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.

Customer would like to receive _____ number of Sparrow IIs per month for the first six months of production and _____ number of Sparrow IIs per month for the second six months of production.

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

