



Dear Valued Dealer:

It's been over 25 years since we developed the first Turnoverball Gooseneck Hitch. What a great experience it's been to watch demand for that product grow, to introduce new products, to build a brand that end users recognize, and to learn how to deliver high-quality hitches in the timeframe you expect.

What we've also learned along the way is that we could not have been successful without the loyalty and support from Dealers, like you, who sell our products in cities and small towns all over the U.S. and Canada. You are the face of B&W to our customers.

We believe that the things that have made us successful in the past are the things we most need to preserve into the future. Some of these things are:

Local Availability – We believe that a local presence which provides assistance to the end user in selecting the right model of hitch and maintains inventory is the best-case scenario.

Proper Installation – Surveys tell us that more than 80% of our end users would like to hire a local installation facility to install the Turnoverball Hitch. Your expertise in installation helps meet end user needs and helps assure the safest installation.

Service After the Sale – Local Dealers are the best at offering service after the sale. Whether it's understanding and explaining how the product works, helping with replacement parts, or the rare warranty issue, we know that our end users prefer to work with a local provider.

Most of you are aware that there are many challenges in the marketplace today that make it difficult to protect our brand image as a premium line. Equally important, these same challenges test your ability to provide the services described above and still make the profit margin you need to survive.

Because these things—our brand image and your economic well-being—are so important to us, we have decided to take action to further positively affect the way our products are sold, to the extent that we are able to do so.

On **June 1, 2009**, B&W's Maximum Value Program (MVP) became effective, with two key initial components. First, as of that date, B&W Trailer Hitches products are only sold to Authorized Dealers. You may become an Authorized Dealer simply by signing and returning the three-page Authorized Dealer Agreement. Second, all Authorized Dealers in the United States and Canada will be subject to a Pricing Policy that unilaterally establishes a minimum resale price for various B&W products. This Policy is intended to help protect the integrity of the brand and provide you with sufficient margin so that desirable services can be furnished to end users. Later, additional policies that we may elect to put in place include an Intellectual Property Use Policy and a Warranty Policy, both of which would be aimed at spelling out clearly what we can expect from each other.

Accompanying this letter is more information about how you can sign the Authorized Dealer Agreement and about the Pricing Policy. Thank you in advance for your cooperation in implementing our MVP—something we really believe will be a Maximum Value Program for all of us.

Sincerely yours,
Joe Works, President
B&W Trailer Hitches

