



2018 HERCULES COMMERCIAL PROGRAM

American Tire Distributors offers the Hercules Commercial Program to select dealers in an effort to build sales and market share of the Hercules brand in the medium truck, industrial and small off-the-road segments of the replacement tire market. By participating in the Hercules Commercial Program, the enrolled dealer agrees to follow the program guidelines and purchase requirements outlined in this agreement.

TERM:

This Agreement shall take effect upon execution by both parties and will remain in effect until December 31, 2018, unless terminated earlier by a written notice by either party. Either party may terminate this agreement, with or without cause, by providing 30-day written notice.

QUALIFICATIONS:

A Hercules Commercial Program dealer commits to purchasing and displaying a minimum of two Hercules TBR and industrial tire lines. This requirement will be measured via quarterly purchase reports.

In total, a Hercules Commercial Program dealer must purchase at least 200 Hercules TBR & industrial tires annually per location. For example, a three-store dealer must purchase 600 tires in total during the year to qualify. At the end of any calendar quarter, if a dealer has not purchased the minimum number of units, ATD may terminate this agreement.

PROGRAM BENEFITS:

VOLUME BONUS - A Hercules Commercial Program dealer is eligible to earn a Quarterly Volume Bonus (QVB) based on eligible Hercules units purchased each calendar quarter. The QVB is issued at the conclusion of the calendar quarter via statement credit. There is a catch-up component for the previous quarter(s) if the YTD goal is achieved. The schedule below represents the payout structure on a per-store basis.

Commitment Level	Annual Units per POS	Quarterly Units per POS	QVB Percentage
BRONZE	200-499	50-124	2.0%
SILVER	500-749	125-187	2.5%
GOLD	750-1199	188-299	3.0%
PLATINUM	1200+	300+	4.0%

Qualifying Styles: Hercules H-804, H-801, H-502, H-309, H-902, H-601, H-903, H-803, H-703, H-702 (TBR sizes), H-704, H-933, H-301, H-302, H-307, H-402. Hercules Strong Guard HRA, Strong Guard HRD, Strong Guard HTL. Hercules by Solideal Gripper Skid Steer, X-Wall SKS Skid Steer, Hauler SKZ Skid Steer, XD44 Skid Steer, F3 Backhoe, Super Lug R4 Backhoe, Super Lug ADV R4 Backhoe, SKS R1 Tractionmaster, 4L I3 Multipurpose, L2 Loader, L3 Loader, E3/L3 Telehandler, G2/L2 Telehandler. Hercules Radial E3/L3 Loader HRD 325.



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A Hercules Commercial Program dealer must select a 2018 commitment level upon enrollment. QVB payouts will occur each calendar quarter based on HCP dealer's enrolled level. ATD will perform a year-end review and reconciliation of the dealer's purchases. In the event a dealer's purchases are sufficient to satisfy a level above the dealer's enrolled level, the dealer will receive the incremental QVB earnings as part of the positive reconciliation process at year end. Similarly, if an HCP dealer enrolls at the Silver, Gold or Platinum level, but does not achieve the corresponding purchase commitment, the dealer would qualify for negative reconciliation and QVB payment if he finishes the year at or above the Bronze level.

HERCULES "POWERHOUSE" - A Hercules Commercial Program dealer that commits to and purchases at least 2,000 units and achieves the corresponding purchase requirements can earn the "Powerhouse" incentive trip. Qualifying dealers will earn a trip for two to a luxurious, premier resort location in early 2019. The location and dates of the "Powerhouse" incentive trip will be announced in early 2018.

- Registration invitations will be sent to all qualifying HCP dealers upon unit attainment. Registration deadline will be January 31, 2019.
- If a dealer enrolls in the Hercules Commercial Program during the course of 2018, the same guidelines and purchase levels apply, regardless of program start date. Unit goal is not pro-rated.



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ENROLLMENT SECTION

SCAN AND E-MAIL TO HERCULES@ATD-US.COM



(200-499/POS)



(500-749/POS)



(750-1199/POS)



(1200+/POS)

Customer Location #: _____ Dealer Name: _____

City: _____ State: _____ Zip: _____

Dealer Signature: _____ Date: _____

E-Mail Address (Required): _____

Web Address: _____

Phone #: _____ Sell/Service Consumer Products: Start Date: _____/01/2018

Appendix A

(for multiple locations, copy page 4 as needed)

ONE ENTRY MUST BE COMPLETED FOR EACH LOCATION

Customer Location #: _____ Dealer Name: _____

City: _____ State: _____ Zip: _____

E-Mail Address (Required): _____

Phone #: _____ Sell/Service Consumer Products:



HERCULES TIRES

Delivered by **ATD**



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Appendix A (for multiple locations, copy as needed)

ONE ENTRY MUST BE COMPLETED FOR EACH LOCATION

Customer Location #: _____ Dealer Name: _____

City: _____ State: _____ Zip: _____

E-Mail Address (Required): _____

Phone #: _____ Sell/Service Consumer Products:

Customer Location #: _____ Dealer Name: _____

City: _____ State: _____ Zip: _____

E-Mail Address (Required): _____

Phone #: _____ Sell/Service Consumer Products:

Customer Location #: _____ Dealer Name: _____

City: _____ State: _____ Zip: _____

E-Mail Address (Required): _____

Phone #: _____ Sell/Service Consumer Products:

SCAN AND E-MAIL TO HERCULES@ATD-US.COM



HERCULES TIRES

Delivered by **ATD**

