

2. LICENSEE hereby agrees to manufacture, supply and/or sell the line of products and/or related identification and promotional material bearing one or more of said trademarks as specified in Paragraph 1 above solely to such NAPA Distribution Centers in the United States of America as may be designated by LICENSOR or any of its members. LICENSEE further agrees not to use said trademarks for products manufactured, supplied and/or sold to others not including NAPA Distribution Centers in its usual and customary course of business.

3. LICENSOR shall control and designate the manner in which said line of products shall be labeled as well as the manner in which said trademarks shall be applied to and represented on said labeling and on graphic materials in connection with such products. In the absence of any specific instructions to the contrary, the labeling of said products, and all graphic materials bearing said trademarks, shall include the following statement or an appropriate modification thereof as approved by LICENSOR:

"Supplied for NAPA Distribution Centers
by: Midland Brake, Inc."

With respect to the foregoing, in the event that licensee has in stock any labels and/or graphic materials not meeting the requirements set forth herein, LICENSEE is granted the right to continue use of such in-stock labels and graphic materials until the stocks thereof are exhausted, but thereafter any new labels or graphic materials must conform with the provisions set forth herein.

4. LICENSOR reserves the right to approve the name to be used by LICENSEE to identify LICENSEE on all labels and graphic materials bearing said trademarks and, in the event that such name has been or is used to identify LICENSEE solely in connection with the manufacture, supply and or sale of the aforesaid line of products under the terms of this agreement, LICENSEE agrees to discontinue use of such name and to assign the rights to use such name to LICENSOR upon termination of this agreement. LICENSOR acknowledges that it has no rights in any other trademarks owned by LICENSEE and by this agreement does not acquire any such rights.