

SHELBY COBRA SERIES COMPONENT VEHICLE
PURCHASE ORDER TERMS & CONDITIONS

Upon signing this Purchase Order, **Purchaser** is reserving a **Shelby Cobra Series Component Vehicle** consisting of the components and parts listed on the face hereof. The **Shelby Cobra Series Component Vehicle** being purchased will bear a **Shelby Automobiles** assigned CSX chassis number. **Purchaser** acknowledges and agrees that the sale does not include an engine or a drive-train. The Purchase Price is exclusive of Nevada sales tax or use tax imposed by any other jurisdiction.

Shelby Automobiles is manufacturing The **Shelby Cobra Series Component Vehicle** at the specific request of **Purchaser**, who agrees to pay to **Shelby Automobiles**, upon execution of this Purchase Order, non-refundable deposits/payment of funds (as designated by **Shelby Automobiles**) in accordance with the terms of the following **Payment Schedule**:

- Twenty-five Percent (25%) of Purchase Price ("Initial Cash Deposit") upon **Shelby Automobiles** receipt of Purchase Order, signed by **Purchaser**. (This initial deposit reserves the vehicle's CSX number.)
- Twenty-five Percent (25%) of Purchase Price within 15 days of receipt of Written Notice of Commencement of Production to **Purchaser** by **Shelby Automobiles**.
- Twenty-five Percent (25%) of Purchase Price within 15 days of written Notice of Completion of Paint Process to **Purchaser** by **Shelby Automobiles**
- Twenty-five Percent (25%) of Purchase Price of written Notice of Completion of Vehicle's Manufacture to **Purchaser** by **Shelby Automobiles** ("Final Payment").

Purchaser will be in breach of Purchase Order if **any** Deposit is not received by **Shelby Automobiles** within the required 15-day period following receipt of any applicable Written Notice. If **Purchaser** fails to cure said breach within 30 days of such breach, then **Purchaser** agrees that (I) **Shelby Automobiles** shall be forever relieved of and discharged from any obligation to **Purchaser** under this Purchase Order, including, but not limited to, any obligation to produce or deliver the **Shelby Cobra Series Component Vehicle** to **Purchaser**; and, (II) **Purchaser** specifically waives any claim(s) or right(s) of action whatsoever against Carroll Shelby or **Shelby Automobiles**, or any of their employees, agents or representatives, for the refund of any and all non-refundable Cash Deposit (s); and, (III) **Shelby Automobiles** shall be entitled to keep and retain any and all Cash Deposit(s) as Liquidated damages, it being understood and agreed in this regard that these Cash Deposit(s) shall be the amount of damages sustained by **Shelby Automobiles** due to said breach of Purchase Order by **Purchaser** as the fixing of actual damages would be impracticable or extremely difficult.

Purchaser's obligation to pay to **Shelby Automobiles** the Initial Cash Deposit shall be contingent upon **Shelby Automobiles** accepting this Purchase Order. **Purchaser's** obligation to pay the Total Cash Deposits and the Final Payment to **Shelby Automobiles** shall be contingent upon **Shelby Automobiles** giving Buyer the Written Notices set forth above.

Shelby Automobiles obligation to commence and continue production of the **Shelby Cobra Series Component Vehicle** for **Purchaser** is conditioned upon **Purchaser** paying to **Shelby Automobiles** the Total Cash Deposits. Further, **Shelby Automobiles**' obligation to deliver The **Shelby Cobra Series Component Vehicle** to **Purchaser** is contingent upon **Purchaser** making all payment timely as required in the Terms and Conditions of this Purchase Order.

The **Shelby Cobra Series Component Vehicle** shall be delivered to **Purchaser** within five (5) days of **Purchaser** making Final Payment of the Purchase Price to **Shelby Automobiles**. The **Shelby Cobra Series Component Vehicle** is sold F.O.B. Las Vegas, Nevada, at **Shelby Automobiles**' production facility. **Shelby Automobiles** shall arrange for delivery to **Purchaser** at this point. If **Purchaser** instructs **Shelby Automobiles** to ship The **Shelby Cobra Series Component Vehicle**, then shipping shall be under a straight bill of lading, naming **Purchaser**, and risks of loss will pass to **Purchaser** upon **Shelby Automobiles**' delivery to **Purchaser** F.O.B. Las Vegas, Nevada.

Shelby Automobiles warrants that the parts and components comprising the **Shelby Cobra Series Component Vehicle** sold under this Purchase Order will be free from defects in material and workmanship for a period of 6 months from the date of delivery to **Purchaser**, or to **Purchaser's** retail customer, whichever is later, and this warranty will be limited to the repair and replacement of parts and components which **Purchaser** can show were defective upon delivery to **Purchaser**.

Modification of, or damage to, any of the parts or components the **Shelby Cobra Series Component Vehicle** (as delivered to **Purchaser**), during final assembly (by or under the direction of **Purchaser** or **Purchaser's** retail customer or any third party performing such final assembly on behalf of **Purchaser** or **Purchaser's** retail customer), will void any warranty by **Shelby Automobiles**, whether expressed or implied. **IT IS EXPRESSLY AGREED THAT THIS WARRANTY WILL BE IN LIEU OF ALL WARRANTIES OF FITNESS AND IN LIEU OF THE WARRANTY OF MERCHANT ABILITY.**

It is expressly understood and agreed that it shall be **Purchaser's** or **Purchaser's** retail customer's responsibility to assemble the parts and components of The **Shelby Cobra Series Component Vehicle** and if any engine and drive-train is installed therein at **Purchaser's** or **Purchaser's** retail customer's option, it is not at the request or under the direction of **Shelby Automobiles**. It is also understood and agreed that it shall be **Purchaser** or **Purchaser's** retail customer's sole responsibility to direct any independent assembler engaged by **Purchaser** or **Purchaser's** retail customer to complete the final assembly of The **Shelby Series Cobra Component Vehicle**. It is understood and agreed that **Shelby Automobiles** is not responsible for any errors, omissions or construction defects of or by the **Purchaser**, **Purchaser's** retail customer or independent assembler.

Purchaser indemnifies and agrees to defend and hold **Shelby Automobiles** harmless from and against any and all claims, demands, and causes of action and actions, and from all resulting judgments, liabilities, losses, costs and expenses arising from any use by **Purchaser** of the **Shelby Cobra Series Component Vehicle**, or any of its parts or components, occurring after the date **Shelby Automobiles** makes delivery of the **Shelby Cobra Series Component Vehicle** to **Purchaser** under this Agreement.

The interpretation, enforceability and validity of this Purchase Order, and provisions, as well as the rights and duties under this Purchase Order, shall be constructed pursuant to and in accordance with the laws of the State of Nevada, and the venue for any dispute arising out of or under this Agreement shall be the state or federal courts located in the County of Clark, State of Nevada or County of Los Angeles, State of California, at **Shelby Automobiles**' sole option. If any legal action is brought to enforce or interpret the provisions of the Purchase Order, the Prevailing party shall be entitled to recover its reasonable attorney's fees from the other party.

Purchaser: _____

Date: _____

Shelby Automobiles:

By: _____

Date: _____