

BSA COMPANY *limited*

BSA Company Ltd.
Registered Office:
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West Quay Road,
Southampton, SO15 1GY,
England.
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<http://www.bsa-regal.co.uk>

Mr. Mark Appleton
British Cycle Supply Company Ltd.
P.O. Box 119
Wolfville
Nova Scotia
B0P 1X0
Canada

20th January 2000

Dear Mr Appleton

On behalf of BSA Company Ltd., I would like to confirm that British Cycle Supply Company Ltd. has been appointed as official distributor of BSA motorcycle products in Canada. The exclusivity of this distributorship arrangement (i.e. no other agent or distributor to be appointed) is subject to review given notice of at least 90 days.

This agreement does not preclude the right of BSA Company Ltd. to deal directly with Canadian customers for their personal import of a motorcycle into Canada.

Yours sincerely



Neil Henley
Sales and Marketing Director
BSA Company Ltd.