



ULLMAN SAILS INTERNATIONAL

ROYALTIES - PRODUCT DEFINED CLARIFICATIONS

As of September 1, 2015

The following document includes waivers and clarifications for Section 4.Fees and Royalties, Paragraph D. Product Defined of the Ullman Sails License Agreement for the purpose of calculating royalties:

The term "Product," as used herein for the purpose of royalties payable to Licensor, shall include all labor and materials that make up the Product including without limitation any hardware, fittings, or attachments to the Product that are used in the handling of the Product, improve the performance of the Product or attach the Product to the rigging or boat unless waived by Licensor in writing in advance.

ROYALTIES ARE PAYABLE ON:

Hardware, fittings and attachments affixed to the sail including, but not limited to:

- Slides, batten cars, and headboard cars (including high-end Sailman 3500 systems)
- Batten receptacles, luff and leech boxes
- The slides and batten receptacles include in a Mast & Slide kit (e.g. Tides Marine SailTrack System)
- Headboards & clewboards
- Shackles such as Tylaska tack, snap shackles or similar hardware attached to the sail
- Clew and reef blocks attached to the sail

Anti-torsion/anti-twist luff rope installed in an asymmetrical spinnaker

DO NOT PAY ROYALTIES ON:

- McLube SailKote
- Furling units
- U/Stacks, lazy jacks, Dutchman sail flaking systems, or other sail containment or storage systems
- Mast tracks in a Mast & Slide kit (e.g. Tides Marine SailTrack System)

Date: October 5, 2015
 As of: September 1, 2015
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 Related Documents: Royalty Payment Policy