

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM362424

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Demerger		
SEQUENCE:	1		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
KTM-Sportmotorcycle AG		09/01/2014	CORPORATION: AUSTRIA
RECEIVING PARTY DATA			
Name:	KTM Sportmotorcycle GmbH		
Street Address:	Stallhofner Straße 3		
City:	Mattighofen		
State/Country:	AUSTRIA		
Postal Code:	5230		
Entity Type:	LIMITED LIABILITY COMPANY: AUSTRIA		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	3014733	HUSABERG	
CORRESPONDENCE DATA			
Fax Number:	2166216165		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	216-621-1113		
Email:	eorsine@rennerotto.com		
Correspondent Name:	Don W. Bulson		
Address Line 1:	1621 Euclid Avenue		
Address Line 2:	19th Floor		
Address Line 4:	Cleveland, OHIO 44115		
ATTORNEY DOCKET NUMBER:	KTMAT0119US		
DOMESTIC REPRESENTATIVE			
Name:	Don W. Bulson		
Address Line 1:	1621 Euclid Avenue		
Address Line 2:	19th Floor		
Address Line 4:	Cleveland, OHIO 44115		
NAME OF SUBMITTER:	Don W. Bulson		

OP \$40.00 3014733

SIGNATURE:	/Don W. Bulson/
DATE SIGNED:	11/16/2015
Total Attachments: 11 source=Demerger and Acquisition Agreement - KTM Sportmotorcycle to KTM Sportmotorcycle GmbH#page1.tif source=Demerger and Acquisition Agreement - KTM Sportmotorcycle to KTM Sportmotorcycle GmbH#page2.tif source=Demerger and Acquisition Agreement - KTM Sportmotorcycle to KTM Sportmotorcycle GmbH#page3.tif source=Demerger and Acquisition Agreement - KTM Sportmotorcycle to KTM Sportmotorcycle GmbH#page4.tif source=Demerger and Acquisition Agreement - KTM Sportmotorcycle to KTM Sportmotorcycle GmbH#page5.tif source=Demerger and Acquisition Agreement - KTM Sportmotorcycle to KTM Sportmotorcycle GmbH#page6.tif source=Demerger and Acquisition Agreement - KTM Sportmotorcycle to KTM Sportmotorcycle GmbH#page7.tif source=Demerger and Acquisition Agreement - KTM Sportmotorcycle to KTM Sportmotorcycle GmbH#page8.tif source=Demerger and Acquisition Agreement - KTM Sportmotorcycle to KTM Sportmotorcycle GmbH#page9.tif source=Demerger and Acquisition Agreement - KTM Sportmotorcycle to KTM Sportmotorcycle GmbH#page10.tif source=Name Change KTM Sportmotorcycle AG to KTM Motorrad AG#page1.tif	

DEMERGER AND ACQUISITION AGREEMENT

concluded between: -----

1. **KTM-Sportmotorcycle AG**, Commercial Register Record No.116267 g, Stallhofner Straße 3, A-5230 Mattighofen, hereinafter referred to as "**transferring entity**", -----

and -----

2. **KTM Dealer & Financial Services GmbH (in future: KTM Sportmotorcycle GmbH)**, Commercial Register Record No. 295902 a, Stallhofner Straße 3, 5230 Mattighofen, Austria, hereinafter referred to as "**acquiring entity**", -----

as follows: -----

1. **Recitals:** -----

1.1. KTM-Sportmotorcycle AG manufactures and develops off-road and street motorbikes suitable for motor racing. KTM's products are distributed via independent dealers and importers. The business unit of KTM-Sportmotorcycle AG comprising the distribution and marketing activities is hereinafter abbreviated to "Distribution and Marketing Business Unit" and described in more detail in Art. 9. Within the scope of this demerger and acquisition agreement, this "Distribution and Marketing Business Unit", including the associated assets and liabilities, in particular the shares in the distribution companies, as well as the contractual relations belonging to said business unit, especially the employment contracts, is supposed to be transferred to the acquiring entity for inclusion into the acquiring entity's assets in the course of a spin-off retaining the existing ratio of shareholdings. The remaining divisions, thus those concerning the manufacture and development and the associated assets described in more detail in Art. 9.2, shall remain with the transferring entity. --

1.2. In the course of this spin-off retaining the existing ratio of shareholdings for inclusion into the acquiring entity, no increase in capital will be carried out at the acquiring entity. -----

1.3. As the assets transferred concern a business unit within the meaning of Sec. 12(2)(1) Austrian Reorganisation Tax Act (UmgrStG) and the assets transferred remain liable to tax at the acquiring entity, Article VI Austrian Reorganisation Tax Act (UmgrStG) shall apply pursuant to Sec. 32(1) Austrian Reorganisation Tax Act (UmgrStG). -----

1.4. In order to pass a resolution on the spin-off through transfer of the assets described in



the demerger and acquisition agreement to the acquiring entity, the transferring entity and the acquiring entity are concluding the following demerger and acquisition agreement. -----

2. Transferring and acquiring entities (Sec. 2(1)(1) Austrian Demerger Act (SpaltG): -----

2.1. The transferring entity is KTM-Sportmotorcycle AG, having its registered office in Mattighofen, Austria, registered with the District Court of Ried im Innkreis (in the Inn District), Austria, being the competent commercial court, under Commercial Register Record No. 116267 g. The current bylaws are attached as **Appendix 2.1.a**. The transferring entity will continue to exist once the spin-off has been carried out. The share capital is not being decreased due to the present demerger. The share capital of the transferring entity amounts to EUR 16,000,000.00. Sole economic shareholder of the transferring entity is KTM AG, Commercial Register Record No. 107673 v, having its registered office in Mattighofen, Austria, whereas a quantity of shares in the transferring entity corresponding to a shareholding of 0.83% is held by CROSS Industries AG, Commercial Register Record No. 261823 i, having its registered office in Wels, Austria, in trust on behalf of KTM AG. In the course of the present spin-off, the company name of the transferring entity will be changed to KTM Motorrad AG, and the bylaws will be amended in accordance with **Appendix 2.1.b**. -----

2.2. The acquiring entity is KTM Dealer & Financial Services GmbH, having its registered office in Mattighofen, Austria, registered with the District Court of Ried im Innkreis (in the Inn District), Austria, being the competent commercial court, under Commercial Register Record No. 295902 a. The current Memorandum and Articles of Association are attached as **Appendix 2.2.a**. The share capital will not be increased in the course of the present spin-off. KTM Dealer & Financial Services GmbH's share capital amounts to EUR 35,000.00, and is fully paid up. The sole shareholder is KTM AG, Commercial Register Record No. 107673v, having its registered office in Mattighofen, Austria, with a fully paid-up original capital contribution of EUR 35,000.00. On the occasion of the present demerger, the Articles of Association of the acquiring entity are being amended within the meaning of **Appendix 2.2.b**. It is established that KTM Dealer & Financial Services GmbH will, in conjunction with creating the draft of the present demerger and acquisition agreement, have its name changed to KTM Sportmotorcycle GmbH and will therefore be registered under this company name at the time that the resolution on the demerger is passed. -----

3. Transfer of assets, universal legal succession (Sec. 2(1)(2) Austrian Demerger Act (SpaltG): -----

The transferring entity declares that it is transferring the "Distribution and Marketing Business Unit" described in the recitals and in Article 9, along with all associated consents, employment contracts, assets and liabilities, rights and obligations in accordance with Article 9 by way of universal succession based on the opening balance sheet (acquisition balance sheet) attached as **Appendix 11.3.**, without granting shares, to the acquiring entity, which accepts such transfer of assets. -----



4. Granting of shares (cf. Sec. 2(1)(3), (5) and (6) Austrian Demerger Act (SpaltG):

4.1. Since the sole (economic) shareholder of the transferring entity has a direct shareholding in the same proportion (side-stream spin-off) in the acquiring entity may, pursuant to Sec. 17(5) Austrian Demerger Act (SpaltG) in conjunction with Sec. 224(2)(1) and (4) Austrian Stock Corporation Act (AktG) the acquiring entity may refrain from granting shares. Therefore, no shares in the acquiring entity will be granted on the occasion of the demerger nor will there be an increase in capital. For this reason, the provisions in accordance with Sec. 2(1)(3), (5) and (6) Austrian Demerger Act (SpaltG) are also not necessary. -----

4.2. No additional cash payments are made. -----

5. Capital maintenance (cf. Sec. 2(1)(4) Austrian Demerger Act (SpaltG): -----

There will be no decrease in the capital of the transferring entity, because its share capital and the appropriated reserves are covered by the net assets remaining with the transferring entity. The provisions of Sec. 3 Austrian Demerger Act (SpaltG), in particular those in Sec. 3(4) Austrian Demerger Act (SpaltG) have been adhered to.--

6. Demerger deadline (cf. Sec. 2(1)(7) Austrian Demerger Act (SpaltG): -----

Notwithstanding the validity of the transfer of the assets, rights and obligations described in more detail in Articles 3 and 9 under civil law to the acquiring entity as at the date of the demerger being registered in the commercial register, 31 (Thirty-First Day of) December 2013 (Two Thousand and Thirteen) is deemed the Closing Date within the meaning of Sec. 2(1)(7) Austrian Demerger Act (SpaltG) and Sec. 33(6) Austrian Reorganisation Tax Act (UmgrStG). Upon commencement of the day following the Closing Date, all respective actions of the transferring entity within the scope of the assets, rights and obligations transferred in accordance with Articles 3 and 9 shall be deemed to have been undertaken on account of the acquiring entity. ---

7. Shareholder privileges (Sec. 2(1)(8) Austrian Demerger Act (SpaltG): -----

No privileges pursuant to Sec. 2(1)(8) Austrian Demerger Act (SpaltG) are granted to either the shareholders of the transferring entity and those of the acquiring entity or to any other individuals. No preference shares, debentures or participation rights have been issued by the acquiring entity or the transferring entity. Therefore no corresponding regulations have to be set out. -----

8. Special benefits (Sec. 2(1)(9) Austrian Demerger Act (SpaltG): -----

No special benefits shall be granted to the members of the Executive Boards of the companies involved pursuant to Sec. 2(1)(9) Austrian Demerger Act (SpaltG). The same shall apply to auditors of annual financial statements, auditors of the newly established company's start-up accounts and demerger auditors. -----

9. Description and allocation of the individual assets being transferred (Sec. 2(1)(10) Austrian Demerger Act (SpaltG): -----



9.1. **(Definition of the unit that is the subject of the merger)** The subject of the demerger is the entire "Distribution and Marketing Business Unit". The activities in this unit consist of selling motorbikes, mopeds, motocross, off-road and other sports motor bikes. The business unit's activities moreover comprise trading with bought-in products from the field of parts, garments & accessories (PG&A), as well as invoicing, creating customer accounts and serving customers through the internal sales department. The marketing activities comprise classic trade marketing (promotion, print and graphic design, dealer and importer development, brand management), any PR and media planning activities, event organisation, preparing market surveys and market analyses, and organising a marketing workshop to cater for the national and international media partners. The transfer of the "Distribution and Marketing Business Unit" by way of the spin-off to the acquiring entity comprises all the assets and liabilities, shareholdings and legal relationships, in particular employment contracts, listed below and any other business relations of any kind pertaining to the "Distribution and Marketing Business Unit", with the exception of those belonging to the divisions concerning manufacture and development, and defined in the clauses below as remaining with the transferring entity. The assets and liabilities attributable to the business unit that is the subject of the demerger can, in particular, be seen from the opening balance sheet attached as **Appendix 11.3.** (acquisition balance sheet). Any assets, liabilities, obligations and legal relationships of any kind of this business unit established or acquired between the reference date of the opening balance sheet (acquisition balance sheet) attached as **Appendix 11.3** and such time as the demerger takes effect will pass to the acquiring entity, unless they are economically attributable to the "Distribution and Marketing Business Unit", and are not excepted from the transfer in accordance with Article 9.2. Only the assets listed in Article 9.2 should remain with the transferring entity. -----

In particular the following assets, as well as the following rights and obligations, of the transferring entity belong to the "Distribution and Marketing Business Unit" that is the subject of the demerger: -----

9.1.1 **(Contractual relationships)** Any integral contractual relationships of the "Distribution and Marketing Business Unit" that is the subject of the demerger existing as at the date of the demerger taking effect will pass to the acquiring entity, in particular those that are specified in **Appendix 9.1.1.** -----

9.1.2 **(Employment contracts)** All obligations under employment contracts and any other obligations under employment law, including any entitlements to pension benefits and works agreements of the "Distribution and Marketing Business Unit" that is the subject of the spin-off in accordance with **Appendix 9.1.2.**, will pass to the acquiring entity, although the contracting parties assume that such employment contracts will, pursuant to Sec. 3 Austrian Act amending the employment contract law (AVRAG), ex-lege pass to the acquiring entity. -----

9.1.3 **(Liabilities and receivables due from third parties)** The liabilities and receivables of the "Distribution and Marketing Business Unit" that is the subject of the demerger will be transferred to the acquiring entity, in particular those that can be seen from the opening balance sheet (acquisition balance sheet) attached as **Appendix /11.3.** -----



- 9.1.4 **(Plant, machinery and operating and office equipment)** All plant, machinery and operating and office equipment that belongs to the inventory of the business unit that is the subject of the demerger (**Appendix 9.1.4**) will be transferred to the acquiring entity. -----
- 9.1.5 **(Vehicles)** All vehicles (**Appendix 9.1.5.**) belonging to the inventory of the business unit that is the subject of the demerger will be transferred to the acquiring entity. -----
- 9.1.6 **(Administrative proceedings and any other proceedings)** The administrative proceedings and any other proceedings pending as at the date of the demerger coming into force, including the associated provisions for procedural costs of the business unit that is the subject of the spin-off in accordance with **Appendix 9.1.6.** will form part of the transfer. -----
- 9.1.7 **(Insurances)** All the insurance policies attributable to the business unit that is the subject of the spin-off will form part of the transfer to the acquiring entity. -----
- 9.1.8. **(Shareholdings)** All the shareholdings of the transferring entity in the sales subsidiaries will, in accordance with **Appendix 9.1.8,** pass to the acquiring entity. -----
- 9.1.9. **(Consents, entitlements and approvals)** All approvals and consents under public law of the business unit that is the subject of the spin-off will pass to the acquiring entity.--
- 9.1.10. **(Bank details)** The account details given in **Appendix 9.1.10.** (credit at banks and liabilities towards banks) will be transferred to the acquiring entity. -----
- 9.1.11. **(Currency forwards, interest swaps, letters of credit and bank guarantees)** The currency forwards – except those concerning the purchase of JPY – , letters of credit regarding import and export, bank guarantees received from customers and the interest swaps having the reference numbers 5001000015819, 105547 (2), 110601.0004.0 concerning the business unit that is the subject of the spin-off will pass to the acquiring entity. If it is not possible, for whatever reason, to claim on a bank guarantee through the acquiring entity as universal legal successor of the transferring entity in its capacity as beneficiary of the bank guarantee, such bank guarantee - along with the claim collateralised by the bank guarantee - will remain with the transferring entity vis-à-vis third parties. Internally, the transferring entity will put the acquiring entity in the same economic position as if the acquiring entity were the owner of the right.-----
- 9.2. **(Retained assets)** Applying the principle of giving the benefit of the doubt, any assets not connected with the business unit that is the subject of the demerger will remain in the possession of the transferring entity. Furthermore, in particular the assets in accordance with the demerger balance sheet (residual asset balance sheet) will remain in the possession of the transferring entity, as per **Appendix 11.2.** -----
- 9.3. **(Unassignable rights)** In so far as unassignable rights, such as subsidiary agreements supplementing sales contracts, in particular rights of pre-emption, would lapse through the transfer to the acquiring entity, the latter are expressly retained and will remain in the possession of the transferring entity. Internally, the transferring



entity will put the acquiring entity in the same economic position as if the acquiring entity were the owner of the right. -----

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- 9.4. **(Transfer of the assets)** The transferring and acquiring entities agree to carry out all legal acts and measures, both within the country and abroad, that are necessary and expedient in order to transfer the assets belonging to the business unit that is the subject of the demerger to the acquiring entity in proper form.-----
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- 9.5. **(Provision for use)** In so far as it is not possible vis-à-vis third parties to transfer individual assets and legal relationships belonging to the business unit that is the subject of the demerger or if the transfer is economically inexpedient, the transferring entity agrees to continue to maintain such assets and legal relationships, at the request of the acquiring entity, in the name of the transferring entity, however on account of and at the risk of the acquiring entity, and to provide them to the acquiring entity for use internally. -----
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- 9.6. **(Contractual relations to be concluded)** If commodities which are also needed by the acquiring entity in order to continue the operations of the business unit are retained by the transferring entity, the transferring and acquiring entities will conclude corresponding use and maintenance agreements. -----
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- 9.7. **(Business documents)** All business documents will be allocated to the companies involved in the demerger in accordance with the allocation of the asset and liability items undertaken in this demerger and acquisition agreement. Furthermore, the business documents that cannot be allocated are to be allocated to the companies involved in the demerger in accordance with the requirements in place aimed at preserving the administrative agendas. In so far as the allocation of the business documents is not in line with the actual requirements of the companies involved in the demerger, the companies involved in the demerger agree to grant one another a mutual right of inspection of those business documents, where the latter is necessary, as per corresponding evidence, for the operations of one of the companies involved in the demerger. The companies involved in the demerger are, however, obliged to keep confidential any business and trade secrets of the other respective company. Moreover, all companies involved in the demerger agree to autonomously adhere to any statutory obligations to store business documents, in particular those required to keep the accounts in proper form. -----
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- 9.8. **(Tax affairs)** In any tax affairs concerning the period prior to the Closing Date, the transferring entity will continue to be the party responsible, in particular in regard to assessment periods or open appeal proceedings that have not yet been decided with legal finality. Payments of tax arrears for periods up to 31 (Thirty-First Day of) December 2013 (Two Thousand and Thirteen) are to be borne by the transferring entity. -----
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10. **Standard rules in regard to allocation issues (Sec. 2(1)(11) Austrian Demerger Act (SpaltG):** -----
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All assets and liabilities, rights and obligations will primarily be allocated in accordance with the criterion of whether they belong to the transferring or the acquiring entity, unless a special allocation is made in accordance with Articles 3.



and 9. If no such allocation is possible, such assets and liabilities, rights and obligations will, in case of doubt, remain in the possession of the transferring entity. -

11. Balance sheets (Secs. 2(1) and (33)(6) Austrian Reorganisation Tax Act (UmgrStG) -----

11.1. The closing balance sheet of the transferring entity under corporate law, endorsed with the auditors' unqualified opinion, as at 31 (Thirty-First Day of) December 2013 (Two Thousand and Thirteen), along with the Notes (**Appendix 11.1**) will form the basis for the demerger. -----

11.2. The assets remaining in the possession of the transferring entity are shown in the demerger balance sheet (residual balance sheet) as at 31 (Thirty-First Day of) December 2013 (Two Thousand and Thirteen) (**Appendix 11.2.**). -----

11.3. The assets transferred are presented in the opening balance sheet (acquisition balance sheet) of the transferring entity as at 31 (Thirty-First Day of) December 2013 (Two Thousand and Thirteen) (**Appendix 11.3.**).-----

11.4. Pursuant to Sec. 33(6) Austrian Reorganisation Tax Act (UmgrStG), the assets transferred are shown in the fiscal transfer balance sheet as at 31 (Thirty-First Day of) December 2013 (Two Thousand and Thirteen) (**Appendix 11.4.**). -----

11.5. The balance sheets cited in Articles 11.1. to 11.4.have been prepared with the due care of a prudent businessperson, in so far as balance sheets under company law are concerned in accordance with the applicable company law provisions, and – in so far as fiscal balance sheets are concerned – in accordance with the tax law provisions, and – in so far as is necessary under company law – have been endorsed with unqualified opinions. The transferring entity and its governing bodies were, as at the date of this demerger and acquisition agreement being signed, not aware of any circumstances which would have made it necessary to amend the balance sheets had such circumstances already been known as at the date of the balance sheets being drawn up.-----

12. Measurement, recognition and reporting in the balance sheet of the acquiring entity: -----

The transferring entity will recognise the assets and liabilities of the assets transferred in accordance with Sec. 202(1) Austrian Commercial Code (UGB), at the carrying amounts of the closing balance sheet (**Appendix 11.1.**) of the transferring entity as at 31 (Thirty-First Day of) December 2013 (Two Thousand and Thirteen). It is established that the assets to be spun off have a positive market value as at both the Closing Date and the day of this demerger and acquisition agreement being signed. -

13. Exemption from duties: -----

Under Sec. 6(1)(3) Austrian Capital Transactions Act (KVG), the present spin-off is exempted from Capital Transactions Taxes, because the assets transferred constitute a business unit within the meaning of Sec. 12(2)(1) Austrian Reorganisation Tax Act (UmgrStG). -----



14. Information and shareholders, demerger report and demerger audit:-----

All shareholders of the transferring entity and shareholders of the acquiring entity have declared that, pursuant to Sec. 17(5) Austrian Demerger Act (SpaltG) in conjunction with Sec. 4(2), Sec. 5(6) and Sec. 6(2) Austrian Demerger Act (SpaltG) in conjunction with Sec. 96(2) Austrian Act on Private Companies Limited by Shares (GmbHG) and Sec. 232(2) Stock Corporation Act (AktG), they are dispensing with the Demerger Report to be issued by the Managing Directors and Supervisory Board of the companies involved, as well as the auditing of the Demerger and Acquisition Agreement by a Demerger Auditor. A Supervisory Board has only been set up for the transferring entity.-----

15. Terms and conditions: -----

This agreement is subject to the condition precedent that it is approved by the General Meeting of the transferring entity and the General Meeting of the acquiring entity.

16. Costs, fees and subsidiary provisions: -----

16.1. The costs and fees associated with setting up and executing this Demerger and Acquisition Agreement are to be borne by the acquiring entity.-----

16.2. The transferring entity agrees, in the name of the acquiring entity and in its own name, to send out the notices required pursuant to Sec. 43 Austrian Reorganisation Tax Act (UmgrStG) to the competent corporate Inland Revenue Offices. -----

16.3. The spin-off for inclusion in the acquiring entity is being effected in application of the Austrian Demerger Act and the Austrian Reorganisation Tax Act, in particular Art VI of it. -----

16.4. The appendices listed below form integral components of the present Demerger and Acquisition Agreement.-----

Appendix **2.1.a** Current bylaws of the transferring entity -----

Appendix **2.1.b** Bylaws of the transferring entity following a demerger -----

Appendix **2.2.a** Current Articles of Association of the acquiring entity -----

Appendix **2.2.b** Articles of Association of the acquiring entity following a demerger-----

Appendix **9.1.1.** List of contractual relationships -----

Appendix **9.1.2.** Staff list-----

Appendix **9.1.4.** List of assets -----

Appendix **9.1.5.** List of motor vehicles -----

Appendix **9.1.6.** List of procedures -----

Appendix **9.1.8.** List of shareholdings in distribution companies -----

Appendix **9.1.10.** List of bank details-----

Appendix **11.1.** Closing balance of the transferring entity -----

Appendix **11.2.** Demerger balance sheet (= Residual asset balance sheet) of the transferring entity -----



Appendix 11.3. **Opening balance sheet** (acquisition balance sheet) of the acquiring entity -----

Appendix 11.4. **Fiscal transfer balance sheet** of the transferring entity -----

16.5. Austrian law applies to the present demerger and acquisition agreement. -----

16.6. Any amendments or additions to this agreement must be made in the form of a notarial deed. -----

16.7. If a provision of this agreement is ineffective or invalid, the validity of the remaining contractual provisions will not be affected thereby. The contracting parties undertake to agree upon the provisions coming closest to the intended economic purpose to replace the provisions that are invalid, without delay. The latter will also apply if the invalidity or impracticability of a provision is based on a measure of performance or time standardised in this agreement. In such cases, a legally admissible measure of performance or time that comes as close as possible to what the parties intended will replace what was originally agreed. -----

17. Authorisation: -----

17.1. All contracting parties authorise Saxinger, Chalupsky & Partner Rechtsanwälte GmbH, WDZ 8, Edisonstraße 1, A-4600 Wels, Austria, to make the amendments, additions or adjustments necessary to implement this agreement in the commercial register – also in notarised form– and to submit any such declarations, even if they are expedient and correspond to the contractual intent of all contracting parties. -----

17.2. For this purpose, Saxinger, Chalupsky & Partner Rechtsanwälte GmbH is authorised to submit such declarations, either by way of a contract personally and manually written and signed, in certified form or in the form of a notarised deed, as well as to undertake any steps and conclude any legal acts, and in particular also to hold shareholders' meetings and exercise any rights, in particular also the right to vote, in the name of the contracting parties. -----

[], [date] []

.....
KTM-Sportmotorcycle AG

.....
KTM Dealer & Financial Services GmbH

Draft created in Mattighofen, Austria, on 17 June 2014:



.....
KTM-Sportmotorcycle AG

.....
KTM Dealer & Financial Services GmbH

To whom it may concern

Reorganization - KTM Sportmotorcycle GmbH

Mattighofen, 1st of September 2014

Dear Sirs,

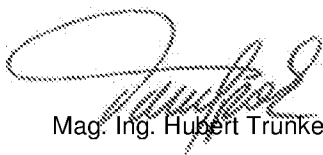
With this letter we would like to inform you about the **demerger of the Sales and Marketing department from KTM-Sportmotorcycle AG to 'KTM Sportmotorcycle GmbH'** as part of the group's reorganization effective 1st of September 2014. KTM Sportmotorcycle GmbH takes over all **Sales and Marketing operations** from KTM-Sportmotorcycle AG and will, to that effect, undertake universal succession of the KTM-Sportmotorcycle AG.

On the same date, September 1st 2014, 'KTM-Sportmotorcycle AG' has changed its firm name to '**KTM Motorrad AG**'. KTM Motorrad AG acts as Manufacturer of all KTM products, which are sold through its new formed (distribution) entity, the 'KTM Sportmotorcycle GmbH'.

Due to the described reorganization within the KTM group, all world-wide KTM distributors will be delivered by KTM Sportmotorcycle GmbH in the future.

In the course of the spin-off all **distribution agreements** as well as Trademark and License Agreements of KTM-Sportmotorcycle AG have been automatically **transferred to KTM Sportmotorcycle GmbH as of today**.

Yours sincerely



Mag. Ing. Hubert Trunkenpolz

**CSO - Motorrad AG
BOD - KTM Sportmotorcycle GmbH**



Mag. Viktor Sigl

**CFO - Motorrad AG
BOD - KTM Sportmotorcycle GmbH**

KTM SPORTMOTORCYCLE GmbH

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UID-NR.: ATU 636 409 56 :: FN: 295902 a :: Ried im Innkreis

RECORDED: 11/16/2015



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