



CORPORATE COMMUNICATION EXERCISE

Print and Distribute To: Exercise Department, Hard Goods Manager, Store Manager
Date: September 6, 2007
From: Dan Budosh, Exercise Buyer

BONUS WARRANTY OFFER FROM HORIZON

Beginning Sunday, February 12, 2006, Horizon fitness will be offering a "BONUS WARRANTY" on the PST6 and PST8 treadmills. In conjunction with the heavy advertising and In Store Award Signage, this bonus warranty should provide a big lift in sales for the Spring Season.

THE BONUS WARRANTY WILL RUN FROM FEBRUARY 12, 2006 THROUGH DECEMBER 31, 2006.

The details of the BONUS WARRANTY are listed below:

PST6 Treadmill

Standard Warranty is 20 Yr Motor, 1 Yr Parts and 1 Yr Labor.

Bonus Warranty is an Additional 5 Yr Motor and 2 Yr Parts.

New Total Warranty is 25 Yr Motor, 3 Yr Parts and 1 Yr Labor.

PST8 Treadmill

Standard Warranty is 20 Yr Motor, 1 Yr Parts and 1 Yr Labor.

Bonus Warranty is an Additional 10 Yr Motor and 4 Yr Parts.

New Total Warranty is 30 Yr Motor, 5 Yr Parts and 1 Yr Labor

Attached is a BONUS WARRANTY CERTIFICATE that will be used for this promotion. The Certificates should be printed at the store level and be made available for our customers purchasing the PST6 and PST8. The Buying Office suggests that the Certificates are displayed on the consoles of the PST6 and PST8. The certificates should fit in the square remote control section of the treadmill console.

Please use this warranty as a selling tool. Make sure to explain to the customer that the Bonus Warranty needs to be activated by calling customer service within 30 days of purchase.

Dan Budosh
Exercise Buyer