

Terms & Conditions

As filed at Januari 20, 2006 with the Chamber of Commerce and Industry of Drenthe, the Netherlands, under number 04034580

Article 1: Definitions

- A. Spark:
- Spark Holland BV.
- B. Supplier:
- Spark's other party
- C. Parties:
- Spark and the supplier together
- D. Inquiry:
- Spark's inquiry of the Supplier to make an Offer
- E. Offer:

a Supplier's written offer to supply a certain quantity of goods at a certain price

F. Order:

the order to supply or the acceptance of the Supplier'sOffer by Spark. The Order leads to the Agreement, provided that it is entered into by an authorized person of Spark.G. Agreement:

the (written) arrangement between Spark and the Supplier, concerning the supply of goods

Article 2: Applicability

- 2.1 These General Purchase Conditions shall apply to every Inquiry, Offer and Agreement.
- 2.2 The Supplier's general conditions shall not apply.

Article 3: Conclusion of the Agreement

- 3.1 An Inquiry by Spark shall be followed by an Offer of the Supplier. An Offer shall be free of charge. Offers shall be unconditional, unless something else is stated in the Offer.
- 3.2 If a written Order follows an Offer of the Supplier the Agreement shall come into being at the time that the Order is despatched by Spark.
- 3.3 If an Agreement is entered into orally, the performance of the Agreement shall be suspended until the time that the written confirmation of the order is despatched by Spark.
- 3.4 If in the performance of the Agreement use is made of the aids made available by Spark or approved by it, such as drawings, models, specifications, instructions, inspection prescriptions and the like, they shall be part of the Agreement.

Article 4: Alterations

4.1 Spark shall always be empowered, also after conclusion of the Agreement, to alter the size and/or the quality of the goods to be supplied. If the Supplier can prove that he has already incurred expenses because he had already started with the production of the goods or had already ordered them from a third party, or had already ordered the necessary raw materials from a third party, Spark shall compensate these costs.

- 4.2 If alterations have consequences for the price and/or the time of delivery, the Supplier must communicate this to Spark in writing within three days after notification of the alteration desired. Spark shall inform the Supplier within three days whether the change in price and/or time of delivery is accepted; if this is not the case, Spark shall be entitled to cancel the Order free of charge.
- 4.3 The Supplier may not make or execute any alterations without Spark's prior written permission.

Article 5: Prices

5.1 The agreed prices shall be fixed and may therefore not be subject to a revision, shall be in euros, include the costs of proper packing, excluding turnover tax and shall be based on the term of delivery "delivered duty paid" (D.D.P.), as described in the Incoterms, at the agreed place of delivery.

Article 6: Delivery

- 6.1 The interpretation of the terms of delivery shall be governed by the last version of the "Incoterms" issued by the International Chamber of Commerce at the time of the conclusion of the Agreement.
- 6.2 Delivery shall be made D.D.P. at the latest on the last day of the term of delivery at Spark's address, unless something else has been agreed. If the Supplier exceeds the term of delivery, he shall be in default without further notice of default.
- 6.3 If and as soon as the Supplier expects the agreed term of delivery to be exceeded, he shall inform Spark on the subject with a proposal for measures to be taken for bridging. The above shall leave intact the provisions in article 17 of these conditions and that the Supplier is already in default without notice of default when the original term of delivery has been exceeded.
- 6.4 The goods to be delivered must be accompanied by a packing list, stating Spark's order number and Spark's article number, and also the quantities and descriptions of the goods. The order number and article number that Spark uses shall be stated in the written confirmations of sale.
- 6.5 If, for any reason whatsoever Spark is unable to take delivery of the goods at the agreed time and they are ready for delivery, at Spark's request the Supplier shall store the goods, recognizably intended for Spark, properly packed, protect and insure them and take all reasonable measures to prevent deterioration in quality until they have been delivered to Spark. Storage shall be effected for account of the Supplier.
- 6.6 Inspection/checking of the goods in pursuance of the provisions in article 12 shall constitute neither delivery nor taking delivery.



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Article 7: Packing and shipping

- 7.1 The goods must be packed properly and be protected and despatched in such a manner that they reach their destination in a good state with normal transport. The Supplier shall take out sufficient insurance to the satisfaction of Spark against risks to be considered reasonably present during transport.
- 7.2 The packing material shall become Spark's property at the time of delivery, unless Spark waives this or it has been agreed between the parties that this concerns loaned packing. Return shipment of loaned packing to the Supplier shall be made within a period to be agreed between Spark and the Supplier. The return shipment shall be made at the expense and risk of the Supplier to a destination to be indicated by him.
- 7.3 If the loaned packing has been delivered to Spark for payment of a deposit, the Supplier shall repay this amount to Spark as soon as it has received the loaned packing back.

Article 8: Ownership and risk

8.1 The ownership of the goods shall pass to Spark at the time of delivery. Exceptions to this shall be goods that are delivered on approval and on trial and on consignment.

Article 9: Spark's property

- 9.1 All materials made available by Spark or bought or made by the Supplier for account of Spark, such as drawings, moulds, models, instructions, specifications, data carriers and other aids shall remain/become Spark's property. The same shall apply to possible copyrights or other rights.
- 9.2 The supplier shall mark these aids in a clearly recognizable manner as Spark's property. For this purpose the following sentence must at any rate be printed on the moulds, in a clearly legible and indelible manner, in which connection the article number must yet be filled in by the Supplier in consultation with Spark, by the way:
- "Ooxx.xxx (article description) property of Spark Holland

BV, PO Box 388, NL-7800 - AJ Emmen, The

NETHERLANDS, phone +31 (0)591 631700."

- 9.3 The Supplier shall insure these aids in a good state and against fire and theft and keep them insured, as long as he has these aids in his possession.
- 9.4 The Supplier shall return these aids to Spark in a good condition on first Demand. If the Supplier does not return the aids to Spark, not fully or in a damaged state, the Supplier shall owe Spark compensation. Spark shall be empowered to deduct this compensation from the purchase price to be paid by him.

9.5 Alterations to the aids, or using the aids for another purpose than making goods intended for Spark ready for delivery, or making the aids available to third parties shall only be permitted after prior written permission from Spark.

Article 10: Invoicing and payment

- 10.1 For every (part) delivery the Supplier must submit a corresponding invoice to Spark. The order number must be mentioned clearly on the invoice.
- 10.2 Payment of the invoice shall be made within 45 days after receipt of the invoice, provided that the goods delivered are approved by Spark and Spark has received all the corresponding documentation, inter alia in connection with maintenance, operation, safety, drawings, quality and guarantee certificates.
- 10.3 Delivery on C.O.D. terms shall not be accepted by Spark.
- 10.4 Spark shall be entitled to suspend payment if it finds a shortcoming in the goods and/or their possible installation/assembly.
- 10.5 Payment by Spark shall not constitute a waiver of rights in any way.

Article 11: Question and description

- 11.1 The Supplier guarantees that the goods delivered and possibly their installation/assembly comply with the Agreement. It shall at any rate be a question of a defect if the goods, with observance of the other provisions in the Order and in the corresponding technical specification:
- are not in accordance with the matters stated in the Order in connection with quantity, description and quality;
- b. have not been made of good and new materials and are not of a durable construction;
- are not the same in all respects to the samples or models that have been made available or provided by Spark and/or the Supplier;
- d. the performances (capacity, yield, speed, finish etc.) are not delivered as described in the Order;
- e. are not entirely suitable for the purpose made known to the Supplier;
- f. do not comply with the statutory requirements and other government prescriptions, which shall also include European laws and regulations.
- 11.2 If the goods, irrespective of the results of any inspection/checking do not appear to comply with the provisions in article 11.1 of these conditions, this shall be supposed to be a defect that is at the expense and risk of the Supplier and the Supplier shall repair or replace them for his account on Spark's first request, unless Spark prefers termination of the Agreement, in accordance with the provisions in article 17. Spark's right to claim repair or replacement from the Supplier or to be permitted to terminate the Agreement shall leave intact its right to claim a compensation from the Supplier as described in article 16.

Spark

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- 11.3 In urgent cases Spark shall moreover be entitled, if after consultation with the Supplier it must be presumed in reason that the Supplier cannot ensure repair or replacement or not in time or not properly, to perform repair or replacement itself for account of the Supplier or to have it performed by third parties.
- 11.4 The Supplier shall be obliged to maintain the spare parts with regard to the goods delivered during the customary useful life of the goods delivered and to deliver them on demand.

Article 12: Inspection

- 12.1 Inspection/checking of the goods by Spark or by persons or bodies designated for the purpose by Spark may be made prior to the delivery as well as during or after delivery.
- 12.2 For the purpose, if necessary, the Supplier shall grant access to the places where the goods are produced or have been stored and shall render co-operation to the desired inspections/checks and shall supply the necessary documentation and information for his account.
- 12.3 The Supplier shall be empowered to be present during inspection/checking
- If during inspection/checking the goods are rejected in full or in part Spark shall report this to the Supplier. The costs of the inspection/checking shall then be for account of the Supplier.
- 12.5 If the goods are rejected during or after delivery, the ownership and risk of the rejected goods shall remain with the Supplier or they shall rest on the Supplier again with retroactive force.
- 12.6 If within ten working days after the date of the report the Supplier does not take back the rejected goods delivered Spark shall be entitled to return the goods to the Supplier for the latter's account.
- 12.7 In the event that the goods are rejected in full or in part at the time of inspection/checking the articles
 11.2, 11.3 and 11.4 shall apply accordingly.

Article 13: Confidentiality

- 13.1 The Supplier shall not disclose to third parties any information about the goods supplied by him to Spark or about any other information originating with Spark, without having received Spark's written permission for the purpose, or in the event of a statutory obligation.
- 13.2 An infringement of the provisions in article 13.1 by personnel of the Supplier or third parties engaged by the Supplier shall be considered a shortcoming on the part of the Supplier.
- 13.3 In the event of an infringement by the Supplier as described in the articles 13.1 and 13.2 the Supplier shall forfeit a fine of EUR 10,000.00 per infringement, subject to Spark's right to claim full compensation of the damage in addition.

Article 14: Infringement of patents and other third-party rights

- 14.1 The Supplier shall indemnify Spark from claims of third parties for infringements alleged by third parties in respect of their patent rights, trademark rights, model rights, copyrights or any other rights of third parties due to them.
- 14.2 If any patent or licence in the name of the Supplier rests on the design for the goods supplied, Spark shall not be considered to commit any infringement of this patent or licence if it proceeds to repair or processing or orders this to be done.

Article 15: Transfer of rights and obligations

15.1 The Supplier shall not transfer the rights and obligations that follow for him from the Agreement either in full or in part to third parties without Spark's prior written permission.

15.2 The Supplier shall not sub-contract the fulfilment of his obligations from the Agreement either in full or in part to third parties without Spark's prior written permission.

15.3 Spark's permission as mentioned in this article shall not release the Supplier from his obligations.

Article 16: Liability

- 16.1 The Supplier shall be liable for all direct or indirect damage that is suffered by Spark or by third parties as a result of a defect in the goods supplied by him, owing to which they do not offer the security or have the properties that may be expected, also including at any rate the loss of profits and consequential loss.
- 16.2 The Supplier shall indemnify Spark from claims of third parties on compensation of damage as a result of liability as referred to in the previous two paragraphs.
- 16.3 The Supplier shall take out sufficient insurance against the liability as referred to in article 16.1 and 16.2.

Article 17: Dissolution of the Agreement

17.1

If:

- the Supplier does not fulfil any of his obligations on the strength of the Agreement or of other agreements resulting therefrom or not in time or not properly;
- and also in the event that the Supplier is declared insolvent, is granted a provisional suspension of payments or loses the power to dispose of his property or parts thereof by attachment or otherwise;
- is subject to liquidation or take-over or any comparable situation;

he shall be in default by operation of the law and Spark shall be entitled to dissolve all or part of the Agreement without notice of default and without judicial interposition by means of a written statement and/or to suspend obligations of payment and/or to entrust the performance of all or part of the Agreement to third parties without Spark being obliged to pay any compensation.



Without prejudice to any further rights due to Spark, including the right to complete compensation.

Article 18: English and Dutch versions

18.1 Both a Dutch version and an English version of these purchase conditions exist. In the event of any discrepancy between them, the Dutch version shall prevail.

Article 19: Applicable law

19.1 The Agreement and all the agreements resulting therefrom shall be governed exclusively by Dutch law. Application

of the United Nations Convention on Contracts for the International Sale of Goods is explicitly excluded.

Article 20: Choice of Forum

20.1 All conflicts resulting from this Agreement or from other agreements for its performance shall be settled before the District Court of Assen.