

SUBJECT: Permanent Open Call for Proposals for the European Space Agency's Business Incubation Centre in Noordwijk (ESA BIC Noordwijk)

Dear Madam, Dear Sir,

As part of its endeavour to encourage the transfer and commercialisation of space technologies, the European Space Agency¹ (the Agency) has set up business incubators located in Noordwijk, the Netherlands; Frascati, Italy; in Darmstadt and Oberpfaffenhofen, Germany as well as in Harwell, United Kingdom. Their purpose is to enable entrepreneurs (incubatees) to receive comprehensive commercial and technical assistance in order to set up their business using space technology for general non-space industrial, scientific and commercial uses.

BViT Noordwijk (BViT) is entrusted by the Agency with the setup, administration and implementation of this Call. BViT is a private incubator in charge of managing the ESA BIC programme in Noordwijk.

BViT hereby invites you to submit a proposal for the above subject.

Please find attached hereto the following documents:

- Nature and purpose of this Call for Proposals
- Section 1: Instruction for Business & Activity Proposals
- Section 2: Formal requirements, selection process and evaluation criteria
- Section 3: Draft Contracts
- Section 4: Additional Information
- Appendix : TEMPLATES ESA BIC Noordwijk Open Call for Proposal

Your attention is drawn to the following:

¹ The European Space Agency is an intergovernmental organisation constituted of the following Member States: Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.

Content

- Nature and purpose of this Call for Proposals: 3
- Section 1: Instruction for Business & Activity Proposals..... 6
 - A. Length of proposal 6
 - B. Content of proposal 6
 - 1. Cover Letter 6
 - 2. Requirements Checklist..... 6
 - 3. Executive Summary 7
 - 4. Business & Activity Proposal 8
 - 5. Additional Information 14
- Section II. Formal Requirements, Evaluation Process and Criteria 15
 - A. Formal requirements..... 15
 - ESA General Application Requirements 15
 - Application Requirements Specific to ESA BIC Noordwijk 16
 - B. Evaluation process..... 16
 - C. Evaluation criteria 17
- Section III: Draft Contracts 20
 - Section III.1: Draft Incubation Contract..... 20
 - Section III.1 Appendix 1 - STANDARD REQUIREMENTS FOR MANAGEMENT, REPORTING, MEETINGS AND DELIVERABLES 43
 - Section III.1 Appendix 2 - AGENDA FOR MIDTERM REVIEW 47
 - Section III.1 Appendix 3 - FINAL REPORT TEMPLATE..... 51
 - Section III.2: Tenancy of Office Accommodation 54
 - Section III.2 Appendix 1 – GENERAL TERMS AND CONDITIONS FOR LEASE OF OFFICE ACCOMMODATION 63
 - Section III.2 Appendix 2 – WORKPLACE..... 80
 - Section III.2 Appendix 3 –Services Cost 1 and Service Cost 2 81
 - Section III.2 Appendix 4 – Pricelist 82
 - Section III.2 Appendix 5 – Draft workdesks..... 83
 - Section III.2 Appendix 6 – Cost Overview..... 85
- Section IV: Additional Information 86
 - Section IV.1: Pre-Seed Loan Facility 86

Nature and purpose of this Call for Proposals:

1. The purpose of this Call for Proposals (Call) is to select projects and ideas for business incubation in ESA BIC Noordwijk for a maximum of 24 months.
2. The Agency offers to support projects and ideas for business incubation by providing funding, business and technical assistance as well as office accommodation² & services. The modalities and the extent of the support provided are negotiated on a case-to-case basis. As a general rule the incentive granted to one project is only for prototyping and IPR development with no direct labour costs and as a general rule can only be spent in The Netherlands. The incentive will not exceed EUR 50.000. In addition a special loan facility is offered up to a maximum of EUR 50.000³. The Agency also offers a maximum of 80 expert hours for prototyping and development. BViT offers 2 hours of Business Support per month during the incubation period.
3. This Call is of a permanent nature meaning that it has no closing date for the submission of proposals as long as the ESA BIC Noordwijk has not indicated otherwise.
4. Applications are only considered from one of the Agency's Member States (see note 1) and Canada.
5. Start-up companies with or without legal personality as well as individuals may apply for this call.
6. In case of start-up companies with legal personality, the company – represented by its authorised representative(s) – is considered to be the Applicant.
7. In case of legal entities without legal personality, the general partner is considered to be the Applicant
8. In case the Applicant is a natural person, (s)he shall be over eighteen years of age and of sound mind, and therefore able to enter into a binding agreement.
9. All the above categories are hereinafter referred to as 'Applicant'.
10. This Call is not aimed at particular non-space sectors or domains but explicitly excludes activities promoting, or being related to, alcohol, tobacco, religion, politics, intolerance, violence, firearms, pornography, obscenity, gambling or illegal drugs.

² Please see cost schedule office accommodation & services in Section III.2 Appendix 1 & 2

³ Please see additional information regarding the Loan Scheme in Section IV.1

Requirements:

11. Applicants are required to closely follow the instructions provided in this Call when producing and submitting their proposal (Section I. Instructions for Business & Activity Proposals)
12. Only those Applicants that fulfil all formal requirements (Section II. Formal Requirements, Evaluation Process and Criteria) will be accepted for evaluation.
13. Applicants should carefully read the contractual documentation provided in Section III: Draft Contracts. The application shall include a clear, explicit and unambiguous statement whereby the Applicant has read and understood and accepts the terms and conditions contained in the contractual documentation. In case, exceptionally, that the Applicant wishes to propose modifications or amendments, the full text of such modifications or amendments shall be given and the reasons for their being requested be clearly explained as part of the proposal.

Procedure and planning:

14. The evaluation of all proposals received shall take place in accordance with the Agency's and BViT's rules, procedures and requirements (Section II. Formal Requirements, Evaluation Process and Criteria). All Applicants will be informed of the outcome of their evaluation.
15. The evaluation procedure is carried out in two phases. The first phase is managed locally by BViT with participation of ESA, Rabobank Bollenstreek, the Netherlands Space Office (NSO) and TNO. The second phase is managed ESA-wide and handled by the ESA Award Board.
16. The ESA Evaluation Board meets quarterly to evaluate the proposals received in the preceding three months. Proposals will be accepted for the current evaluation round in case they reach the ESA BIC Noordwijk Project Manager and ESA within the current deadline, the date of which is published on www.esa.int/bic, www.esa-bic.nl and www.bvit.net.
17. The period between receipt of a proposal and contract placement is in principle no longer than 6 months.

Miscellaneous:

18. The contents of Applicant proposals shall be treated as confidential.
19. In spite of the efforts undertaken by BViT to ensure full confidentiality, the Applicant's idea may through the application with BViT (if not specifically protected like for example by patent rights) fall into the public domain. Therefore we strongly recommend that the Applicant discusses the protection of his/her idea with a dedicated expert in this field prior to application with BViT.
20. As far as allowed by law, any title held by the Applicant to his/her idea shall remain vested in him/her. This application shall under no circumstances result in the acquisition of any title whatsoever to the idea⁴.
21. No expenses incurred in either stage of the application procedure will be reimbursed to the Applicant by BViT, the Agency and/or any third party.
22. In no event shall this Call for Proposals be construed as imposing any obligation whatsoever upon BViT, the Agency and/or any third party to enter into negotiations with any Applicant or to enter into any other specific arrangement for business incubation in any of the ESA BICs and BViT's establishments.
23. BViT and the Agency are committed to ensuring equal opportunities and the elimination of discrimination of any type for all applications complying with the conditions and requirements set forth in this Call.

⁴ If the Agency or its Member States require the use of any Intellectual Property Rights, owned by the Incubatee as described in Item 20 here above for the performance of the Agency's programs in the field of space research and technology and space applications, ESA will issue a request for quotation or a purchase order to the incubatee. If the Incubatee is not willing or able to perform the activity for the Agency, the Agency or its Member States shall be entitled to a free of charge, transferable, non-exclusive license to use such Intellectual Property Rights, which license shall be limited to the territories of the Agency's Member States.

Section 1: Instruction for Business & Activity Proposals

Section I of this Call for Business & Activity Proposals is meant to inform applicants of the required length and content of their Business & Activity Proposal (BAP). Any relevant information in addition to the required information is welcomed.

A. Length of proposal

The proposal shall in average not contain more than 30 pages, annexes excluded.

The Executive Summary shall be maximum one page.

B. Content of proposal

The proposal shall contain the following information:

1. Cover Letter

The Applicant is asked to introduce the application with a cover letter (Appendix 1 TEMPLATES ESA BIC Noordwijk Open Call for proposal 1. Cover Letter). The cover letter must clearly state that the draft contract conditions are read, understood and accepted. It shall also provide the name, address, fax- and telephone number of the Applicant whom all communications relating to the call for proposal shall be addressed to, as well as the names, fax- and telephone numbers of the persons who will be responsible for the day-to-day management of any resulting contract and the legal representative signing the contract.

2. Requirements Checklist

The Applicant is specifically asked to fill in, sign, date and attach the Requirements Checklist including the Declaration of State Aid and Chamber of Commerce Registration Form (Appendix 1 TEMPLATES ESA BIC Noordwijk Open Call for proposal 2. Requirements Checklist and 3. Declaration of State Aid) after the cover letter.

The Applicant is welcomed to provide additional information on any aspect of the Requirements Checklist.

3. Executive Summary

The Applicant is asked to produce an executive summary as provided in Appendix 1 TEMPLATES ESA BIC Noordwijk Open Call for proposal 4. Executive Summary. The executive summary shall cover the following aspects, in maximum one page:

1) Business idea

Describe your business idea in brief, including the relationship to a space technology and/or space system.

2) Implementation

Describe how you are planning on implementing your business idea.

3) ESA BIC investment opportunity

State the funding or/and the technical support requested from ESA BIC. Describe how ESA BIC's resources, funding and incubation can benefit your business idea and business development. Explain why ESA BIC shall invest in your business in terms of resources, funding and incubation.

4) Goals

Outline your short-term goals, meaning what your company wants to achieve during the incubation period. Outline your long-term goals, meaning where your company aims to be in 5-10 years.

4. Business & Activity Proposal

The Applicant is asked to produce a Business & Activity Proposal as Appendix 1 TEMPLATES ESA BIC Noordwijk Open Call for proposal 5. Business and Activity Proposal

1) Presentation of the Applicant

This part of the proposal shall give a presentation of the Applicant, covering the following aspects:

A) Background and history of company

Describe the background of the company, including official name, contact details, age of company, ownership details, company capital, grants already received and industrial organization. Provide an overview of milestones already reached.

B) Introduction of the entrepreneur

Describe the entrepreneur/inventor by providing the background and CV, as well as his/her role in the company or current involvement with the company. Has the entrepreneur/inventor committed personal time and investments to the company?

C) Introduction of the management team

Describe the management team by providing the background, references and CVs of the involved persons, as well as their role in the company. Have members of the management team committed personal time and investments to the company?

D) Support entities

List other supporting entities and what type of support they provide, if any (in kind, in cash, etc).

E) Vision

Describe the future of the company. Where do you expect to be in 5-10 years?

Section 1: Instruction for Business & Activity Proposals

2. Description of business idea

This part of the proposal shall give a presentation of your business idea, covering the following aspects:

A) Business idea

Describe your business idea, including the stage of implementation.

B) Core related customer needs

Identify the customer needs which your business idea will address, if any.

C) Identified market

Describe the market you are focussing in and your point of entry.

D) Unique selling proposition

Describe the specific benefit your business idea offers the customers.

3. Description of the product and/or service

This part of the proposal shall give a presentation of the product or service, covering the following aspects:

- A) Description of product/service and use
Describe the product/service your company provides, and the use. Include how you convert your ideas and materials/labour into goods or services.
- B) Space relationship
Describe the space technology (hardware, software, process, methodology or data) or space system (satellite communication, satellite navigation or earth observation) your product/service is utilizing.
- C) Non-space benefit
Describe how applications in the non-space sector benefit from the use of your product/service.
- D) In-depth description of technology
Describe the core technology of your product/service
- E) Stage of development of the product/service
Describe the current status of development of the product/service.
- F) Research and development
Describe in detail the way forward by stating the needed short- and long term developments of the product/service.
- G) Intellectual property
If relevant, explain how you secure your own IP (e.g by the means of patents, copyrights, trademarks, trade secrets, exclusive license....) Explain how you use 3rd party IP, including details on rights of use (License terms) and details on ownership.

Section 1: Instruction for Business & Activity Proposals

4. Market Analysis

This part of the proposal shall give a presentation of the identified market, covering the following aspects:

A) The market

Describe the market in which your business will be conducted, and state if you are familiar with working in this market.

B) The market sectors

Describe the market sectors within the market in which your business will be conducted, and state if you are familiar with working in any of these market sectors.

C) The customer

Describe the customer your business is targeting and state if you are familiar with working with this type of customer.

D) The geographical coverage

State the geographical area your business will cover.

5. Business model

This part of the proposal shall give a presentation of your business model, covering the following aspects:

A) Supply chain

Describe where your company is placed in the supply chain.

B) Suppliers

List the main suppliers for your product/service (raw materials, components, services and/or data).

C) Production

Describe how the production will be organized. Include by whom, where and the capacity.

D) Distribution

Describe the distribution network.

Section 1: Instruction for Business & Activity Proposals

6. Strategy

This part of the proposal shall give a presentation of the business strategy, covering the following aspects:

- A) The market approach
Describe how you will reach your customers/clients.
- B) Marketing strategy
Describe how you will do your marketing, and who will be doing it.
- C) Sales strategy
Describe how you will do your sales, and who will be doing it.
- D) Pricing strategy
Describe how you will be pricing your product/service.

7. Risk analysis

Perform a risk analysis covering competition, your competitive advantage, barriers to market entry, and third party issues – and how you will address these risks. Also visualize this in a SWOT analysis as indicated in Appendix 1 TEMPLATES ESA BIC Noordwijk Open Call for proposal Fig. 1 SWOT Analysis template.

8. Finance

To the extent possible, the Applicant is asked to fill in the EXCEL spreadsheets in the document ESA BIC Noordwijk Appendix 1 TEMPLATES ESA BIC Noordwijk Open Call for proposal Table 1: Assets & Liabilities and Table 2: Profit & Loss projection. The Applicant needs to double click on the spreadsheets to activate them.

9. Activity proposal

This part of the proposal shall provide a plan of activities for the period of incubation at ESA BIC Noordwijk, covering the following aspects:

A) Milestone planning

Explain what you want to do during the incubation by listing all tasks you want to start/complete. Also visualize this in the chart in Appendix 1 TEMPLATES ESA BIC Noordwijk Open Call for proposal Fig. 2 Milestone Planning. The Applicant needs to double click on the EXCEL spreadsheet to activate it.

B) Task description and related costs

For each task identified in Fig.2 Milestone Planning, fill in the task description template (Appendix 1 TEMPLATES ESA BIC Noordwijk Open Call for proposal Fig. 3 Tasks description and related cost) indicating the related costs and technical assistance per task.

C) Funding

Explain how you want to finance your tasks, describe which ones you want ESA BIC to fund, describe the expertise needed from the Agency and BViT in terms of manpower and sources of funding (Appendix 1 TEMPLATES ESA BIC Noordwijk Open Call for proposal 3: Funding Split, Table 4: ESA Technical Expertise Support, Table 5: BViT Business Support). The Applicant needs to double click on the EXCEL spreadsheet to activate it.

The Applicant may also indicate in the same table the request for the ESA BIC loan-scheme as well as other sources of funding if applicable.

D) Technical Support

Indicate the number of hours of technical support (Appendix 1 TEMPLATES ESA BIC Noordwijk Open Call for proposal Table 4: ESA Technical Expertise Support)

E) Business Support

Indicate what kind of business support you are expecting and estimate the number of hours (Appendix 1 TEMPLATES ESA BIC Noordwijk Open Call for proposal Table 5: BViT Business Support)

F) Management

Explain how you will organize your management, reporting, meetings and deliverables during the incubation. Provide CV's from all team members and describe the ownership structure.

5. Additional Information

Any additional information relevant to the application (such as References, Publications, Letter of Support, Patents filed, etc.) may be included in this section of the proposal.

Section II. Formal Requirements, Evaluation Process and Criteria

Section II of this Call is meant to inform Applicants of the selection process and criteria.

A. Formal requirements

In order for the Applicant's proposal to be accepted for evaluation, the requirements listed below need to be fulfilled. The ESA general application requirements are applicable to all ESA BICs Applicants. The specific requirements are only applicable for application for incubation in the business incubator of the Agency in Noordwijk, the Netherlands, managed by BVIT.

ESA General Application Requirements

The Applicant's product or service is based on a transfer of space technology to, and/or utilization of a space system in a non-space environment.

The Applicant will sell and deliver innovative products, processes or services (advice is excluded) for his own account and risk.

The Applicant's first registration at a chamber of commerce has taken place no longer than 5 years prior to submission of Applicant's proposal to the Agency.

In case the Applicant has legal personality, the Applicant does not form part of a group at the time of submission of the Applicant's proposal to the Agency. This means that no less than half the issued capital is owned – directly or indirectly – by the authorized representatives applying on behalf of the Applicant. In case the Applicant is a legal entity without legal personality, the Applicant is a fully authorised general partner.

By completing the State Aid Declaration Form the Applicant declares all state aid received during the three years prior to the submission of the Applicant's proposal to the Agency. The Applicant shall furthermore inform the Agency of any state aid received during the execution of the incubation contract.

The Applicant does not conduct business activities promoting, or being related to, alcohol, tobacco, religion, politics, intolerance, violence, firearms, pornography, obscenity, gambling or illegal drugs.

Certain industrial sectors are excluded: the transport sector, the production, processing and trading of agriculture, fishery and aquaculture products, and the export sector. Therefore the applicant shall not conduct any direct activities within the abovementioned sectors. Also, the applicant shall not receive aid towards expenditure in connection with agriculture or fisheries. However, applicants who are not within these sectors but aiming at commercialising products or services amongst other activities to these sectors may still apply for the scheme.

The Applicant is able to communicate in English.

Application Requirements Specific to ESA BIC Noordwijk

The Applicant states that the terms and conditions of the draft incubation contract and the draft tenancy agreement are accepted without any reservations.

The Applicant states not to be hosted in another business incubator – or entity or organization providing similar support, for the duration of the incubation contract.

The Applicant shall register with a Dutch chamber of commerce as a Dutch legal entity at the first stage of the business incubation.

Company headquarters to be located at the offices of ESA BIC Noordwijk.

Copy of Passport or similar document to identify the applicant (-s)

The authorised representative must become a resident of the Netherlands before signing an Incubation Contract.

B. Evaluation process

Until further notice by the Agency or BViT, Applicants are invited to submit their proposal for ESA BIC Noordwijk at all times.

Upon its receipt, BViT and the Agency shall first assess the admissibility of the Applicant's proposal. The proposal is only admitted for evaluation in case all formal requirements (See A above) have been met. In all other cases the proposal shall be rejected. The outcome of this first assessment shall be communicated to the Applicant.

In case the proposal is compliant with the formal requirements, Applicants will be requested to hold a presentation of the proposal in front of the above mentioned evaluation board and to provide answers to any further questions the board might have.

The proposal and the presentation will be marked against the selection criteria detailed under C below.

The TEB makes a recommendation for the Agency's Award Board whose final decision of the Agency regarding the application is final and non-appealable. The incubator manager is responsible for notifying the Applicant in writing.

Upon receiving notice that the application has been unsuccessful the Applicant may request BViT to advise him/her of the reasons why the application was unsuccessful. This outcome of the evaluation will not be construed as to prevent the Applicant from submitting a renewed application.

Upon receiving notice that the application has been successful the Applicant is requested to register his/her company as a Dutch legal entity at the Dutch Chamber of Commerce if not already done so, during the first stage of incubation.

C. Evaluation criteria

The evaluation shall be based on the way the criteria below have been addressed both in the proposal and during the Applicant's presentation.

- Formal Aspects
 - o Compliance with ESA General and Specific Requirements

- Background and Experience
 - o Team composition and ownership structure
 - o Support entities and ownership structure
 - o Vision

- Business Case
 - o Business idea
 - o Market
 - o Business Model
 - o Strategy
 - o Finance

- Technology
 - o Technical Feasibility
 - o Non-space benefit
 - o Research and development strategy
 - o Intellectual Property strategy

Section II: Formal Requirements, Evaluation Process and Criteria

- Activity Proposal
 - o Milestone planning
 - o Task description and related cost
 - o Funding requested
 - o Work break down
 - o ESA's Investment opportunity
 - o Management

Section II: Formal Requirements, Evaluation Process and Criteria

Any queries relevant to the submissions of proposals are to be addressed, in writing, to:

esa-bic@bvit.net.

Your complete proposal and all supporting documents are to be submitted, in electronic form (.pdf and .doc) to the following email address:

esaapplication@bvit.net.

In parallel, 2 (two) signed paper originals are to be sent to:

1 set to:

BViT Noordwijk B.V.

ESIC

Kapteynstraat 1

2201 BB Noordwijk

The Netherlands

For the attention of Mr. Toon Buddingh'

Subject: ESA BIC Noordwijk Open Call

and 1 set to:

ESTEC

Keplerlaan 1

2201 AZ Noordwijk

The Netherlands

For the attention of Mr. Marnix Houten (PFL-PTE) and Mrs. Adriana Lucas (PFL-PTE)

Subject: ESA BIC Noordwijk Open Call

Yours faithfully,

Toon Buddingh'

Incubation Manager

Section III: Draft Contracts

Section III.1: Draft Incubation Contract

Between:

BViT Noordwijk B.V., (hereinafter called the "BViT"),

Through the ESA Business Incubation Centre at ESIC,
Kapteynstraat 1, 2201 BB Noordwijk, The Netherlands
(hereinafter called "ESA-BIC NL"),

Represented by Mr. Toon Buddingh', its Incubation Manager,
of the one part,

And:,

Whose Registered Office is at:

Whose Trade Register Number in The Netherlands is:,

(hereinafter called the "Incubatee")

Represented by Mr/Ms....., its director,

of the other part,

(together, hereinafter referred to as the "Parties" or individually as a "Party")

Commencement Date:

Contract End Date:

the following has been agreed:

P R E A M B L E

1. WHEREAS the European Space Agency (the Agency) is an intergovernmental organisation established by the Convention approved by the Conference of plenipotentiaries of its Member States on 30 May 1975 and which entered into force on 30 October 1980.
2. WHEREAS Article II of the Convention assigns to the Agency the task to promote cooperation in space research and technology and their space applications and to elaborate and implement activities and programs in the space field.
3. WHEREAS the Agency manages a technology transfer initiative to encourage the utilization of space technology for general non-space industrial, scientific and commercial uses.
4. WHEREAS as part of the technology transfer initiative the Agency has set up the ESA Business Incubation Centre's (ESA BIC's) initiative to enable start-up companies (incubatees) to receive comprehensive commercial and technical assistance in order to set up their business using space technology for such general non-space industrial, scientific and commercial uses.
5. WHEREAS the Agency has chosen BViT Noordwijk B.V., a private incubator with more than 5 years experience, to implement and manage the ESA BIC Noordwijk through ESTEC contract 4000101281 and its applicable Work Orders.
6. WHEREAS the ESA BIC Noordwijk is partly funded by the European Space Agency and the Dutch Ministry of Economic Affairs through the Netherlands Space Office (NSO).
7. WHEREAS the Rabobank Bollenstreek is one of the partners of BViT and provides a loan scheme.
8. WHEREAS the Incubatee wishes to participate in the ESA BIC NL and benefit from the assistance which may be offered to it through the provisions of this Contract.
9. WHEREAS, as part of the assistance offered to the Incubatee, the BViT and the Incubatee will sign a tenancy agreement of even date with this Contract for the provision of office accommodation and related equipment and services to the Incubatee.

ARTICLE 1 - CONTRACTUAL BASELINE

1.1. Definitions

For the purpose of this Contract the following words shall have the meanings assigned to them.

“Activity” means all the activities that the Incubatee will undertake under this Contract in relation to its participation in the ESA BIC, including the preparation of Progress Report, the Mid Term Report, the Final Report, the Executive Summary, the Annual Performance Report and the Business Plan and all other obligations and deliverables to be made by the Incubatee under this Contract.

“Annual Performance Report” shall have the meaning set out in Section III.1 Appendix 1, section 5.6.

“Business Plan” shall have the meaning set out in Section III.1 Appendix 1, section 5.5.

“BViT” means BViT Noordwijk B.V. a company providing business development support and office accommodation to start-up companies.

“CCN” shall mean a contract change notice.

“Change Review Board” shall be a board consisting of a contractual and a technical representative of each Party established to discuss and agree upon the approval or rejection of a change proposal, and final CCN.

“Commencement Date” shall mean the date that this Contract shall come into force, as set out in Article 5.

“Confidential Information” shall have the meaning set out in Article 11.2.

“Contract” shall mean an agreement between BViT and the Incubatee regulating the Activity.

“Contract End Date” shall mean the date that this Contract shall come to an end, as set out in Article 5.

“Contract Term” shall be the period between the Commencement Date and the Contract End Date.

“Conversion Proposal” shall mean a proposal detailing all costs incurred in relation to the Activity, to be submitted by the Incubatee to BViT.

“Declaration of State Aid” shall have the meaning set out in Article 8.2.

“Deliverables” shall have the meaning set out in Article 2.

“Disclosing Party” shall mean the Party disclosing Confidential Information.

“Equipment” shall have the meaning set out in Article 3.2.

Section III.1: Draft Incubation Contract

“ESA BIC” shall have the meaning set out in the Preamble.

“Executive Summary” shall have the meaning set out in Section III.1 Appendix 1 article 5.4.

“Final Report” shall mean the complete statement of the work undertaken by the Incubatee during the Contract Term, as further defined in Section III.1 Appendix 1 article 5.3.

“Intellectual Property Rights” shall mean all rights in copyright, patents, know-how, Confidential Information, database rights, rights in trademarks and designs (whether registered or unregistered), applications for registration of any of the foregoing and the right to apply for registration, and all other intellectual property rights and equivalent or similar forms of protection existing anywhere in the world.

“Mid Term” shall mean the midpoint date between the Commencement Date and the Contract End Date.

“Mid Term Report” shall have the meaning set out in Article 2.1.2.

“Mid Term Review” shall have the meaning set out in Section III.1 Appendix 1 4.2.

“Receiving Party” shall mean the Party receiving Confidential Information.

“Statement of Non Co-incubation” shall mean the statement from the Incubatee that his company shall not be incubated in or receive support of any kind from any other incubator whatsoever for the duration of the Contract Term.

“Technical Support” shall have the meaning set out in Article 3.1.

“Third Party” shall mean any person or entity other than the Agency and the Parties to this Contract or their personnel.

“Third Party Services” shall have the meaning set out in Article 4.

1.2 Contractual baseline

The Incubatee shall perform the Activity in accordance with the following applicable documents listed hereunder in order of precedence:

- 1.2.1 This Incubation Contract;
- 1.2.2 The Agency’s Standard Requirements for Management, Reporting, Meetings and Deliverables as set out in Section III.1 Appendix 1;
- 1.2.3 The Tenancy Agreement;
- 1.2.4 The Minutes of the negotiation meeting held on the, not attached hereto but known to both parties;
- 1.2.5 The Incubatee’s Business Activity Proposal, dated, Version, not attached hereto but known to both Parties.

ARTICLE 2 – ACTIVITY OF THE INCUBATEE

The Incubatee undertakes to deliver the items mentioned below (the “Deliverables”), as part of the Activity in accordance with the following provisions:

2.1 Documentation

2.1.1 Progress Reports

Every three (3) months, the Incubatee shall provide a progress report to BViT's representatives, covering the Activity. This report shall provide details of:

- action items completed during the reporting period;
- description of progress: events accomplished etc.;
- problem areas, if any, and corrective actions planned and/or taken;
- events anticipated during the next reporting period;
- budget update
- [further details to be provided on a case-by-case basis]

2.1.2 Mid Term Report

At Mid Term, the Incubatee shall provide to BViT's representatives, described in Article 9.3(a) and (b), a report detailing the technical and commercial work carried out by the Incubatee as part of the Activity during the first half of the Contract Term (“Mid Term Report”). Templates are provided in Section III.1 Appendix 2 herein.

2.1.3 Final Report and Executive Summary

- (a) At least two months prior to the Contract End Date, the Incubatee shall provide BViT with draft versions of the Final Report and the Executive Summary. BViT shall have one month to review the draft documents and provide comments on each to the Incubatee. The Incubatee shall then have the remaining month in which to produce the final version of the Final Report and the Executive Summary and submit them to BViT. Templates are provided in Section III.1 Appendix 3 here in.
- (b) The Final Report and the Executive Summary shall be delivered by the Incubatee to BViT in 3 (2 paper copies and 1 electronic copy) and 6 copies (5 paper copies and 1 electronic copy) respectively.

2.1.3 Business Plan

The Business Plan shall be provided to BViT's technical representative stated in Article 9.3(a) in 2 copies, not later than the Contract End Date.

Section III.1: Draft Incubation Contract

2.2 Other Deliverables

As part of the Incentive Scheme, it is expected from the Incubatee to deliver proof of the developed product or service. It is to be delivered to the Agency through BViT. Its use by the Agency is restricted to demonstration and exhibition purposes.

2.2.1 Software

- (a) In the event that the Incubatee develops software during the Contract Term and as part of its Activity the Incubatee shall deliver such software to BViT in a form to be agreed with BViT.
- (b) The Incubatee shall deliver such software at the end of the Contract Term or upon the cancellation of this Contract, unless otherwise agreed in writing by the Parties.
- (c) The incubate shall deliver a complete demonstration including hosting server (functional prototype level)

2.2.2 Hardware

- a) In the event that the Incubatee develops any hardware during the Contract Term and as part of its Activity, the Agency is entitled to request the Incubatee to loan the hardware to the Agency for the purposes of displaying it in an exhibition or for the Agency's promotional purposes for a period of five (5) years from the end of the Contract Term or from the cancellation of this Contract, unless otherwise agreed in writing by the Parties.
- b) Any photographs and visual presentations (i.e. an automatic slide show and/or video trailer) of any hardware developed by the Incubatee during the Contract Term and as part of its Activity shall be delivered to the Agency at the end of the Contract Term or upon the cancellation of this Contract, unless otherwise agreed in writing by the Parties

ARTICLE 3 – AGENCY’S UNDERTAKINGS

3.1 Technical Support

- (a) For the purposes of this Contract the Agency will provide the Incubatee with technical support necessary for and directly related to the Activity of Incubatee (referred to as “Technical Support”), with a maximum of 80 hours during the contract term.
- (b) The Technical Support shall be provided for the duration of the Contract Term, unless a shorter period is agreed between the Parties.
- (c) Any information in documentary or other physical form provided to the Incubatee as part of the Technical Support shall remain the property of the Agency and shall be returned to the Agency at the end of the Contract Term or upon the cancellation of this Contract.
- (d) For all matters relating to the technical support the responsible technical officer is nominated in Article 9.3 d).

3.2 Equipment

[It is not foreseen the Agency will loan the Incubatee any equipment].

[OPTION: In case the activity foresees the loan of Agency’s equipment, the following provisions shall apply

- (a) For the purposes of this Contract the Agency will loan to the Incubatee the following equipment and components necessary for and directly related to the Activity of the Incubatee:

[Full details of the equipment to be provided by the Agency]

(Altogether referred to as “Equipment”)
- (b) The duration of the loan of the Equipment shall be the Contract Term, unless a shorter period is agreed between the parties.
- (c) The following provisions shall apply to the loan of the Equipment:
 - a. ownership of the Equipment shall remain with the Agency;
 - b. the Incubatee shall be responsible for the Equipment and its safekeeping and maintenance;
 - c. the Incubatee shall not alienate the Equipment or use it for purposes other than those specified in this Contract;

Section III.1: Draft Incubation Contract

- d. in the event of the loss, damage or destruction of the Equipment, except damage through proper use, wear and tear or caused by a representative or an employee of the respectively proprietary, the Incubatee shall be required, to replace or to repair at his own expense the lost, damaged or destroyed Equipment issued to the Incubatee, or to refund its value to the respectively proprietary;
 - e. the Incubatee shall be required to keep a permanent inventory and utilization account of the Equipment placed under the Incubatee's control by the Agency and, unless already marked by one of them, shall mark the equipment and components in an unambiguous way as being the property of the Agency; and
 - f. the Incubatee shall not use such Equipment in combination with other Equipment to produce a separate article.
- (d) For the purposes of Article 3.2(c), a delivery document attached to the respective Equipment provided on loan shall stipulate its price and provide for the possible revision of that price as agreed between the Parties.
- (e) The Equipment shall be returned to the Agency by the Incubatee, in the same condition as it was in when the Incubatee received it from ESA apart from normal wear and tear, at the end of the Contract Term or upon the cancellation of this Contract.
- (f) Further provisions depending on the type of Equipment being loaned]

3.3 Software

[OPTION: It is not foreseen the Agency will loan the Incubatee any equipment.]

[OPTION: In case the activity foresees the loan of Agency's software, the following provisions shall apply

- (a) For the purposes of this Contract the Agency will provide the Incubatee with the following software necessary for and directly related to the Activity of Incubatee:

[Full details of the software to be provided by the Agency in accordance with the license set out in Section III.1 Appendix 3]

(altogether referred to as "Software")

- (b) The Software shall be provided for the duration of the Contract Term, unless a shorter period is agreed between the Parties.
- (c) [Further provisions depending on the type of Software being provided.]

ARTICLE 4 - SERVICES TO BE PROVIDED BY THIRD PARTIES

The Incubatee shall notify BViT when entering into agreements with Third Parties to obtain specific advice/product relevant to the Activity (“Third Party Services”). BViT shall bear no responsibility for such advice or product.

For the purposes of this Article it is hereby understood that the incentive funding shall be spent in the Netherlands unless the product/service is not available in such territory and within the boundaries stated on Article 7.1 (Financial Contribution) hereto.

ARTICLE 5 - CONTRACT TERM

This Contract shall enter into force upon signature by the legal representatives of both Parties (“Commencement Date”) and shall continue in force until (“Contract End Date”), unless it is cancelled or otherwise terminated in accordance with Article 16. In no case shall the Contract Term exceed the duration of 2 (two) years.

ARTICLE 6 – MEETINGS AND REPORTING REQUIREMENTS

Full details of reporting and meeting requirements are set out in Section III.1 APPENDIX 1 - STANDARD REQUIREMENTS FOR MANAGEMENT, REPORTING, MEETINGS AND DELIVERABLES, Articles 3 and 4 respectively.

ARTICLE 7 – FINANCIAL CONTRIBUTION AND PAYMENT

7.1 Financial Contribution

7.1.1 BViT’s total financial contribution to the Activity amounts up to: 50,000 EURO (Fifty Thousand EURO) for IPR & product development (funded by ESA and NSO)

7.1.2 For the purpose of this Contract the above mentioned total financial contribution is stated to be a ceiling which amount shall not be exceeded and for which the Incubatee shall perform the Activity in full. At the end of the Contract Term the ceiling amount shall be converted into a firm fixed amount by means of a Conversion Proposal, detailing all costs incurred, to be submitted by the Incubatee to the BViT.

7.1.2.1 The incubatee shall prove all expenses solely with third parties’ invoices used for IPR and product development. The incubatee is not authorized to use the above stated funding for reimbursement of his own hours spent in the project.

7.1.3 The above amount does not include any taxes and duties.

7.2 Payment Terms

All payments shall be made according to the provisions of this Article 7.

7.3 Categories of Payment

Relative to the financial contribution set out under Article 7.1, the BViT shall make the following payments to the Incubatee:

7.3.1 Progress Payments

- (a) The BViT may authorize progress payments in connection with this Contract.
- (b) Progress payments are not final payments and shall be deducted from the sums due to the Incubatee under this Contract.
- (c) Except with the specific agreement of the BViT, the Incubatee shall not divert to uses not provided for in this Contract any material or services in respect of which advances or progress payments have been made. In the event of any violation of this provision the BViT reserves the right to require the return of the advances or progress payments without prejudice to its rights under Article 16.

7.4 Final Settlement

7.4.1 The Incubatee shall be allowed to claim final settlement when all the Incubatee’s obligations under this Contract have been fulfilled.

7.4.2 Final settlement to the Incubatee is due by the BViT upon:

- a) receipt by BViT of the Conversion Proposal;
- b) receipt by BViT of the relevant invoice(s) from the Incubatee; and
- c) certification by BViT of the satisfactory completion of the Activity under this Contract.

7.4.3 Unless otherwise provided for in this Contract, a period of one (1) month shall be granted to BViT for the execution of the final payment.

7.4.4 BViT shall make the following payments:

MILESTONE DESCRIPTION	SCHEDULE DATES	AMOUNT IN EURO
PROGRESS: upon acceptance by the BViT of the deliverables due on MTR		
FINAL: upon acceptance by the BViT of all Deliverables under the contract, including the hardware and software and upon acceptance by the BViT of the Incubatee’s Conversion Proposal	or finally certified firm fixed price minus (Advance + Progress) payments

Section III.1: Draft Incubation Contract

7.5 Invoices, place and payments

7.5.1 The Incubatee is required to submit invoices for all payments due under this Contract .

7.5.2 Payments shall be made by the BVIT in EUR to the account specified by the Incubatee. Such information shall clearly indicate the IBAN (International Bank Account Number) and BIC/SWIFT (Bank Identification Code). Payments shall be considered as effected on time if the BVIT's orders of payment reach its bank within the payment period stipulated in Article 7.4.3 above.

7.5.3 Any special charges related to the execution of payments will be borne by the Incubatee.

ARTICLE 8 – DE MINIMIS AID

8.1 Any aid granted to the Incubatee that originates from the Dutch Ministry of Economic Affairs and that is provided under this Contract to the Incubatee by the BVIT falls under the terms of EC Regulation 1998/2006 of 15th of December 2006 on the application of Articles 87 and 88 of the EC Treaty to 'de minimis aid'.

8.2 The Incubatee shall notify the Dutch Ministry of Economic Affairs through the BVIT in writing of how much state aid it has received during the three (3) years prior to the Commencement Date from any administrative body, insofar as no approval for such state aid was previously obtained from the Commission of the European Communities ("Declaration of State Aid").

8.3 The Incubatee agrees to reimburse any state aid that the Incubatee has received under this Contract if it is later established that the payment was issued in violation of EC Regulation 1998/2006 of 15th of December 2006 on the application of Article 87 and 88 of the EC Treaty to de minimis aid.

ARTICLE 9 - PARTIES REPRESENTATIVES AND COMMUNICATIONS

9.1 All correspondence affecting the terms and conditions of this Contract and concerning its execution shall be made or confirmed in writing. All communications or correspondence between the Parties shall be in English.

9.2 All correspondence for either Party shall be sent to both representatives of each Party stated in Articles 9.3 and 9.4, i.e. depending on the subject, addressed to one representative with a copy to the other.

9.3 For the purpose of this Contract the ESA BIC representatives are:

(a) For Application and Business matters (Incubation Manager):

Mr. A.H. Buddingh' E-mail: toon@bvit.net
ESIC Tel.: +31 651 332 638
Kapteynstraat 1 Fax.: -
2201 BB Noordwijk, The Netherlands

or a person duly authorised by him, with copy to Mr. M. Leinweber

(b) For legal and financial matters:

Mr. A.H. Buddingh' E-mail: toon@bvit.net
ESIC Tel.: +31 651 332 638
Kapteynstraat 1 Fax.: -
2201 BB Noordwijk, The Netherlands

or a person duly authorised by him, with copy to Mr. M. Leinweber

(c) For day-to-day contractual and administrative matters with the exception of payments:

Mr. M. Leinweber E-mail: martijn@bvit.net
ESIC Tel.: +31 624 303 503
Kapteynstraat 1 Fax.: -
2201 BB Noordwijk, The Netherlands

(d) For ESA's technical support (Article 3 here above) matters:

Mr. C.J.J. Eldering (ESA) E-mail: Niels.Eldering@esa.int
ESTEC Tel.: + 31 71 56 55487
P.O. Box 299 Fax.: + 31 71 56 56635
2200 AG Noordwijk, NL

Section III.1: Draft Incubation Contract

9.4 For the purpose of this Contract the Incubatee's representatives are:

(a) For technical matters:

(b) For contractual and administrative matters:

ARTICLE 10 - PUBLICITY AND VISUAL IDENTITY OF INCUBATEES

10.1 Publicity

10.1.1 The Incubatee shall not produce or disseminate any form of communication material, press releases or other publicity documents, including the Incubatee's advertising and news bulletins, which are intended by the Incubatee for the press, internet / web-sites or television, which refer to ESA BIC Noordwijk or any aspect of ESA BIC Noordwijk activities, or permit any Third Party to do so, without the prior written consent of BViT.

10.1.2 BViT shall not produce or disseminate any form of communication material, press releases or other publicity documents which are intended by ESA BIC Noordwijk for the press, internet / websites or television, which refer to the Incubatee or any aspect of the Incubatee's activities, or permit any Third Party to do so, without the prior written consent of the Incubatee's contractual representative or his duly authorised representative.

10.2 Visual Identity of the Incubatee

10.2.1 The Incubatee shall not use the official emblem of ESA, ESA BICs or ESA BIC Noordwijk or any other logo or trademark which may be owned or used by the Agency or BViT for any purpose whatsoever.

10.2.2 The Incubatee may place the following text line, in full and without amendment, on its promotional material and publicity documents, including exhibition and conference material and its internet site, and also on its products (including prototypes) and other material which it produces: "..... participates in the ESA Business Incubation Centre Noordwijk", referred to as the "Text Line".

Use of the Text Line by the Incubatee shall be subject to the

following conditions:

- (a) the Incubatee shall submit to BViT's contractual representative or his duly authorised representative for prior written approval all promotional material, publicity documents, products and other materials, or samples of them, on which the Text Line is to appear or is intended to be used, which approval may be withheld or withdrawn from any material, products or documents at any time at the BViT's discretion;
- (b) the prior approval of the BViT for the use of the Text Line shall not constitute an endorsement or approval of the Incubatee's Activity, products or services, or of their quality, technology or suitability for a particular use, neither shall it constitute verification by BViT of the compatibility of materials produced by the Incubatee with applicable law and regulations, and the Incubatee shall refrain from using any statements which could suggest otherwise;

Section III.1: Draft Incubation Contract

- (c) any use of the Text Line on amended or revised promotional material and publicity documents shall be subject to the same approval process as the original material and documents;
- (d) the Text Line may be translated into a different language other than English, subject to the approval of the BVIT's contractual representative or his duly authorised representative; and
- (e) no use of the Text Line shall be made in connection with material, products or documents that:
 - a. constitute an infringement of law and/or legal provisions;
 - b. undermine the reputation and dignity of the Agency or BVIT; and
 - c. promote or are related to alcohol, tobacco, religion, political affairs, intolerance, violence, firearms, pornography, obscenity, gambling, and narcotic drugs.

10.2.3 The Incubatee shall keep appropriate records of the extent of its use of the Text Line, stating in particular the nature and time of use of the Text Line on its material, products and documentation. The Incubatee shall provide the Agency's contractual representative or his duly authorised representative request, with information, samples and documents to evidence its use of the Text Line.

10.2.4 The use by the Incubatee of the Text Line shall terminate upon the cancellation or expiry of this Contract as described in Article 16.

ARTICLE 11 - CONFIDENTIALITY

11.1 Each Party shall observe complete discretion with regard to all matters related to the activities of the other Party and each Party will ensure compliance by its employees and agents with the obligations of confidence set out in this Article 11 and assumed by that Party in relation to the other Party.

11.2 Neither Party shall disclose any documentation, information or materials obtained from the other Party, whether marked (by way of example as, "confidential" or "proprietary information") or un-marked ("Confidential Information"), to any Third Party whatsoever without the prior written consent of the other Party in which case the other Party may require the recipient to sign a non-disclosure agreement. For the purposes of this Article 11, documentation shall include any final documentation deliverable under this Contract with the exception of the Executive Summary.

11.3 Each Party may disclose Confidential Information on a strictly "need to know" basis to:

- its employees; and
- its professional agents.

Section III.1: Draft Incubation Contract

11.4 On the Contract End Date, or upon the earlier termination or cancellation of this Contract in accordance with Article 16, the Receiving Party shall promptly return to the Disclosing Party or otherwise certify the destruction of all Confidential Information, with exception of the Deliverables provided by the Incubatee to BVIT.

11.5 The obligations in this Article 11 shall not apply to Confidential information:

- which is in the public domain at the time of disclosure or becomes part of the public domain after disclosure otherwise than through a breach of this Contract;
- for which the Receiving Party can provide documentary evidence that it was in its lawful possession prior to disclosure to it by the Disclosing Party or which is lawfully and bona fide obtained thereafter by the Receiving Party from a Third Party who, to the knowledge or reasonable belief of the Receiving Party, did not receive the Confidential Information directly or indirectly from the Disclosing Party when under a duty of confidentiality;
- which, at the time of circulation is already known by the Receiving Party (as evidence in writing) and is not hindered by any obligation not to circulate; or
- which is required to be circulated by governmental or judicial order or applicable law.

11.6 The contents of this Contract are Confidential Information.

11.7 The obligations set out in this Article 11 shall survive the termination, cancellation or expiry of this Contract.

ARTICLE 12 – INTELLECTUAL PROPERTY

12.1 Ownership

12.1.1 The Incubatee shall own all Intellectual Property Rights arising out of the Activity performed under this Contract as may be granted by law, as far as no infringement of Third Party rights occurs.

12.1.2 All rights pertaining to any results arising out of the Activity performed under this Contract shall belong to the Incubatee.

12.2 Use of Intellectual Property Rights by the Agency

12.2.1 If the Agency or its Member States require the use of any Intellectual Property Rights, owned by the Incubatee for the performance of the Agency's programmes in the field of space research and technology and space applications ESA will issue request for quotation or a purchase order to the incubatee. If the Incubatee is not willing or able to perform the activity for the Agency, the Agency or its Member States shall be entitled to a free of charge, transferable, non-exclusive license to use such Intellectual Property Rights, which license shall be limited to the territories of the Agency's Member States.

12.2.2 When transferring any Intellectual Property Rights, of which the Incubatee retains the ownership in accordance with Article 12.1.1, to an assignee the Incubatee shall ensure that the Agency's and its Member States' rights, as set out in Article 12.2.1, are reassigned to the new assignee.

12.3 Transfer of Intellectual Property Rights outside the ESA Member States

The Incubatee shall inform the Agency's technical representative, as stated in Article 9.3(d), well in advance of its intention to transfer outside the Agency's Member States any Intellectual Property Rights arising from this Contract.

ARTICLE 13 – LIABILITY

13.1 Limitations of Liability

13.1.1 Neither Party excludes its liability to the other Party for:

- (a) death or personal injury caused by its negligence or that of its employees or agents;
- (b) fraud, including fraudulent misrepresentations; and
- (c) liability under Articles 11 and 12.

13.1.2 Limitation of Liability

Subject to Article 13.1.1, the liability of one Party towards the other under or in connection with this Contract whether arising from negligence, breach of contract or any other obligation or duty shall not exceed, an amount equivalent to 50,000 EURO (Fifty Thousand EURO), per event or series of connected events.

13.2 Infringements of the Law

13.2.1 BViT or the Agency shall not be responsible if the Incubatee infringes any existing and/or future national, communal or provincial laws or decrees, rules or regulations in force in The Netherlands or in any other country whatsoever.

13.2.2 The Incubatee shall indemnify BViT and the Agency from and against all claims, proceedings, damages, costs and expenses arising out of any infringement of the Incubatee's obligations under this Contract.

13.3 Infringement of the Rights of Third Parties

Section III.1: Draft Incubation Contract

- 13.3.1 The Incubatee shall indemnify the BViT and the Agency from and against all claims, proceedings, damages, costs and expenses arising from the infringement of Intellectual Property Rights of third-parties with respect to the subject matter of this Contract - excluding any infringement resulting from the use of documents, patterns, drawings or goods supplied by BViT or the Agency - which may be made, or brought against BViT or the Agency, or to which BViT or the Agency may be put by reason of such infringement or alleged infringement.
- 13.3.2 BViT shall notify the Incubatee immediately of any written claim or notice of infringement of third-party rights that it receives concerning the subject matter of this Contract.
- 13.3.3 The Incubatee shall immediately take all necessary steps within the Incubatee's competence to prevent or end a dispute and shall assist BViT and the Agency to defend any such dispute, or make settlement in respect of any claim or notice of infringement or suit for infringement.
- 13.3.4 The Parties shall notify each other of any known Intellectual Property Rights connected with the use of documents, patterns, drawings and goods supplied by one Party to the other or connected with the execution of the specifications laid down by the other Party.
- 13.4 Compensation for Damage Caused to Goods and Property
- Claims in respect of damage shall be settled as follows.
- 13.4.1 Direct Damages
- (a) The Incubatee shall indemnify BViT and the Agency against, and shall be personally responsible for, direct damage to BViT's or the Agency's property and equipment to the extent that such damage is caused by the negligence of the Incubatee and the Incubatee's personnel or agents.
- (b) BViT and the Agency shall indemnify the Incubatee against, and shall be personally responsible for, direct damage to the Incubatee's property and equipment to the extent that such damage is caused by the negligence of BViT and BViT's staff or agents.
- 13.4.2 Indirect or Consequential Damages
- (a) The Parties shall in no circumstances be liable for indirect or consequential damages such as loss of use, loss of business, loss of data, loss of rights, loss of services, loss of goodwill, Third Party claims to the extent that they represent the indirect loss of a Third Party, loss of revenues or anticipated savings, or for any indirect financial loss or indirect economic loss or for any indirect or consequential loss or damage whatsoever suffered by the other Party.
- (b) The Parties shall in no circumstances be liable for loss of profit, whether direct or indirect.

Section III.1: Draft Incubation Contract

13.5 Damages to Third Parties by the Incubatee

BViT or the Agency shall not be liable for any damage caused by the personnel or agents of the Incubatee to a Third Party during the performance of this Contract.

ARTICLE 14 – CHANGES TO THIS CONTRACT

14.1 Introduction of a Change

14.1.1 For all changes to this Contract, whether requested by BViT or initiated by the Incubatee, the Incubatee shall submit a proposal for a CCN.

14.1.2 The Incubatee shall ensure -in liaison with BViT- that each change proposal is fully coordinated and that all reasonably foreseeable implications of the change have been considered by the Incubatee and BViT. The Incubatee shall, on the request of BViT, provide additional documentary evidence of the affect of the change to both Parties.

14.2 Approval or Rejection of the Change Proposal

14.2.1 Should the change proposal be approved by BViT, a corresponding CCN shall be prepared by BViT's contractual representatives as stated in Article 9.3(b) and submitted to both Parties for signature.

14.2.2 Should a change proposal be rejected for any reason, the Incubatee shall be informed accordingly, together with the reasons for the rejection. At the request of either Party, the change may be discussed at a Change Review Board, consisting of a contractual and a technical representative of each Party.

14.3 Implementation and Status of an Approved CCN

Upon the signature of a CCN by both Parties, the CCN will have immediate effect and constitutes a binding contractual agreement between the Parties. The Incubatee shall implement the change in accordance with the implementation dates agreed in the CCN.

ARTICLE 15 – POST INCUBATION MANAGEMENT

On each anniversary of the end of the Contract Term, during 10 years, the Incubatee shall prepare and submit to the Incubation Manager of BViT, as well as to the Agency's Technical Representative, stated in Article 9.3(a) and 9.3 (d), an Annual Performance Report.

ARTICLE 16 – TERMINATION AND CANCELLATION

16.1 Right of Termination

16.1.1 Each Party will have the right at any time during the Contract Term, without prejudice to its other rights or remedies, to terminate this Contract immediately, and without cause, by one (1) month's written notice to the other Party.

16.1.2 Each Party reserves the right to terminate this Contract, with immediate effect, in the event that the other Party commits a substantial breach of this Contract.

16.2 Cancellation Without Fault of the Incubatee

16.2.1 In the event of cancellation of this Contract by BViT without any fault of the Incubatee, the Incubatee shall on receipt of BViT's instructions for cancellation of this Contract, immediately take the necessary steps to implement the instructions. The period by which the Incubatee must implement such instructions shall be determined by BViT after consultation with the Incubatee.

16.2.2 BViT shall indemnify the Incubatee against such part of any loss of profit as is reasonably attributable to the cancellation of this Contract and against any damages resulting from the cancellation of this Contract in particular against any commitments, liabilities or expenditure which are reasonably and properly incurred by the Incubatee and are directly related to this Contract, in so far as the said commitments, liabilities or expenditure would otherwise represent an unavoidable loss by the Incubatee by reason of the cancellation of this Contract.

16.2.3 The amount of compensation payable under Article 16.2.2 shall be fixed on the basis of documentary evidence produced by the Incubatee and accepted by BViT. In calculating the amount of compensation payable to the Incubatee BViT shall take account of the proportion of this Contract completed and shall take into account the provisions of Article 16.2.4.

16.2.4 BViT shall in no circumstances be liable to pay any sum which deviates from the provisions set out on Article 4 and Article 7.1 herein or when added to the other sums paid, due or becoming due to the Incubatee under this Contract, exceeds the total contractual payments due by BViT to the Incubatee, as set out in Article 7.1.

16.3 Grounds for Cancellation by BViT

BViT will have the right, without prejudice to its other rights or remedies, after full consideration of all relevant circumstances, which may include consultation with the Incubatee, to cancel this Contract by giving written notice with immediate effect to the Incubatee in any of the following circumstances:

- (a) if the Incubatee assigns or transfers this Contract in breach of Article 17;
- (b) if the Incubatee becomes insolvent or if its financial position is such that within the framework of the national law of the Incubatee's incorporation, legal action leading towards bankruptcy may be taken against the Incubatee by its creditors;
- (c) if the Incubatee conducts fraudulent practices in connection with this Contract, particularly concerning the nature and quality of the Activity or by giving or offering gifts or remuneration for the purpose of bribery to any person, irrespective of whether such bribes or remuneration are made on the initiative of the Incubatee or otherwise; and/or

Section III.1: Draft Incubation Contract

- (d) if the Incubatee has provided incorrect and/or incomplete information regarding:
 - (a) the Statement of Non Co-incubation;
 - (b) the Incubatee's legal ownership;
 - (c) the Incubatee's Chamber of Commerce registration; and/or
 - (d) the Declaration of State Aid.

16.4 Consequences of Cancellation

Any information, in documentary or other physical form, pertaining to the Activity carried out by the Incubatee during the Contract Term, remains the property of BViT and the Agency and shall be handed over to BViT upon the expiry or cancellation of this Contract. This shall include any information and documentation under Article 3.1(c).

ARTICLE 17 - ASSIGNATION OF THIS CONTRACT

The Incubatee shall not be permitted to assign its rights and/ or transfer its obligations under this Contract in whole or in part.

ARTICLE 18 - DISPUTE SETTLEMENT

- 18.1 This Contract shall be governed by the laws of the Netherlands.
- 18.2 The Parties will consult with each other promptly when events occur or matters arise that may occasion a question of interpretation or implementation of the terms of this Contract. Any issue of interpretation or implementation of this Agreement that cannot be settled by the designated points of contact shall be referred to arbitration.
- 18.3 Any dispute arising out of the interpretation or implementation of this Agreement that cannot be settled through the consultations referred to in Article 18.1 above may, at the request of either Party, be submitted to arbitration according to the Rules of Arbitration of the International Chamber of Commerce. The arbitral tribunal shall sit in The Hague, The Netherlands and the language of the arbitration shall be English. The enforcement of the award shall be governed by the rules of procedure in force in The Hague, The Netherlands.

ARTICLE 19 - DATA PROTECTION

19.1 To the extent that is reasonably necessary, in connection to the incubatee's activities under this contract, his data may be disclosed to others, including staff of ESA BIC Noordwijk, including ESA, NSO, TNO and BViT, for any studies and/or reporting that may be carried out by the Agency and/or BViT. The incubatee hereby consents to the recording, processing, use and disclosure of personal data related to him as set out here above (including the recording, processing, use and disclosure of his sensitive personal data to the extent required by reason of the contractor's performance of the activities under this contract) including the transmission of such data between The Netherlands and other countries for the fulfillment of ESA's own requirements.

Section III.1: Draft Incubation Contract

Done and signed in two (2) original copies, one for each Party to this Contract,

on behalf of the BVIT in Noordwijk:

Mr. A.H. Buddingh'

Incubation Manager

Date :

on behalf of the Incubatee in :

.....

Date :

Section III.1 Appendix 1 - STANDARD REQUIREMENTS FOR MANAGEMENT, REPORTING, MEETINGS AND DELIVERABLES

This document contains the standard requirements for management, reporting, meetings and deliverables for contracts to be placed by BViT in regard to the ESA BIC Noordwijk.

1 - CONTRACTUAL BASELINE

The Incubatee is a startup company in the early stage development of its commercial enterprise, applying space technology or systems to non-space applications, including industrial, scientific and commercial uses. As a startup company the Incubatee requires business development support, technical and commercial advice and marketing expertise to be able to commercialize its product or service through:

- developing its commercial focus;
- enhancing or creating its business plan;
- elaborating on its business outline proposal;
- making relevant use of Third Party advisors;
- establishing a sound financial, commercial and marketing model; and
- performing additional technical activities, functional to the above activities as required.

2 - MANAGEMENT

2.1 General

The Incubatee shall implement effective and economical management for the work to be performed under this contract. The nominated representative of the Incubatee shall be responsible for the management and execution of the work to be performed.

2.2 Communications

All communications sent by the Incubatee to BViT shall be addressed to BViT's representatives nominated in Article 9.3 of the Incubation Contract.

3 - REPORTING

3.1 Minutes of Meetings

The Incubatee is responsible for the preparation and distribution of minutes of meetings held in connection with this Contract. Electronic and paper versions of the minutes of each meeting shall be issued and distributed to all participants and to BViT's representatives, not later than ten (10) days after the meeting concerned was held.

3.2 Progress Reports

- Every three (3) months, the Incubatee shall provide a progress report to BViT's representatives, covering the Activity. This report shall provide details of:
- action items completed during the reporting period;
- description of progress: events accomplished etc.;
- problem areas, if any, and corrective actions planned and/or taken;
- events anticipated during the next reporting period;
- budget update
- [further details to be provided on a case-by-case basis]

3.3 Problem Notification

The Incubatee shall notify BViT's representatives of any problem likely to significantly impact the progress of the Activity.

4 - MEETINGS

4.1 Kick-off Meeting

The kick-off meeting shall take place at BViT's premises or by teleconference at the beginning of the Contract Term.

4.2 Mid Term Review

At Mid Term a meeting shall be held ("Mid Term Review"), where the Incubatee shall present the Mid Term Report, to verify the status of the Activity and to confirm its feasibility.

4.3 Additional Meetings

Additional meetings may be requested either by BViT or the Incubatee.

4.4 Notice and Agenda for Meetings

For all meetings the Incubatee shall ensure that proper notice to BViT is given at least two (2) weeks in advance of when BViT's participation is foreseen to be required. The Incubatee is responsible for ensuring the participation of the Incubatee's personnel and/or third party advisors, as needed.

For each meeting the Incubatee shall propose an agenda in electronic form and shall compile and distribute handouts of any presentation given at the meeting.

5 - DELIVERABLES

5.1 Documentation to be delivered

In addition to the documents to be delivered according to section 3 above, the documentation set out in this section 5 shall also be deliverable.

All documentation Deliverables mentioned in this section 5 (including all their constituent parts) shall be delivered as follows:

5.1.1 in electronic form on computer readable media (e.g. CD-ROM, DVD-ROM) as agreed by BViT, and in other exchange formats where relevant (e.g. HTML, PDF format); and

5.1.2 in two (2) paper copies.

The draft version of the documentation shall be sent to BViT's technical officer in one (1) electronic copy for approval not later than two (2) weeks before the documentation is to be presented.

5.2 Mid Term Report

The Incubatee shall document in detail the status of its technical and commercial progress in relation to the Activity in the Mid Term Report and confirm the feasibility of the Activity. The Mid Term Report shall furthermore contain all invoices relevant to the Third Party Services obtained by the Incubatee in accordance with Article 4 of this Contract. The Mid Term Report shall be presented by the Incubatee to BViT at the Mid Term Review. The Incubatee shall submit the presentation of the Mid Term Report to BViT two (2) weeks in advance of the Mid Term Review meeting.

5.3 Final Report

A report shall be produced by the Incubatee at the end of the Contract Term. It shall be a complete statement of all the work undertaken by the Incubatee during the Contract Term, including the activities functional to the Business Plan ("Final Report"). It shall not refer to any other report that may have been provided by the Incubatee and shall detail the full results of the Activity to include:

- (a) lessons learned;
- (b) details of the support received from BViT and ESA BIC NL partners;
- (c) contacts established;
- (d) description of technical developments;
- (e) financial details;
- (f) all invoices relevant to the Third Party Services obtained by the Incubatee in accordance with Article 4 of the Incubation Contract.
- (g) licenses granted and patent filings and applications;

- (h) photographic documentation
- (i) [further of input by BViT required on a case by case basis]

5.4 Executive Summary to the Final report

The Incubatee shall prepare a summary which shall concisely summarise the findings of the Incubatee in performing the Activity (“Executive Summary”). It shall be suitable for non-experts and should also be appropriate for publication, including on a web page. For this reason, it shall not contain any confidential information. The Executive Summary shall not exceed three (3) to four (4) pages of text with colored illustrations or photographs, if appropriate. It shall also be delivered to BViT by the Incubatee in HTML format.

5.5 Business Plan

The Incubatee shall produce a business plan that sets out the Incubatee's expected course of action for next period of the development of the company, including a detailed listing and analysis of risks and uncertainties (“Business Plan”). The Business Plan should also examine the proposed products (including scientific and technical requirements and feasibility), the market, the industry, the management policies, the marketing policies, production needs and financial needs of the Incubatee and may be used as a prospectus for potential investors and lenders and participation in BViT’s Investors Forum at a later stage.

5.6 Annual Performance Report

The annual performance report shall describe the sales made and/or licenses granted by the Incubatee during the preceding twelve (12) months (“Annual Performance Report”). The Incubatee shall submit this in one (1) paper copy and in electronic form. The Incubatee shall submit the Annual Performance Report to BViT and to the Agency every year for a period of ten (10) years from the end of the Contract Term.

Section III.1 Appendix 2 - AGENDA FOR MIDTERM REVIEW

AGENDA FOR MIDTERM REVIEW

1. Welcome/Introduction

2. Elevator pitch

2-3 minutes without slides. (This is good training and will introduce the company and business idea to potential new audience.)

3. Progress status tasks/work packages, first phase.

Refer to each task in original proposal, and present the current status of the task/work package. Explain reasons to why tasks have not been completed (if any). Present any new tasks that have been added in this first phase (if any).

Task/Work Package #	
Objectives	
Sub-tasks	
Costs	
Sub-tasks	Costs (€)
Total (€)	
Output	

4. Planning of tasks/work packages, next phase

Refer to each task in original proposal and present current status or changes, if any. Include overview of additional new tasks (if any).

Task/Work Package #	
Objectives	
Sub-tasks	
Costs	
Sub-tasks	Costs (€)
Total (€)	
Output	

5. Incubation Planning Overview:

Task/WP	Task Name		Month/Year	Month/Year	Month/Year	Month/Year	Month-Year	Month/Year
1		Planned						
		State			50%			
2		Planned						
		State	33%					
3		Planned						
		State						
4		Planned						
		State			150%			
5		Planned						
		State			100%			
6		Planned						
		State	0%					
7		Planned						
		State	100%					
8		Planned						
		State						

Midterm Review

Final Review

6. Cost Breakdown Overview, first phase:

WP	Task Name	Business Plan Development in €	Third Party Advice in €
1			
2			
3			
4			
5			
6			
7			
8			
Total			

7. Changes in expected Costs, first phase:

WP	Task Name	Expected amount at Final Review		Real Costs		Difference in €		Difference in %	
		BPD	TPA	BPD	TPA	BPD	TPA	BPD	TPA
1									
2									
3									
4									
5									
6									
7									
8									
	Total								
	BPD+TPA								

8. Overview of technical experts

- Expert hours used, this phase
- Experts hours needed, next phase
- Business hours used, this phase
- Business hours needed, next phase
- Third parties hours used, this phase
- Third parties hours needed, next phase

9. Overview of major challenges/concerns.

Section III.1 Appendix 2

10. Other news/updates

Very short, f.ex

- change in team
- financial developments/ additional sources of funding/ investments (personal/subsidy)
- cooperation agreements

11. Proposal of CCN

If any

12. Q&A

Section III.1 Appendix 3 - FINAL REPORT TEMPLATE

Template for Final Report (see also 5.3 Section III: Draft Contracts, Section III.1 Appendix 1 of the incubation contract). Please use this template also to structure you presentation for the Final Review.

1. Introduction
2. Elevator pitch

2-3 minutes Pitch (This is good training and will introduce the company and business idea to potential new audience.)
3. Lessons learned (5.3.a in Section III: Draft Contracts, Section III.1 Appendix 1 of the incubation contract);
4. Details of the support received from the BVIT (5.3.b in Section III: Draft Contracts, Section III.1 Appendix 1 of the incubation contract);

Also mention the expert’s names, sections and hours used during incubation period
5. Business contacts established (5.3.c in Section III: Draft Contracts, Section III.1 Appendix 1 of the incubation contract);
6. Progress report on work packages of total incubation period (5.3.d Section III: Draft Contracts, Section III.1 Appendix 1 of the incubation contract); Refer to each task in original proposal, and present the current status of the task/work package. Explain reasons to why tasks have not been completed (if any). Present any new tasks that have been added in this first phase (if any).

Task/Work Package #	
Objectives	
Sub-tasks	
Costs	
Sub-tasks	Costs (€)
Total (€)	
Output	

7. Incubation Planning Overview:

Task/WP	Task Name		Month/Year	Month/Year	Month/Year	Month/Year	Month-Year	Month/Year
1		Planned						
		State			50%			
2		Planned						
		State	33%					
3		Planned						
		State						
4		Planned						
		State			150%			
5		Planned						
		State			100%			
6		Planned						
		State	0%					
7		Planned						
		State	100%					
8		Planned						
		State						

Midterm Review
Final Review

8. Changes in expected Costs, total incubation period (5.3.e in Section III: Draft Contracts, Section III.1 Appendix 1 of the incubation contract);

WP	Task Name	Expected amount at Final Review		Real Costs		Difference in €		Difference in %	
		BPD	TPA	BPD	TPA	BPD	TPA	BPD	TPA
1									
2									
3									
4									
5									
6									
7									
8									
	Total								
	BPD+TPA								

9. Overview of major challenges/concerns.
10. Other news/updates
 - changes in your team's composition
 - financial developments; i.e. secured financing , launching customers, other income
 - cooperation agreements
11. Way forward
12. Feedback on ESA Business Incubation support

ANNEX to the Final Report. Please attached to this report also:

- I. An overview and the copies of all invoices relevant to the Third Party Services obtained by the Incubatee (5.3.f in Section III: Draft Contracts, Section III.1 Appendix 1 of the incubation contract);
- II. An overview and copies of patents, patent filings and/or licences granted (5.3.g in Section III: Draft Contracts, Section III.1 Appendix 1 of the incubation contract);
- III. Photographic documentation accordance (5.3.h in Section III: Draft Contracts, Section III.1 Appendix 1 of the incubation contract).

Section III.2: Tenancy of Office Accommodation

Between:

BViT Noordwijk B.V., (hereinafter called the "Lessor"),

Whose Registered Office is at: Binckhorstlaan 123A, 2516 BA DEN HAAG

Whose Trade Register Number in The Netherlands is: 27376432,

Represented by Mr. Toon Buddingh', its director,

of the one part,

And:,

Whose Registered Office is at:

Whose Trade Register Number in The Netherlands is:,

(hereinafter called the "Tenant")

Represented by Mr/Ms....., its director,

of the other part,

(together, hereinafter referred to as the "Parties" or individually as a "Party")

Commencement Date:

Contract End Date:

Section III.2: Tenancy of Office Accommodation

the following has been agreed:

P R E A M B L E

WHEREAS BViT Noordwijk B.V. has leased office space in European Space Innovation Centre (hereinafter called the "ESIC") to sublease it to any space related company and/or incubatee of the ESA BIC Noordwijk programme.

WHEREAS any space related company and/or incubatee of the ESA BIC Noordwijk programme wishing to take up tenancy in the office facilities of BViT Noordwijk B.V. shall comply to the provisions of this Contract;

ARTICLE 1 : CONTRACTUAL BASELINE

1.1 Definitions

"Contract" shall mean an agreement between the BViT and the Tenant regulating the tenancy of office accommodation in ESIC.

"ESIC" shall mean the European Space Innovation Centre.

"Personnel" shall mean the body of persons employed by or active in the company of the tenant.

"Third Party" shall mean any person or entity other than the Lessor or the Lessor's staff.

"Tenancy" shall mean the tenancy of office facilities of the tenant in ESIC.

1.2 Section III.2 Appendix 2 of this contract contains a description of the workplace and shared facilities. Appendix 3 contains a description of Services Cost 1 and Service Cost 2, provided under this Contract (hereinafter referred to as "Services").

1.3 Lessor shall, under the conditions set forth in this Contract, put at the disposal of the Tenant (a) workdesk(s), flexdesk(s) or unit see Section III.2 Appendix 2 of this contract and (b) and Services Cost 1 and Service Cost 2 Section III.2 Appendix 3 of this contract together, hereinafter referred as "Office Accommodation". In return the Tenant shall pay a rent to lessor as specified in Article 3 and Article 4 to this Contract.

1.4 The Appendices of this Contract form an integral part hereof.

Section III.2: Tenancy of Office Accommodation

1.5 The "Office Accommodation" let under this Contract is located at:

ESA BIC Noordwijk

Kapteynstraat 1

2201 AB Noordwijk

The Netherlands

As shown in the drawing attached as Section III.2 Appendix 5 of this contract.

1.6 If the tenant extends with more "Office Accommodations", the provisions of this Agreement shall also apply to such additional "Office Accommodations".

1.7 Mutations in "Office Accommodations" can be done in Section III.2 Appendix 6 of this contract.

1.8 The "Office Accommodation" shall be a in a shared office space to which Lessor reserves the right to allocate other Tenants.

ARTICLE 2:

2.1 The "GENERAL TERMS AND CONDITIONS FOR LEASE OF OFFICE ACCOMMODATION, and other commercial accommodation within the meaning of Article 7:230A of the Civil Code", lodged with the Clerk of the Court in The Hague on 11 July 2003 and registered there under number 72/2003, hereinafter referred to as "the General Conditions", shall form part of this contract. The parties are familiar with content and these General Conditions. The Lessor and the Tenant have each received a copy of them.

2.2 The General Conditions referred to in Clause 2.1 shall apply except insofar as expressly amended in this contract or insofar as their application is not possible in relation to the "Office Accommodation".

ARTICLE 3 : RENT

3.1 The Tenant shall pay a monthly all-inclusive rent according Section III.2 Appendix 4. The total pay of the tenant is defined in Section III.2 Appendix 6 of this contract.

3.2 The rent shall include the total "Office Accommodation".

3.3 The rent indicated above does not include any taxes (for instance Value Added Tax). The Tenant shall pay the Lessor, together with the rent, any taxes that may be applicable.

3.4 Annually, on the 1st of January the rent shall be adjusted within the limits of the maximum allowable percentage as published yearly on the 1st of July by the Dutch Bureau for Statistics (CBS).

Lessor's initials

Tenant's initials

Section III.2: Tenancy of Office Accommodation

- 3.5 Annually, on the 1st of January the service cost 1 and service cost 2 shall be adjusted, based on recalculation on the actual cost of these items.

ARTICLE 4 : PAYMENT

- 4.1 Lessor shall submit an invoice to the Tenant for the "Office Accommodation" of each month and the cost for the use of additional services.
- 4.2 In the event of termination of this Contract prior to the completion of a quarter, the Tenant shall adjust his final payment according to the corresponding rental period. This payment shall be made within 30 days of termination of this Contract.
- 4.3 If tenant has not signed up for automatic debit, all payments shall be made in EURO and transferred in advance, if tenant has not signed up for automatic debit, no later than the third business day of each month to the Lessor's account to BVIT Noordwijk with account number 1316.38.998
- Any bank charges related to the payment shall be borne by the Tenant
- 4.4 In case Tenant choose for authorization for direct debit off the "Office Accommodation" into the Tenant's bank account 5% discount applies.
- 4.5 Unless otherwise stated, all amounts stated in this Tenancy of Office Accommodation, the General Conditions and Appendix's which form part of it, are exclusive of VAT.

ARTICLE 5: DURATION OF THE CONTRACT

- 5.1 This Contract shall enter into force on the date of its signature and shall remain in force for two years (hereinafter referred as "Contract Term").
- 5.2 Both Lessor and Tenant may terminate the contract at any given moment with a notice period of number of the number of months as described in Section III.2 Appendix 4 of this contract. Termination can only be done in writing. Notice period begins on the first day of the next calendar month.
- 5.3 Lessor may terminate the contract immediately if Tenant has a late payment of three months, goes bankrupt, enters into surseance or in case of seizure of its goods by a third party.

ARTICLE 6: OBLIGATIONS OF THE TENANT

- 6.1 The Tenant shall be responsible for the proper use of the "Office Accommodation" and shall take any appropriate and timely steps to prevent and/ or limit any damage resulting from but not limited to electrical short circuit, fire, leakage, storm, frost or any other weather conditions, influx and escape of gases and liquids. The Tenant shall inform Lessor immediately if such damage occurs or threatens to occur.

Section III.2: Tenancy of Office Accommodation

- 6.2 Upon termination of this Contract the Tenant shall render the Office Accommodation to Lessor in the same conditions as those existing at the date on which the this Contract enters into effect and which are described in Section III.2 Appendix 2 to this contract, account being taken of any normal wear and tear.
- 6.3 The Tenant shall observe and shall be responsible for the observation by his personnel of all applicable rules and of any applicable national, communal or provincial health and safety legislation and regulations.
- 6.4 The Tenant undertakes to obtain the insurances appropriate for the Tenancy.

ARTICLE 7: LESSOR UNDERTAKINGS

- 7.1 Lessor shall put at the disposal of the Tenant the workdesk(s) and/or flexdesk(s) and/or unit and shared facilities as specified in Section III.2 Appendix 2 to this Contract.
- 7.2 Lessor shall provide the Tenant with the Services specified in Section III.2 Appendix 3 to this Contract.

ARTICLE 8: DISPUTE SETTLEMENT

- 8.1 This Contract shall be governed by the laws of the Netherlands.
- 8.2 The Parties agree to solve in an amicable way any dispute which might arise out of the interpretation or execution of this Contract. Should the Parties not find an amicable solution the issue shall be submitted to Arbitration.
- 8.3 Either Party may submit the dispute to arbitration under the rules of the Netherlands Arbitration Institute. The Arbitration Tribunal shall have its seat in The Hague and the proceedings shall be conducted in the English language. The award shall be final and binding on the Parties; no appeal shall lie against it. The enforcement of the award shall be governed by the laws of the Netherlands.
- 8.4 In all cases where lessor undertakes proceedings against the Tenant for compliance with its obligations under this Contract or vacation of the "Office Accommodation", the Tenant shall be obliged to pay to lessor all costs incurred arising in connection with the arbitration proceedings - except when there is a final award against lessor for payment of procedural costs.

ARTICLE 9: TRANSFER OF CONTRACT

The Tenant does not have the right to assign this Contract in whole or in part. This is to be understood that no subletting is allowed.

ARTICLE 10: CONDITION, SUITABILITY AND ALTERATIONS OF THE OFFICE ACCOMMODATION

- 10.1 At the date on which this Contract enters into force the "Office Accommodation" shall be delivered to and accepted by the Tenant in its then existing condition. This condition is described in Section III.2 Appendix 2 to this Contract.
- 10.2 The Tenant shall carry out a thorough inspection of the "Office Accommodation" put at his disposal by lessor before the this Contract enters into force in order to confirm that the Office Accommodation is suitable, filled in Section III.2 Appendix 2 to this Contract.
- 10.3 In no event Lessor grants the suitability of the Office Accommodation for the use made by the Tenant.
- 10.4 Unless the Parties agree otherwise in writing, lessor does not grant any consent for alterations and additions to the Office Accommodation the Tenant wishes to introduce.

ARTICLE 11 : LIABILITY

- 11.1 The Tenant shall indemnify lessor for any damage to the Office Accommodation and/ or the complex in which the Office Accommodation is located and/ or the Services, arising from any action, omission or negligence of the Tenant, the Tenant's staff, visitors or agents. Furthermore, the Tenant shall indemnify lessor for any damage arising from the violation by the Tenant of any obligation of this Contract or any applicable law or regulation.
- 11.2 Lessor shall not be liable towards the Tenant for any damage incurred by the Tenant as a result of a reduction in the enjoyment of the Office Accommodation and/or Services. This includes such reduction as a result of latent defects of the Office Accommodation or complex containing the Office Accommodation or Services, weather conditions, discontinuation of access to the Office Accommodation, discontinuation of gas, water, electricity, heating, ventilation or air-conditioning supplies, failure of systems and equipment, influx and escape of gases or liquids, fire, explosion, or shortfall in the provision of Services.
- 11.3 In the events described in 5.3, 11.1 and 11.2 herein, the Tenant may not claim any indemnification nor reduce the rent, set-off or suspend any payment obligations or dissolve the tenancy.
- 11.4 In no event shall lessor be liable for the Tenant's commercial losses or for losses resulting from activities of other tenants, or from restriction on the use of the Office Accommodation and/ or the Services caused by third parties.
- 11.5 The Tenant shall hold free lessor from any action or claim brought by third parties, such as but not limited to other tenants, agents or visitors, on the ground of a violation by the Tenant of any of its obligations under the this Contract and/or his improper or negligent use of the Office Accommodation and/or the Services.

ARTICLE 12: PROHIBITIONS

Section III.2: Tenancy of Office Accommodation

12.1 The Tenant is not permitted to:

- a. have any environmentally hazardous materials in, on or in the immediate vicinity of the "Office Accommodation", including noxious, flammable or explosive materials, unless all necessary permissions have been obtained from lessor.
- b. load the floors of the Office Accommodation or the building or complex containing the Office Accommodation in excess of the technically permitted limit of 250KG/M²;
- c. use the Office Accommodation in such a way as results in the occurrence of soil or other pollution, damage to the Office Accommodation or spoiling of the appearance of the Office Accommodation, including the use of transportation equipment which might damage walls or floors;
- d. introduce alterations or facilities in, on or about the "Office Accommodation" in contravention of government or authority laws or regulations or the conditions under which Lessor accepted the right to make the Office Accommodation available or other restricted rights, or such as might be a nuisance to other tenants or neighbours or hinder their usage rights.
- e. to allocate a different use to the "Office Accommodation" than exclusively for use by or on behalf of the Tenant as office space, unless the Lessor has given prior written permission to do so.
- f. to place advertising on, outside or near the property, a powerpoint presentation sheet will be allowed at entrance inside the Office Space of BVIT Noordwijk B.V., the format to be first agreed with the Lessor.

12.2 Unless the Parties agree otherwise in writing, lessor does not grant any consent for alterations and additions to the Office Accommodation the Tenant wishes to introduce.

ARTICLE 13: MAINTENANCE, REPAIR, RENEWAL, INSPECTIONS AND TESTS

13.1 Lessor shall be entitled to have access to the "Office Accommodation" as described in Section III.2 Appendix 2 for itself or any other third party at any time for necessary maintenance, emergencies or official purposes. If lessor wish to exercise this right, it shall notify the Tenant accordingly in advance and shall take the Tenant's interests into consideration when exercising this right. In cases of emergency and for authorities related to health, safety and/or security, lessor shall be entitled to enter the Office Accommodation without notification in advance.

13.2 Lessor shall be permitted to carry out, or have carried out, work or inspections in, on or about the "Office Accommodation" or the building or complex where they are located or the adjacent premises in the context of maintenance, repair and renewal. This includes the introduction of extra facilities and alterations or work required in connection with (environmental) requirements or measures imposed by the government or other competent authorities.

Section III.2: Tenancy of Office Accommodation

- 13.3 Renovation shall be deemed to include demolition, partially or wholly, replacement, additions and alterations to the "Office Accommodation" or the building or complex where they are located.
- 13.4 Renovation and maintenance work to the "Office Accommodation" or the building or complex where they are located shall not constitute a defect as far as the Tenant is concerned. Furthermore the Tenant shall permit lessor authorized third parties to perform maintenance and renovations works to the Office Accommodation or the Services or the building or complex where they are located and provide lessor with the opportunity to carry out such works, without any right to reduction of the price or any other payment obligation, partial or complete termination of this Contract and/or compensation.
- 13.5 In relation to those parts of the "Office Accommodation" of which the Tenant does not enjoy exclusive rights of use, such as common spaces, lifts, escalators, stairs, stairwells, passages, access points, and/or other immovable appurtenances, Lessor shall be entitled to alter the fittings and finishing thereof and to move, replace or eliminate these parts of the "Office Accommodation".

Section III.2: Tenancy of Office Accommodation

Done and signed in two original copies, one for each Party to this Contract,
on behalf of BViT Noordwijk BV in Noordwijk, on this day,

BViT Noordwijk B.V.

Signature

Represented by Mr. A.H. Buddingh', its director,

.....

Date:

on behalf of the Tenant,, in on this day,

Signature(s)

Represented by Mr.,

.....

Date:

Appendices

- GENERAL TERMS AND CONDITIONS FOR LEASE OF OFFICE ACCOMMODATION
- WORKPLACE
- Services Cost 1 and Service Cost 2
- Pricelist
- Draft workdesks
- Cost Overview

Separate Signature(s) of the Tenant(s) (each) acknowledging receipt of a copy of the GENERAL TERMS AND CONDITIONS FOR LEASE OF OFFICE ACCOMMODATION and other commercial accommodation within the meaning of Article 7:230A of the Civil Code, as specified in Clause 2.

Signature(s) of Tenant(s)

Lessor's initials

Tenant's initials

Section III.2 Appendix 1 – GENERAL TERMS AND CONDITIONS FOR LEASE OF OFFICE ACCOMMODATION

[Translation from Dutch]

This translation can only be used in combination with and as explanation to the Dutch text. In the event of a disagreement or dispute relating to the interpretation of the English text the Dutch text will be binding. These general conditions are subject to Dutch law.

GENERAL TERMS AND CONDITIONS FOR LEASE OF OFFICE ACCOMMODATION

and other commercial accommodation within the meaning of Article 7:230A of the Civil Code

Model established by the Real Estate Council (ROZ) in July 2003, lodged with the Clerk of the Court in The Hague on 11 July 2003 and registered there under number 72/2003. All liability for detrimental consequences of the use of the text of this model is hereby excluded by the ROZ.

Extent of the Subjects

1. The expression “the Subjects” shall also be taken to include the systems and provisions within the Subjects, insofar as they are not excluded in the report on transfer annexed to and initialled by the parties as relative to this Lease.

Condition

2. At the start of the Lease the Subjects are or shall be delivered to and accepted by the Tenant in their then existing condition. That condition shall be established in a dated report on transfer annexed as an appendix to and initialled by the parties as relative to the Lease and forming part of the Lease. If no report on transfer is prepared at the start of the Lease, then the Subjects will be considered to have been transferred to and accepted by the Tenant in the condition which the Tenant might expect from a well-maintained property of the type to which the Lease relates.

Defects

3. It shall be considered that there is a defect in the Subjects if, taking account of their condition or any characteristic or other circumstance not attributable to the Tenant, the Tenant cannot enjoy the use of the Subjects at the commencement of the Lease which it might expect to enjoy.

Inspection in connection with suitability

4. The Tenant shall be obliged to carry out a thorough inspection of the Subjects before the commencement of the Lease in order to confirm that the Subjects are suitable or can be rendered suitable by the Tenant for the purposes intended. The Landlord has not investigated the suitability of the Subjects and shall only be bound to draw the Tenant’s attention to defects known to the Landlord and which the Landlord knows would negatively affect their suitability. The Landlord shall not be liable for the consequences of defects of which it was not and ought not to have been aware.

Expertise

5. If the Tenant or the Landlord is not sufficiently expert, then it/they shall be obliged to have an expert present or be represented by an expert when the report on transfer is made up and at the inspection referred to in Clause 4.

Use

- 6.1** The Tenant shall use the Subjects during the whole term of the Lease actively, properly and personally exclusively for the purpose indicated in the Lease and paying due attention to existing restricted rights and any requirements imposed or to be imposed (including requirements relating to the Tenant's business, the use of the Subjects and everything present within the Subjects) by the government or utility companies. The Tenant shall furnish and stock the Subjects adequately at the start of the Lease. The Tenant shall keep the Subjects fully furnished and stocked. The term "utility companies", when used in this Lease, shall also include similar organisations whose business it is to supply, deliver and meter the use of energy, water, etcetera.
- 6.2** The Tenant shall comply with statutory provisions and local ordinances as well as normal commercial practice in relation to leases, government, utility company and insurance company provisions. The Tenant may only employ businesses in connection with carrying out work relating to security, fire-prevention and lift engineering if the Landlord has issued its approval of those businesses in advance and if the businesses are recognised by the National Prevention Centre (NCP) or the Netherlands Institute of Lift Engineers. The Tenant may not have the aforementioned type of work carried out itself, if that type of work is included in the context of supplies and services to be arranged and commissioned by the Landlord. The Tenant shall at all times observe the conditions of use issued by these businesses. Likewise, the Tenant shall take account of all verbal or written instructions issued by or on behalf of the Landlord in the interests of proper use of the Subjects and of internal and external accommodation, systems and services pertaining to the building or complex containing the Subjects. This also covers instructions relating to maintenance, inspection, noise levels, tidiness, fire prevention, parking regime and the proper functioning of the systems and the building or complex containing the Subjects.
- 6.3** The Tenant shall not cause any hindrance or inconvenience by its use of the building or complex containing the Subjects. The Tenant shall also ensure that any third parties present with its permission will not cause any nuisance.
- 6.4** The Tenant is entitled and obliged to use the communal provisions and services made or to be made available in the interests of the proper operation of the building or complex containing the Subjects.
- 6.5** The Landlord shall be entitled to have access to the roofs, external walls, spaces not accessible by the public or by the Tenant, the immovable appurtenances within and outside the building or complex and also the gardens and ground pertaining to the building or complex, for itself, tenants and third parties, for the purpose of installing or erecting (illuminated) advertising, sign-work, antenna systems and for other purposes. If the landlord wishes to exercise this right, the Landlord shall notify the Tenant accordingly in advance and shall take the Tenant's interests into consideration when exercising this right.
- 6.6** The Landlord may refuse the Tenant access to the Subjects if the Tenant has not (yet) complied with its obligations under the Lease when it wishes to start using the Subjects. This shall not affect the date of entry under the Lease, nor the Tenant's obligations under the Lease.

(Government) conditions and permissions

- 6.7.1** The Tenant shall itself be liable for obtaining any necessary dispensations and/or permissions, including permission for use in relation to the conduct of its business for which the Subjects are or shall be used. The costs arising from this shall be met by the Tenant. The refusal or revocation of such consents shall not afford any opportunity for terminating the Lease nor for any other action against the Landlord.

- 6.7.2** The Tenant shall carry out its own investigations at the start of the Lease as to whether the Subjects are suitable for the Tenant's intended use thereof. If any alterations or other provisions have to be carried out in, on or to the Subjects either at the start of the Lease or later as a result of government conditions or conditions imposed by other competent authorities in order to allow the Subjects to be used for the Tenant's intended purposes, then such alterations or provisions shall be carried out by the Tenant at its own expense, once prior approval has been given by the Landlord.
- 6.7.3** If any alterations or other provisions are required in, on or to the Subjects in connection with the business operations being carried out there or in order to allow the Subjects to be used for the Tenant's intended purposes, the Tenant shall be responsible, without prejudice to the terms of Clauses 6.8.1 to 6.8.3 inclusive and 6.11.1 to 6.11.7 inclusive, for ensuring that such work will be carried out in accordance with the requirements imposed or to be imposed by the government or other competent authorities. The Tenant is responsible for continual compliance with the requirements of any consent obtained or to be obtained. The Landlord therefore does not grant any indemnity to the Tenant in respect of (government) orders, further investigation or the taking of further steps.

Environment

- 6.8.1** If an environmental investigation is undertaken at the start of the Lease in relation to the Subjects, and a subsequent similar investigation either during or after the end of the Lease discloses higher concentrations of one or more substances in, on or about the Subjects than those present at the time of the earlier inspection, then the Tenant shall be liable to pay any damages arising from the pollution and shall be liable to the Landlord for costs incurred in removing the pollution or the taking of other steps. The Tenant shall indemnify the Landlord against claims in this context by third parties, including government institutions.
- 6.8.2** The provisions in Clause 6.8.1 shall not apply if the Tenant proves that the pollution has not occurred because of actions or omissions on its own part or by its staff or other individuals or articles under its supervision and are not related to circumstances for which the Tenant can be blamed.
- 6.8.3** The Landlord does not grant any indemnity to the Tenant in respect of (government) orders, further investigation or the taking of further steps.

Waste material/chemical waste

- 6.9** The Tenant shall comply fully with any guidelines, conditions or instructions issued by government or other competent authorities in relation to the (separate) collection of waste materials. In the event of failure to comply (fully) with this obligation, the Tenant shall be liable for any resulting financial, criminal and other consequences.

Apartment rights

- 6.10.1** If the building or complex containing the Subjects is or comes to be divided into apartment rights, the Tenant shall observe the conditions relating to usage imposed by the deed of division and regulations. The same shall apply if the building or complex is or becomes part of a co-operative.
- 6.10.2** The Landlord shall not, so far as possible, lend its co-operation to the imposition of any conditions which would be in conflict with the Lease.
- 6.10.3** The Landlord shall ensure that the Tenant receives a copy of the conditions relating to usage, as specified in Clause 6.10.1.

Prohibitions and procedural conditions

6.11.1 The Tenant is not permitted to:

- a. have any environmentally hazardous materials in, on or in the immediate vicinity of the Subjects, including noxious, flammable or explosive materials, unless these are held in the normal course of business;
- b. load the floors of the Subjects or the building or complex containing the Subjects in excess of the technically permitted limit or the limit prescribed in the Lease;
- c. use the Subjects in such a way as results in the occurrence of soil or other pollution, damage to the Subjects or spoiling of the appearance of the Subjects, including the use of transportation equipment which might damage walls or floors;
- d. introduce alterations or facilities in, on or about the Subjects in contravention of government or authority conditions or the conditions under which the owner of the Subjects acquired that ownership or other restricted rights, or such as might be a nuisance to other tenants or neighbours or hinder their usage rights.

6.11.2.1 The Tenant shall at all times keep the Landlord informed in writing about any alterations or additions which the Tenant wishes to carry out or obtain in, on or about the Subjects, such as nameplates, advertisements, boards, recommendations, publications, structures, joinery-work, packaging, goods, vending machines, lighting, sun awnings, roller shutters, aerials and associated equipment, flagpoles, blanking out of windows etcetera.

6.11.2.2 Alterations and additions shall be deemed to include the making of holes in the facades, floors and walls.

6.11.2.3 The Tenant shall require the Landlord's prior written consent for the complete or partial alteration of the furnishings or fittings within the Subjects, unless the alterations or additions are of a sort that can be dismantled and removed at nominal cost at the end of the Lease.

6.11.2.4 Unless the parties agree otherwise in writing, the Landlord does not grant any consent for alterations and additions which the Tenant wishes to introduce if they cannot be removed at the end of the Lease without damaging the Subjects and at nominal cost, or if these alterations and additions are not necessary for the proposed use of the Subjects, or if the enjoyment of the tenancy would not be improved, or if the Landlord has any strong objections to the proposals.

6.11.2.5 The Landlord shall be entitled to impose conditions in relation to any alterations or additions desired by the Tenant, such as in relation to the carrying out and positioning of the work, the proportions and the materials to be used. The Tenant shall be obliged to comply with any conditions imposed by the relevant competent authorities in relation to its alterations or additions.

6.11.2.6 Alterations and additions introduced by the Tenant shall not form part of the Subjects, whether or not the work is done with the Landlord's approval.

6.11.2.7 Except insofar as otherwise agreed in writing between the parties, alterations and additions introduced by or on behalf of the Tenant must be dismantled and removed before the end of the Lease.

6.11.2.8 The Tenant waives its rights and claims for unjustified enrichment in connection with alterations and additions introduced by or on behalf of the Tenant and which are not dismantled at the end of the Lease, unless the parties agree otherwise in writing.

6.11.2.9 Without the Landlord's prior written consent, the Tenant is forbidden from entering or allowing entry to the service and system rooms, the flat roof sections, roofs, drains, and those parts of the Subjects or the building or complex containing the Subjects which are not intended for general use, and from parking commercial vehicles otherwise than in designated parking places.

- 6.11.3** The Tenant shall behave in accordance with the conditions imposed by government and other authorised bodies, and also verbal and written instructions from the Landlord, in relation to the times for loading and unloading and the manner in which this should be done.
- 6.11.4** The Landlord shall have no liability whatever for the alterations or additions, etcetera, specified in Clauses 6.11.2.1 and 6.11.2.2.
- 6.11.5** The Tenant shall keep all fire-fighting equipment, fire escapes and emergency doorways clear at all times.
- 6.11.6** If the Subjects are equipped with a lift, travelator, escalator or automatic door system or if the Subjects can be accessed by means of one or more of these facilities, or similar ones, then use of these facilities shall be entirely at the user's own risk. All conditions issued or to be issued by the Landlord, the relevant installers or the government must be strictly adhered to. The Landlord shall be entitled to switch such facilities off - for as long as necessary - without the Tenant having any rights to compensation or reduction of rental.
- 6.11.7** If articles introduced by the Tenant (including advertising or other sign-work) have to be removed temporarily in connection with maintenance or repair work to the Subjects or the building or complex containing the Subjects, the costs of such removal, any storage costs and the reinstatement costs shall all be the Tenant's financial and risk responsibility, whether or not the Landlord gave permission for the said articles to be introduced in the first place.

Requests/permissions

- 6.12.1** If, after this Lease is signed, the Landlord or the Tenant requests a deviation from and/or supplement to any provision of this Lease, then the Landlord or the Tenant shall apply for such deviation and/or supplement in writing.
- 6.12.2** If and to the extent that any provision of this Lease requires the permission of the Landlord or the Tenant, such permission will only be deemed to have been granted if it is granted in writing.
- 6.12.3** Any permission given by the Landlord or the Tenant shall operate on a one-time-only basis and shall not apply to other or later instances. The Landlord and the Tenant shall be entitled to make their respective permissions subject to conditions.

Penalty provisions

- 7.** If, having duly received a notice of default from the Landlord, the Tenant continues to breach the conditions in the Lease and in these General Conditions, then the Tenant shall, if no other penalty is specified, be liable to pay to the Landlord an immediately recoverable fine of € 250.- per day for every day during which the Tenant continues in default. The foregoing is without prejudice to the Landlord's right to full compensation insofar as the losses suffered exceed the penalty imposed.

Sub-let

- 8.1** The Tenant shall not be permitted, without the Landlord's prior written consent, to let, sub-let or grant usage rights over the Subjects in whole or in part to third parties, nor to assign the tenancy rights in whole or in part to third parties nor to incorporate them into any partnership of individuals or other legal entity.
- 8.2** If the Tenant contravenes the foregoing provisions, it will be liable to the Landlord for a directly enforceable penalty for each day that the contravention continues, equivalent to two times the daily rental payable by the Tenant at the time, without prejudice to the Landlord's right to have the Lease complied with or to dissolve the Lease on the grounds of breach of contract, and to claim damages.

Review of rental

- 9.1** The rental review agreed in Clause 4.5 of the Lease shall take place on the basis of the alteration of the monthly price index of the Consumer Price Index (CPI), all households series (2000 = 100), published by the Central Bureau of Statistics (CBS). The amended rental shall be calculated according to the following formula: the amended rental shall be equivalent to the existing rental of the date of amendment, multiplied by the index point in the fourth calendar month before the calendar month in which the rental is reviewed, divided by the index point of the sixteenth calendar month before the calendar month in which the rental is reviewed.
- 9.2** The rental shall not be adjusted if the adjustment would lead to a lower rental than the most recently valid figure. In such a case the most recently valid rental figure will continue to apply until a subsequent indexation of the index point in the calendar month four months prior to the adjustment is higher than the index point of the calendar month four months prior to the calendar month in which the most recent adjustment took place. In such a case the rental adjustment will use the index points of the calendar months indicated in the foregoing subparagraph (9.1).
- 9.3** It is necessary for the validity of a newly indexed rental that the Tenant is advised separately in advance of the indexation proposed or just carried out.
- 9.4** An indexation method as closely comparable as possible shall be used if the CBS ceases publication of its index points or alters their basis of calculation, and in case of a difference of opinion on this matter, the party taking the initiative may ask the Director of the CBS to pronounce a decision to be binding on the parties. Half of any costs associated with this will be borne by each of the parties.

End of the Lease or of Use

- 10.1.1** Unless otherwise agreed in writing, the Tenant shall surrender the Subjects to the Landlord at the end of the Lease or at the end of use thereof in the condition as described in the report on transfer at the start of the Lease, account being taken of any normal wear and tear and ageing.
- 10.1.2** If no report on transfer has been prepared in relation to the Subjects at the start of the Lease, then the Subjects shall be handed back by the Tenant to the Landlord at the end of the Lease or the end of the Tenant's use in the condition which might reasonably be expected from a well-maintained property of the type to which the Lease relates, without defects, unless otherwise agreed in writing, and subject to normal wear and tear and ageing.
- 10.1.3** In any debate over the condition of the Subjects at the start of the Lease, the Tenant will be assumed to have received the Subjects in good condition and without defects.
- 10.1.4** Furthermore, the Subjects will be handed back to the Landlord completely vacated, free of use and rights of use, properly cleaned and with all keys, key cards and suchlike pertaining thereto. The Tenant shall be obliged to remove all items it has introduced in, on or about the Subjects or which were taken over by it from the foregoing tenant or occupier, all at the Tenant's expense. The Landlord shall not be liable to make any payment for items not removed. Items not already removed may be removed at the Tenant's expense. The provisions of Clauses 6.11.2.6 and 6.11.2.7 shall apply.
- 10.2** If the Tenant ends its use of the Subjects prematurely, the Landlord shall be entitled to obtain access to and take over possession of the Subjects at the Tenant's expense, with no rights to compensation accruing to the Tenant.

- 10.3** All items deemed to have been abandoned by the Tenant through leaving them in the Subjects when it actually leaves the Subjects may, in the Landlord's option, be removed by the Landlord, at the Tenant's expense, without any liability on the Landlord's part. The Landlord shall be entitled - unless the Landlord is aware that the ensuing tenant has taken the items over - to take these items away for immediate destruction at the Tenant's expense or to appropriate them to its own possession and thereafter, if so desired, to sell them and retain the proceeds of sale, all in the Landlord's own discretion. If the ensuing tenant has taken over the items, the Tenant shall be obliged to prepare a description, along with the ensuing tenant, of all items being taken over by the ensuing tenant. This description, initialled by the Tenant and the ensuing tenant, should be sent to the Landlord immediately after it is prepared.
- 10.4** Unless otherwise agreed in writing between the Landlord and the Tenant, the Tenant shall in no circumstances be entitled to leave behind any items in the Subjects after the end of the Lease while awaiting a response to the question as to whether an ensuing tenant is likely to want to take over these items. If the Tenant fails to comply with this provision, the Landlord shall be entitled, at its own discretion, to have the items in question destroyed immediately, at the Tenant's expense, or else to appropriate these items to its own use and, if so desired, to sell them and retain the proceeds of sale.
- 10.5** The Subjects must be inspected by the parties jointly, in good time before the end of the Lease or the end of use. A report of this inspection shall be prepared by the parties and shall record the findings in relation to the condition of the Subjects. This report shall also record which work still has to be done at the Tenant's expense in relation to repairs apparently required in terms of the report and any maintenance required in hindsight, as well as the manner in which that work will have to be accomplished. The inspection and the preparation and signing of the inspection report shall be effected either by the parties or by their appointed representatives. The parties will not be able to challenge the authority of such representatives after the event.
- 10.6** If, after having had a clear opportunity to do so, the Tenant does not co-operate in the inspection and/or the recording of the findings and arrangements in the inspection report, the Landlord shall be entitled to carry out the inspection without the Tenant's attendance and to fix the terms of the report as binding on the parties. The Landlord shall give a copy of such a report to the Tenant straight away.
- 10.7** The Tenant shall be obliged to carry out or arrange to have carried out the work which it must do or have done in terms of the inspection report within the time limit set in the report or such time limit as is agreed between the parties, all to the Landlord's satisfaction. If the Tenant fails to comply with its obligations under the inspection report, in whole or in part, even after having received a notice of default, the Landlord shall be entitled to have the work carried out and to recover the associated costs from the Tenant.
- 10.8** The Tenant shall be liable to pay a sum to the Landlord for the time taken up in repairing the Subjects, counting from the day after the date on which the Lease ends, calculated with reference to the most recently applicable rental and payment for ancillary supplies and services, all without prejudice to the Landlord's claim for payment of further damages and costs.

Damage and Liability

- 11.1** The Tenant shall take appropriate and timely steps to prevent and confine any damage to the Subjects such as damage from electrical short circuit, fire, leakage, storm, frost or any other weather conditions, influx and escape of gases and liquids. The Tenant must inform the Landlord immediately if such damage, or an event such as specified in Clause 11.6, occurs or threatens to occur.

- 11.2** If the Tenant has relevant access thereto, the provisions of the foregoing sub-paragraph shall also apply to the building or complex containing the Subjects.
- 11.3** The Tenant shall be liable to the Landlord for all damages and losses to the Subjects unless the Tenant proves that no blame should be attached to it, to individuals it allows into the Subjects, its staff and those individuals for whom the Tenant is liable, or that no negligence can be attributed to any of them, all without prejudice to the terms of Clauses 13.1, 13.4, and 13.5 in relation to the Tenant's maintenance, repair and renewal obligations.
- 11.4** The Tenant indemnifies the Landlord against all fines imposed on the Landlord because of the Tenant's actions or negligence.
- 11.5** The Landlord shall not be responsible for the consequences of defects of which it was unaware and ought not to have been aware at the commencement of the Lease.
- 11.6** The Landlord shall not be liable for any damage occasioned to the Tenant's person or goods and the Tenant shall have no right to have the rental reduced, to set-off or suspend any payment obligations, or to dissolve the Lease in the event of a reduction in the enjoyment of the tenancy because of defects, including such reduction as a result of patent or latent defects in the Subjects or the building or complex containing the Subjects, weather conditions, discontinuation of access to the Subjects, vacant property in the vicinity, discontinuation of gas, water, electricity, heating, ventilation or air-conditioning supplies, failure of systems and equipment, influx and escape of gases or liquids, fire, explosion, or shortfall in the provision of services. Likewise the Landlord shall not be responsible for damage to the persons or goods of third parties present in the Subjects and the Tenant indemnifies the Landlord against all third party claims.
- 11.7** The Tenant shall be liable for damages resulting from alterations and additions introduced into the Subjects by it or on its behalf. The Tenant indemnifies the Landlord against claims by third parties for damages sustained because of alterations and improvements made by the Tenant.
- 11.8** The Landlord shall not be liable for the Tenant's commercial losses or for losses resulting from activities of other tenants, or from restriction on the use of the Subjects caused by third parties, or for defects arising because the Tenant has not met its maintenance obligations.
- 11.9** The provisions of Clauses 11.6 and 11.8 in relation to commercial losses will not apply in cases resulting from serious fault or gross negligence on the Landlord's part in relation to the condition of the Subjects or the building or complex containing the Subjects. Likewise the provisions of Clauses 11.6 and 11.8 in relation to commercial losses will not apply if the damage is caused by a defect in the Subjects of which the Landlord was or ought to have been aware at the start of the Lease, unless it relates to defects which the Tenant was aware of or could have been aware of by virtue of its inspection described in Clause 4, with such a defect then not being able to be regarded as a defect as between the parties.

Bank guarantee

- 12.1** As a guarantee for the proper compliance with its obligations under the Lease, the Tenant shall provide to the Landlord, when the Lease is signed, a bank guarantee in a form of words specified by the Landlord, for the amount stated in the Lease, related to the Tenant's payment obligations to the Landlord. This bank guarantee shall also apply to any extension of the Lease including any amendments thereto and shall continue for at least six months after the date on which the Subjects are actually vacated by the Tenant and the Lease is ended. Moreover this bank guarantee shall be valid in relation to the Tenant's legal successor(s).
- 12.2** The Tenant shall not be entitled to set-off any payments against the bank guarantee.

- 12.3** In the event that the bank guarantee is called in, the Tenant shall immediately arrange, on the Landlord's first request, to have a new bank guarantee issued for an amount adjusted to the new payment obligations.
- 12.4** After any upward review of the rental or the (advance) payment for supplies and services and the current Turnover Tax, the Tenant shall be obliged to have a new bank guarantee issued immediately for an amount adjusted to the new payment obligations.
- 12.5** Prior to the start of each new rental period under an extension of the Lease, the Tenant shall immediately arrange to have a new bank guarantee issued for an amount adjusted to the new payment obligations.
- 12.6** If the Tenant fails to comply with the obligations described in this Clause, it shall forfeit an immediately payable fine of € 250.- to the Landlord for every calendar day that the Tenant remains in breach, after the Tenant's attention has been drawn to the breach by means of registered letter.

Maintenance, repair and renewal, inspections and tests

- 13.1** The Landlord shall be responsible for the costs of maintenance, repair and renewal work to the Subjects, as specified at Clause 13.3 below. The Tenant shall be responsible for all other maintenance, repair and renewal works, including the costs of inspections and tests at the Subjects. If the Subjects form part of a building or complex, the above-mentioned provisions shall apply also to the specified costs in relation to the building or complex containing the Subjects, such as work on communal systems, spaces and other communal facilities.
- 13.2** Unless otherwise agreed between the parties, the work specified in Clauses 13.3 and 13.4 shall be carried out by or on the instructions of the party who is liable to pay for it. The parties shall proceed to have such works carried out in good time.
- 13.3** The Landlord shall be responsible for the costs of:
- a. maintaining, repairing and renewing the structural parts of the Subjects, such as foundations, columns, balconies, structural floors, roofs, flat roof sections, outer walls and structural facades;
 - b. maintaining, repairing and renewing the stairs, stair treads, sewage pipes, drains, and external window frames. The provisions in Clause 13.4, sub k, shall still apply to sewage pipes;
 - c. replacement of components and renewal of systems pertaining to the Subjects;
 - d. external paintwork.
- The work specified at a. to d. inclusive shall be the Landlord's financial responsibility, unless the work can be regarded as minor repairs, including small-scale and daily maintenance in the legal sense or else work to items not introduced in on or about the Subjects by or on behalf of the Landlord.

13.4

The Tenant shall be responsible for the following, in clarification or, as the case may be, in derogation from or supplementation to Clause 13.1:

- a. external maintenance insofar as it can be shown to relate to routine repairs including minor and daily maintenance in the legal sense, and internal maintenance other than maintenance as specified in Clause 13.3, all without prejudice to the following provisions;
- b. maintenance, repair and renewal of door and window furniture, glazing and glass doors, mirror, window and other frames;
- c. maintenance and repair of roller shutters, venetian blinds, canopies and other awnings;

- d. maintenance, repair and renewal of switches, power sockets, bell systems, light-bulbs, lighting (including fittings), batteries, floor-coverings, soft furnishings, internal paintwork, sinks, kitchen equipment and sanitary ware;
- e. maintenance, repair and renewal of pipe-work and valves for gas, water and electricity, fire-, burglary- and theft-prevention measures and everything pertaining thereto;
- f. maintenance, repair and renewal of boundary partitions, garden and ground, including pavements;
- g. regular and proper maintenance, together with regular testing and certification of all technical systems pertaining to the Subjects, including the replacement of any small components. This work may only be carried out by contractors approved by the Landlord;
- h. all testing and inspection, whether prescribed by government or not and both regular and casual, as may reasonably be deemed necessary, in the areas of reliability and safety, and for checking good working order, of the systems (technical or otherwise) pertaining to the Subjects or the Subjects' immovable appurtenances; the said testing and inspections shall be carried out on the Tenant's instructions; so far as the costs arising from this are concerned, these shall be governed, as far as possible, by the following provisions in Clauses 16.3 to 16.8 inclusive.
- i. maintenance, repair and renewal of items introduced by or on behalf of the Tenant, whether or not this is done under a provisional estimate provided by the Landlord to the Tenant;
- j. attention to cleaning the Subjects and keeping them clean, both internally and externally, including keeping the windows, roller shutters, venetian blinds, canopies and other awnings, the outside window frames and facades of the Subjects clean, and the removal of any graffiti left on the Subjects.
- k. attention to installation of grease-traps, cleaning and unblocking traps, drains and all waste and sewage pipes as far as the municipal sewer for the Subjects, scrubbing of sinks and cleaning out ventilation ducts.

13.5 The Tenant shall be liable for maintaining, repairing and renewing any alterations and additions introduced to the Subjects by or on behalf of the Tenant.

13.6 If, having been given due notice, the Tenant neglects maintenance, repair or renewal work for which it is liable - or if, in the Landlord's opinion this work has been carried out improperly or poorly - the Landlord shall be entitled to have the works of maintenance, repair or renewal deemed to be necessary carried out at the Tenant's cost and risk. If the work which should have been done at the Tenant's expense cannot be postponed, the Landlord shall be entitled to carry out that work or have it carried out immediately, at the Tenant's expense.

13.7 The Landlord shall consult with the Tenant, in advance, in relation to works of maintenance, repair and renewal which are the Landlord's liability, as regards the manner in which they should be carried out, so far as possible with the Tenant's interests in mind. If the Tenant asks for these works to be carried out outside normal working hours, the Tenant shall be liable for any extra costs involved.

13.8 The Tenant shall be responsible for the proper and skilful use of the technical systems in the Subjects. The Tenant shall likewise be responsible for any maintenance of those systems carried out by it or on its instructions. The fact that the maintenance is carried out by a business approved by the Landlord shall not absolve the Tenant from this responsibility.

13.9 The Tenant shall notify the Landlord straight away, in writing, of any faults in the Subjects. In that notification, the Tenant shall give the Landlord a reasonable time - not less than six

weeks, except in the case of a calamity - to make a start on rectifying any fault which is the Landlord's financial responsibility.

- 13.10** If the Landlord and the Tenant agree that the maintenance, repair and renewal work in, on or about the Subjects or the building or the complex containing the Subjects, as specified in Clauses 13.1, 13.4 and 13.5, which is the Tenant's responsibility, shall be carried out on the Landlord's instructions rather than the Tenant's, then the associated costs shall be passed on by the Landlord to the Tenant. In some cases the Landlord will conclude maintenance contracts for this work.

Adjustments by or on behalf of the Landlord

- 14.1** The Landlord shall be permitted to carry out, or have carried out, work or inspections in, on or about the Subjects or the building or complex containing them or the adjacent premises in the context of maintenance, repair and renewal. This shall include the introduction of extra facilities and alterations or work required in connection with (environmental) requirements or measures imposed by the government or other competent authorities.
- 14.2** If the Landlord wishes to proceed with renovation of the Subjects, it shall put a proposal for such renovations to the Tenant. A proposal for renovations will be considered reasonable if it is approved by at least 51% of the tenants whose subjects are affected by the renovations and if such tenants rent at least 70% of the rentable floor area in m², including vacant property, of the building or complex containing the Subjects affected by the proposed renovations. For the calculation of the percentage, the Landlord shall be regarded as tenant of any un-let but rentable floor area in m².
- 14.3** Renovation shall be deemed to include (partial) demolition, replacement new build, additions and alterations to the Subjects or the building or complex containing them.
- 14.4** The provisions in Article 7:220, paragraph 1, 2 & 3 of the Civil Code shall not be applicable. Renovation and maintenance work to the Subjects or the building or complex containing them shall not constitute a defect as far as the Tenant is concerned. The Tenant shall permit maintenance and renovations works to the Subjects or the building or complex containing them and provide the Landlord with the opportunity to carry out such works, without any right to reduction of the rental or any other payment obligation, partial or complete dissolution of the Lease and/or compensation.
- 14.5** In relation to those parts of the Subjects of which the Tenant does not enjoy exclusive rights of use, such as communal spaces, lifts, escalators, stairs, stairwells, passages, access points, and/or other immovable appurtenances, the Landlord shall be entitled to alter the fittings and finishings thereof and to move, replace or eliminate these parts of the Subjects.

Landlord's access rights

- 15.1** If the Landlord wishes to have a valuation of the Subjects carried out or wishes to proceed with having work carried out in, on or to the Subjects, the Tenant shall be obliged to provide access to the Landlord or those applying to the Tenant on the Landlord's behalf, and to make facilities available for the work to be carried out.
- 15.2** In order to carry out the tasks described in Clause 15.1, the Landlord and all individuals appointed by it shall be entitled to enter the Subjects, after consultation with the Tenant, between 07.00 hours and 17.30 hours on working days. In cases of emergency, the Landlord shall be entitled to enter the Subjects even without consultation and/or outside the foresaid times.

15.3 In the event of any proposed lease, sale or auction of the Subjects, and during the final year before the end of the Lease, the Tenant shall be obliged, on having received prior notification by or on behalf of the Landlord, to provide the opportunity, without any payment, for viewings of the Subjects during at least two working days per week. The Tenant shall allow the usual "To Let" or "For Sale" signs or posters to be erected on or about the Subjects

Costs of supplies and services

- 16.1** In addition to the rental, the Tenant shall be liable for the costs of supply, transportation, metering and usage of water and energy for the Subjects, including the costs of entering into the relevant contracts and meter rental, and any penalties or fines imposed by the utility companies. The Tenant shall conclude the contracts for supply with the relevant organisations, unless the Subjects have no separate connection and/or the Landlord arranges this as part of the supplies and services provided under the Lease.
- 16.2** If the parties have not contracted for any ancillary supplies and services, the Tenant shall arrange for these at its own cost and risk, to the Landlord's satisfaction. In such cases the Tenant shall conclude service contracts, as approved by the Landlord, in relation to the systems within the Subjects.
- 16.3** If the parties have agreed that ancillary supplies and services will be provided by or on behalf of the Landlord, the Landlord shall establish the payment for these due by the Tenant on the basis of the costs incurred in providing these supplies and services together with the relevant administrative cost element. Insofar as the Subjects form part of a building or complex and the supplies and services also relate to other parts thereof, the Landlord shall fix the proportion of the costs reasonably due by the Tenant for those supplies and services. The Landlord shall not be required to take account of the fact that the Tenant may not use one or more of those supplies and services. If one or more parts of the building or complex are not in use, the Landlord shall ensure, when fixing the Tenant's share, that it is not higher than it would have been if the whole of the building or complex had then been in use.
- 16.4** The Landlord shall send out to the Tenant a detailed statement for each year in relation to the costs of the supplies and services, with information on how these were calculated and, so far as applicable, the Tenant's share of those costs.
- 16.5** A statement shall be sent out after the end of the Lease for the period not yet accounted for. This final statement shall be sent out not later than 14 months after the previous statement was sent out. Neither the Landlord nor the Tenant shall be allowed to make any premature claims for set-off.
- 16.6** If it is apparent from the statement for a period in question, and taking account of advance payments, that the Tenant has paid too little or that the Landlord has received too much, there shall be an additional payment or a repayment within one month after the statement is sent out. A challenge to the accuracy of the statement shall not result in any suspension of this payment obligation.
- 16.7** The Landlord shall be entitled, after due consultation with the Tenant, to alter the nature and scope of the supplies and services or to let them lapse.
- 16.8** The Landlord shall be entitled to adjust the advance payment due by the Tenant for supplies and services on an interim basis in relation to the anticipated costs, including in the circumstances mentioned in Clause 16.7.
- 16.9** If the supply of gas, electricity, heat and/or (hot) water is included in the supplies and services, the Landlord shall be entitled, after due consultation with the Tenant, to adjust the method of ascertaining the usage and the Tenant's share, connected therewith, of the costs of usage.

- 16.10** If the usage of gas, electricity, heat and/or (hot) water is ascertained by reference to metering equipment and if any dispute arises over the Tenant's share of the usage costs because of non-functioning or incorrect functioning of those meters, then that share shall be established by a company, to be called in by the Landlord, specialising in the measuring and establishment of gas, electricity, heat and/or (hot) water consumption. This shall also apply in the case of damage, destruction or fraud in relation to the meters, without prejudice to the Landlord's other rights in such cases against the Tenant, such as the right to repair or renewal of those meters and payment of any losses sustained.
- 16.11** Except in the case of gross negligence or serious fault, the Landlord shall not be liable for any losses resulting from the non-functioning or the improper supply of the aforementioned provisions and services. Likewise the Tenant shall not, in such cases, have any claim for reduction in rental and/or set-off against any payment obligation.

Costs, default

- 17.1** In all cases where the Landlord issues a summons, notice of default or bailiff's notification to the Tenant, or where proceedings are taken against the Tenant for compliance with its Lease obligations or vacation of the premises, the Tenant shall be obliged to pay to the Landlord all costs incurred, both judicial and extra-judicial - except when there is a final court order against the Landlord for payment of procedural costs.
The costs incurred will be established in advance between the parties at a level no lower than the normal tariff charged by bailiffs.
- 17.2** The Tenant shall be in default on the mere expiry of one payment period.

Payments

- 18.1** Payment of the rental and all further charges arising in terms of this Lease shall be made in Dutch legal tender not later than on the due date - without deduction, discount, retention or set-off against any claim the Tenant has or believes it has against the Landlord - by payment or transfer to a bank account indicated by the Landlord. This is without prejudice to the Tenant's right to remedy any defects itself and to deduct the reasonable costs thereof from the rental if the Landlord is in default in remedying those defects. The Landlord shall be free, by means of written intimation to the Tenant, to amend the place or method of payment. The Landlord shall be entitled to decide which of any outstanding claims under the Lease shall be reduced by any payment received from the Tenant, unless the Tenant specifically indicates otherwise when it makes the payment. In this last case, the provisions in article 6:50 of the Civil Code shall not be applicable.
- 18.2** On every occasion when an amount due by the Tenant under this Lease is not paid promptly to the Landlord, there shall, by operation of law, be an immediately payable penalty due by the Tenant to the Landlord, of 2% of the amount due per calendar month (with each part of a month counting as a full month) subject to a minimum of € 300.- per month, from the date when the amount became due.

Taxes, burdens, duties, premiums

Turnover Tax

- 19.1** If it has been agreed that Turnover Tax will be charged on the rental, the Tenant and the Landlord hereby explicitly declare that an assumption was made when setting the rental that the Tenant would use or cause the use of the Subjects continuously for at least the minimum percentage of time set or to be set in order to qualify for entitlement to deduction of Turnover Tax, insofar as that can be elected for a lease subject to Turnover Tax.

- 19.2** The Landlord and the Tenant shall avail themselves of the opportunity to waive the service of a joint option request, under Information Note 45, Order of 24 March 1999, no. VB 99/571, for a rental chargeable to Turnover Tax and shall suffice instead with a declaration completed and signed by the Tenant, which declaration shall form an integral part of the present Lease.
- 19.3 a** If the Tenant is not (or no longer) using the Subjects or causing them to be used for considerations entitling deduction of Turnover Tax and the exception from the exemption to deduct Turnover Tax from the rental thereby comes to an end, then the Tenant shall no longer be due to pay Turnover Tax on the rental to the Landlord or its legal successor(s) but shall be liable, from the date such termination becomes effective, to make a separate payment to the Landlord or its legal successor(s) in addition to the rental, in lieu of Turnover Tax, which shall compensate the Landlord in full for:
- I. the Turnover Tax on running costs of and investment in the Subjects which is not, or no longer, deductible by the Landlord or its legal successor(s) as a result of the termination of the option;
 - II. the Turnover Tax which the Landlord or its legal successor(s) will have to pay to the tax authorities by way of re-calculation as specified in Section 15, para. 4 of the Turnover Tax Act 1968 or review as specified in Sections 11 to 13, inclusive, of the Turnover Tax Implementation Order 1968, all as a result of the termination of the option;
 - III. all other losses suffered by the Landlord or its legal successor(s) as a result of termination of the option.
- 19.3 b** The financial losses suffered by the Landlord or its legal successor(s) as a result of the termination of the option shall be paid by the Tenant to the Landlord, or its lawful successor(s) regularly along with the regular payments of the rental and shall, with the exception of losses specified in Clause 19.3a, sub I, be spread over the remaining duration of the current Lease by means of an annuity if possible, but shall be immediately payable in full, in one lump sum, if the Lease is terminated in the meantime for any reason whatever.
- 19.4** The provisions in Clause 19.3a, sub II, shall not apply if, when the present Lease is concluded, the review period for deductions from Turnover Tax in relation to the Subjects has expired.
- 19.5** If a situation such as that contemplated in Clause 19.3a should occur, the Landlord or its legal successor(s) shall inform the Tenant how much has to be paid by the Landlord, or its legal successor(s), to the tax authorities and detail the other losses as specified in Clause 19.3a, sub III. The Landlord or its legal successor(s) shall co-operate if the Tenant wishes to have the return submitted by the Landlord or its legal successor(s) checked by an independent chartered accountant. The costs of this would be paid for by the Tenant.
- 19.6** If, in any financial year the Subjects are not used sufficiently, for the purposes stated in Clause 19.1, the Tenant shall advise the Landlord or its legal successor(s) of this, within four weeks after the end of the financial year in question, by means of a signed Tenant's declaration. The Tenant shall send a copy of this declaration to the Turnover Tax Inspector within the same period.

- 19.7** If the Tenant fails to comply with the obligation to notify, as stated in Clause 19.6, and/or the obligation to use the Subjects, as stated in Clause 19.9, or if it appears in hindsight that the Tenant proceeded on the basis of any incorrect assumption and the Landlord or its legal successor(s) was/were therefore wrong to charge Turnover Tax on the rental, then the Tenant shall be in default and the Landlord or its legal successor(s) shall be entitled to recover any resulting financial loss from the Tenant. Such loss shall refer to the full amount of the Turnover Tax due by the Landlord or its legal successor(s) to the tax authorities, together with interest, any surcharges and further costs and damages. The terms of this paragraph make provision for a compensation scheme in the event that the option is terminated with retrospective effect, in addition to the regulations under Clause 19.3a. The extra losses suffered by the Landlord or its legal successor(s) as a result of retrospective impact shall be payable by the Tenant immediately, in full and in one lump sum. The Landlord or its legal successor(s) shall co-operate if the Tenant wishes to have the statement in relation to these extra losses of the Landlord or its legal successor(s) checked by an independent chartered accountant. The costs of this would be paid for by the Tenant.
- 19.8** The terms of Clauses 19.3a, 19.3b, 19.5 and 19.7 shall also apply if the Landlord or its legal successor(s) is/are only confronted by losses arising from the termination of the option arrangement between the parties after the termination of the Lease, as well as during the currency of the Lease, and such damages would then be payable to the Landlord or its legal successor(s) immediately, in full and in one lump sum.
- 19.9** Without prejudice to the other relevant provisions of this Lease, the Tenant shall, in every case to which the option right applies, use the Subjects or cause them to be used before the end of the financial year following the financial year in which the Tenant takes on the Lease of the Subjects.

Other taxes, burdens, levies, premiums, etcetera

- 20.1** The Tenant shall pay the following, even if the assessments are sent to the Landlord:
- a. Real Estate Tax in relation to the actual usage of the Subjects and the actual shared use of service spaces, general spaces and communal spaces;
 - b. environmental levies, including surface water pollution duty, waste water drainage contribution and every other contribution under the heading of environmental protection;
 - c. betterment levy, or any substitute taxes or levies, in whole or for a proportionate share, if and to the extent that the Tenant benefits from whatever gives rise to the assessment or levy;
 - d. sewerage charges;
 - e. other existing or future taxes, including taxes charged for provisions in public areas as well as flag and advertising taxes, municipal land encroachment taxes, burdens, levies and duties:
 - in relation to the actual usage of the Subjects;
 - in relation to the Tenant's property;
 - those which would not have been charged, or not charged to such an extent, if the Subjects were not being used by the Tenant.
- 20.2** If any burdens, duties or taxes due by the Tenant are collected from the Landlord, these will be repaid by the Tenant to the Landlord on the Landlord's first request.

20.3 If a higher than normal fire-insurance premium is charged to the Landlord or other tenants in the building or complex, in relation to the Subjects, or the building or complex containing them, for structures, stock or contents, because of the nature or characteristics of the trade or profession carried out by the Tenant, then the Tenant shall pay the excess above the normal premium to the Landlord or those other tenants. The Landlord and the other tenants shall be free to choose their insurance companies, to decide the insurable values and to assess the reasonableness of the premium charged.

“Normal premium” will be taken to mean the premium which the Landlord or Tenant could stipulate from a well-known and respected insurer for covering the Subjects, stock and contents against risk of fire at the time directly preceding the conclusion of this Lease, without taking any account of the nature or characteristics of the trade or profession to be carried on by the Tenant in the Subjects, together with - for the duration of the Lease - any adjustment in the said premium not resulting from an alteration to the nature and extent of the insured risk.

Joint and several liability

21.1 If more than one (natural or juristic) individual is contractually bound as Tenant, they shall always be liable jointly and severally to the Landlord and each of them for all of the obligations arising under the Lease. Deferment of payment or remission on the Landlord’s part to one of the Tenants, or an offer to do so, shall affect only that Tenant.

21.2 The obligations under the Lease are joint and several, even as regards heirs and others deriving right from the Tenant.

Non-availability at the appropriate time

22.1 If the Subjects are not available on the agreed date of entry under the Lease because they have not been cleared, the previous occupier has not vacated in time or the Landlord has not obtained the requisite government permissions, the Tenant shall not be due to pay any rental nor any payment for ancillary supplies and services until the date when the Subjects are made available for it, and shall also be entitled to postpone its other obligations and the contractually agreed dates by a corresponding period. The rental indexation date shall remain unaltered.

22.2 The Landlord shall not be liable for any losses sustained by the Tenant because of any such delays, unless serious fault or gross negligence on the Landlord’s part can be established.

22.3 The Tenant shall not be entitled to demand cancellation unless the delayed handover is caused by serious fault or gross negligence on the Landlord’s part and such a delay results in circumstances where the Tenant could not reasonably be required to adhere to the Lease in unmodified terms.

Data Protection Act

23. If the Tenant is a natural person, the Tenant shall, by entering into and signing this Lease, give permission for the Landlord and the Property Manager to record and process his/her personal details in a database.

Domicile

24.1 From the date of entry under the Lease, all notifications by the Landlord to the Tenant in connection with the performance of this Lease shall be sent to the address of the Subjects.

24.2 The Tenant undertakes, if the Tenant is no longer carrying on its business from the Subjects, immediately to notify the Landlord of this in writing, at the same time confirming the Tenant’s new domicile.

24.3 If the Tenant leaves the Subjects without providing details of a new domicile to the Landlord, the address of the Subjects shall continue to operate as the Tenant's domicile.

Complaints

25. The Tenant shall lodge any complaints and requests in writing. This may be done verbally in urgent cases. In such cases the Tenant shall confirm the complaint or request as quickly as possible in writing.

Property Manager

26. If a property manager is appointed by the Landlord, the Tenant shall consult with the property manager on all matters arising from the contract.

Final provisions

27. If one part of the Lease or these General Conditions is void or voidable, this will not affect the validity of the remaining provisions of the Lease or these General Conditions. In such a case the void or voidable provision(s) shall be substituted, in accordance with the provisions of Article 3:42 of the Civil Code, by provisions as close as legally permissible to what the parties would have agreed if they had been aware of the nullity or voidability.

Section III.2 Appendix 2 – WORKPLACE

The Workplace shall be provided by BViT to the Tenant as provided below (and modified on a case by case basis, if applicable).

- 1. WorkDesk includes: Desk, office chair, pedestal and filing cabinet
- FlexDesk includes: Desk, and office chair
- The Unit includes:
 - _ Desks __ Office Chairs
 - __ Pedestals __ Filing Cabinets

2. The Tenant has the right to use the following ESIC shared facilities:

- Display Area;
- Pantry;
- WC facilities.
- Concentration Cells;
- Elevator.

3. Description of the condition of the :

- Workdesk: good / acceptable / poor
- Office Chair: good / acceptable / poor
- Pedestal: good / acceptable / poor
- Filing Cabinet: good / acceptable / poor
- Walls*: good / acceptable / poor
- Floors*: good / acceptable / poor
- Ceiling*: good / acceptable / poor
- Windows/ window sills*: good / acceptable / poor
- Door*: good / acceptable / poor

* Only applicable when tenant rents an Unit in the office of BViT Noordwijk.

Section III.2 Appendix 3 –Services Cost 1 and Service Cost 2

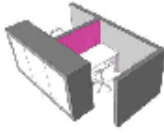
Service Cost 1 include:

- Gas
- Water
- Light
- Internet

Service Cost 2 include:

- Coffee, Tea from office of BViT Noordwijk B.V. in ESIC
- Basic Office Supplies
- Shared use of a black-white printer
- Acces to a color printer
- Shared use of a photocopier
- Shared use of a scanner
- Postservice
- Welcome service
- Fair use of a Odd job corner
- Fair use of a Concentration Cell
- Access to the public section of the ESA Technical Information and Documentation Centre

Section III.2 Appendix 4 – Pricelist



Pricelist Workdesk / Office

ESA BIC Noordwijk 2011



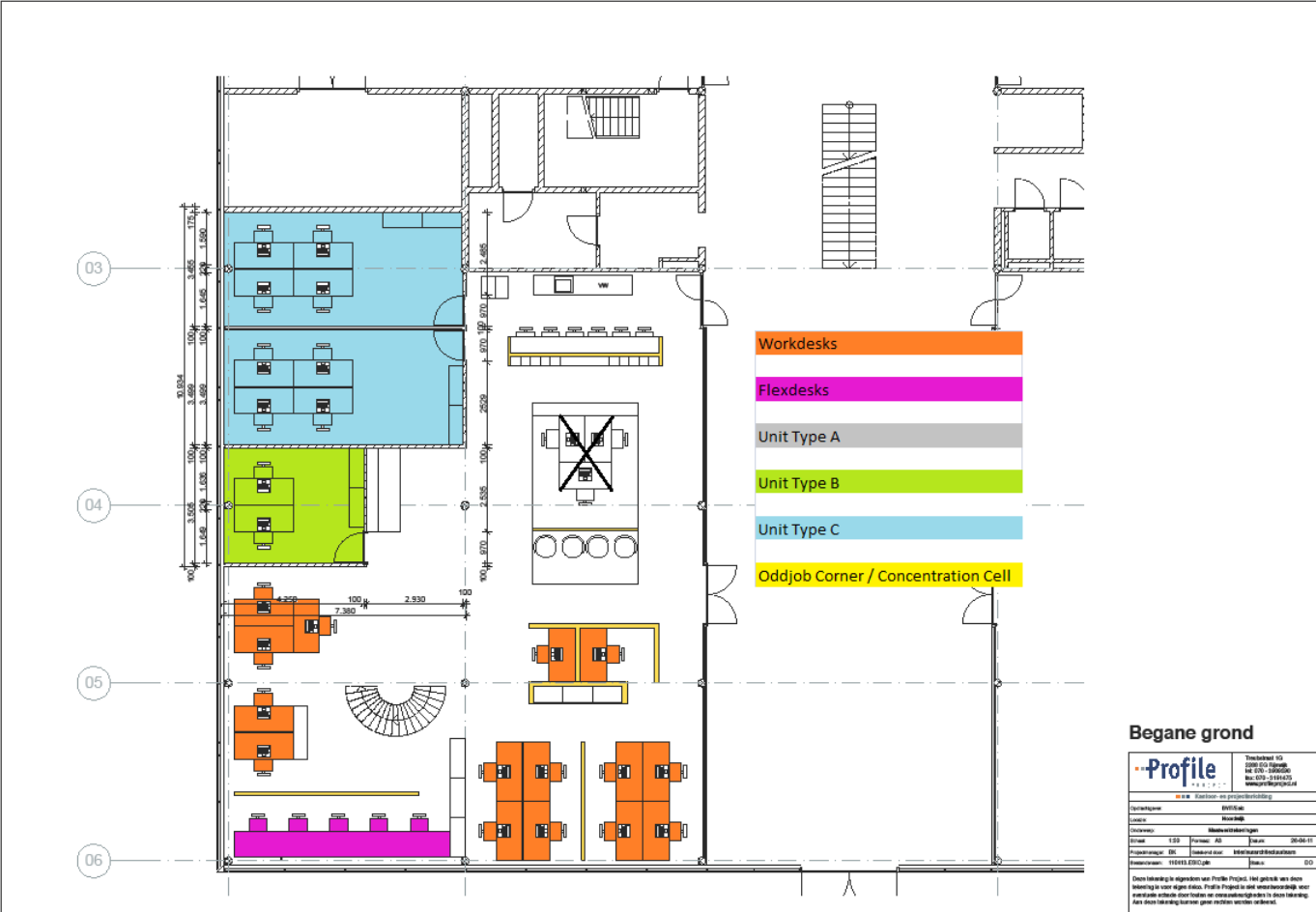
Workdesk ESA BIC Noordwijk	€ 310,-
1 Workdesk, 1 locker	
Service Cost I & Service Cost II	
Notice period of termination:	1 month
Flexdesk ESA BIC Noordwijk	€ 225,-
1 Flexdesk, 1 locker	
Service Cost I & Service Cost II	
Notice period of termination:	1 month
Unit type A ESA BIC Noordwijk	€ 310,-
1 Workdesk, 1 locker	
Service Cost I & Service Cost II	
Notice period of termination:	6 months
Unit type B ESA BIC Noordwijk	€ 620,-
2 Workdesks, 2 lockers	
Service Cost I & Service Cost II	
Notice period of termination:	6 months
Unit type C ESA BIC Noordwijk	€ 1240,-
4 Workdesks, 4 lockers	
Service Cost I & Service Cost II	
Notice period of termination:	6 months

Discounts up to 5% apply with automated debit of clients account

Prices are per month and excluding VAT - Prices applicable to change at January 1st of each year based on published CBS inflation index for consumer prices.

WorkDesk	Desk, office chair, pedestal and filing cabinet
FlexDesk	Desk and office chair
Service Cost I	Gas, Water, Light, Internet
Service Cost II	Coffee, Tea, Office Supplies, Printer acces, Postservice, Welcome Service, Scan, Fax, fair use of odd job corner and concentration cell.

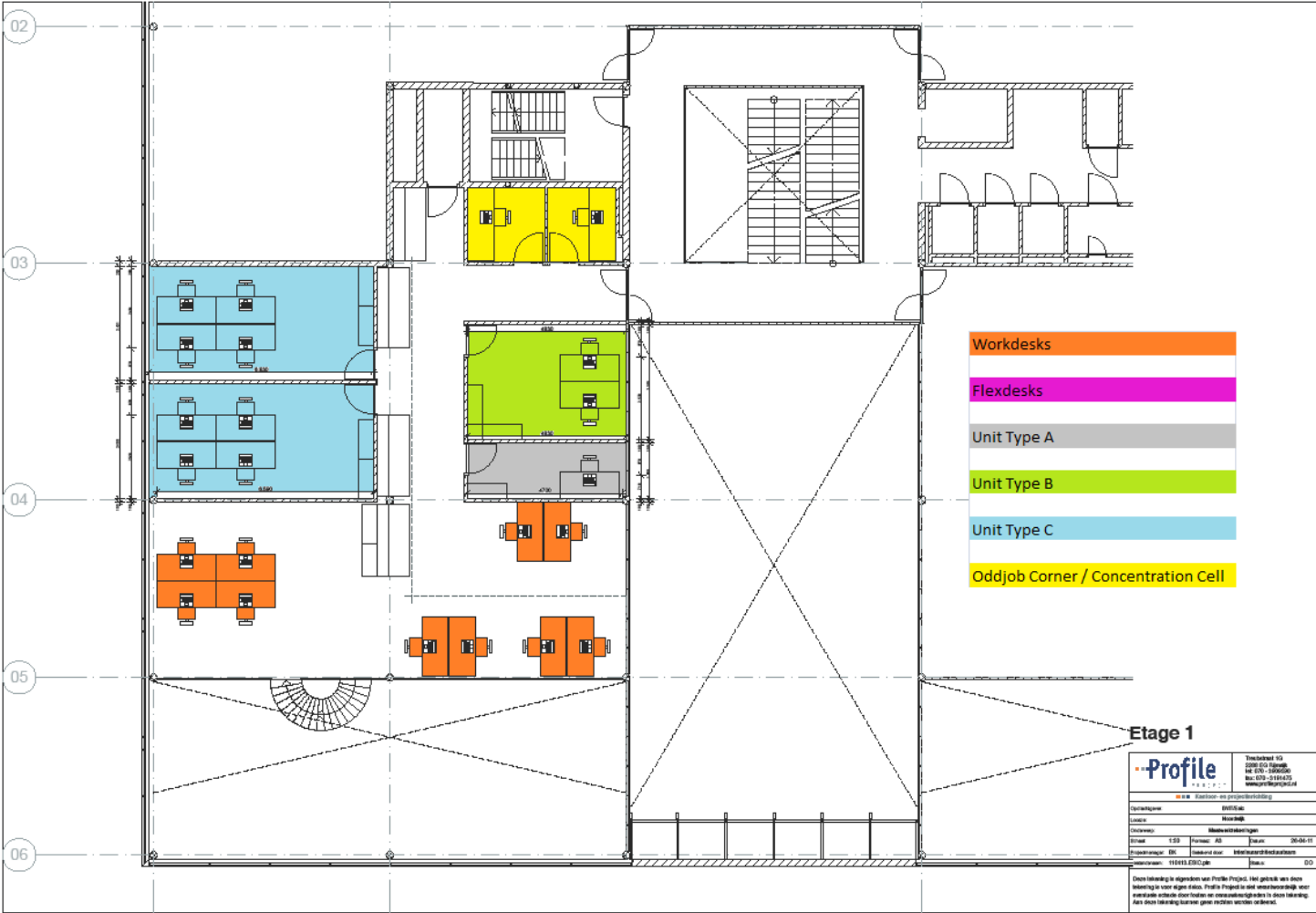
Section III.2 Appendix 5 - Draft workdesks



Lessor's initials

Tenant's initials

Section III.2: Appendix 5



Lessor's initials

Tenant's initials

Section III.2 Appendix 6 - Cost Overview

	Date	Date	Date	Date	Date
Number of Workdesk(s) Flexdesk(s) Unit Type					
Price per Workdesk Flexdesk Unit Type					
Amount					
Automatic Debit					
Discount					
Total Amount excluding VAT					

on behalf of BViT Noordwijk BV in Noordwijk, on this day,

BViT Noordwijk B.V.

Represented by Mr. Toon Buddingh', its director,

Date:

on behalf of the Tenant,, in on this day,

Mr. / Mrs.

Date:

Lessor's initials

Tenant's initials

Section IV: Additional Information

Section IV.1: Pre-Seed Loan Facility

Reserved for ESA BIC Noordwijk approved Technostarters

ESA Business Incubation Noordwijk has joined forces with Rabobank Bollenstreek to offer a favorable pre-seed loan agreement to techno-starters. This loan is only available upon the participation of an Open Call applicant to the ESA BIC Noordwijk programme. As such it is an integral part of the application process (see Open Call).

Application

As part of your application to ESA BIC Noordwijk, you may apply for a loan facility to be provided to you by Rabobank in the frame of ESA BIC Noordwijk Programme. When you apply for the loan you will receive a Loan proposal. Rabobank Bollenstreek reserves the right to ask additional information if deemed necessary in order to assess the Applicant's entitlement to the loan and also for standard banking procedures.

Our Offer

- The Applicant must be eligible to participate in the ESA BIC Noordwijk programme.
- The technostarter will receive a maximum loan of € 50.000, as decided by the Tender Evaluation Board of ESA BIC Noordwijk.
- The Entrepreneur(s) has joint personal liability in the case of a corporate entity.
- The loan will be made upon a milestone payment plan, after final approval of the Evaluation Board of the ESA BIC Noordwijk.
- The technostarter will receive an interest rate 1.5% below market level and a grace period of 3 years
- After 3 years the technostarter will have to pay back the loan in the following 2 years
- In case the technostarter can not pay back the loan after 3 years, Rabobank and the techostarter shall agree on a pay back scheme in which the techno-starter shall fully cooperate with Rabobank enabling it to retrieve as much of the loan as possible.⁵

⁵ Rabobank consents that, upon no other possibilities of retrieving the loan and full cooperation of the start up provided, it will prevent to declare the client as a natural person bankrupt.

Conditions

Given the specific nature and purpose of this Loan, the technostarter accepts the role of BVIT Noordwijk B.V. as first point of contact for the loan facility application. As described in the Incubation Contract, information about the Applicant's business application as well as personal data will be shared with Rabobank through BVIT Noordwijk B.V.. Information sharing will be performed diligently on a 'need-to-know' basis and treated with confidentiality.