

PAYMENT TERMS**Prepay Accounts**

- If you do not qualify or have not been approved for Net-30 Terms, payment is required prior to shipping and is due upon receipt of an invoice.
- Invoices are in US\$ and are sent by email attachment to the billing address you provide. You will not receive a hardcopy in the mail.
- Your order will not ship without payment in full.
- If payment is delayed by more than 10 business days, Spark R&D reserves the right to cancel your order.
- Spark R&D does not accept Paypal payments.
- Credit cards accepted: Visa, MasterCard, American Express. We do require the security code on the card to process orders and will provide you with an Authorization for Credit Card Use form.
- We recommend keeping a current credit card on file with us to avoid shipping delays.
- Domestic payment methods for Prepay Accounts:
 1. Check - has to clear before shipment will process
 2. Credit card - amounts over \$5,000 will be assessed a 3% transaction fee
- International payment methods for Prepay Accounts:
 1. Check - must be in US funds, must clear before shipment will process
 2. Credit card - amounts over \$5,000 will be assessed a 3% transaction fee
 3. Wire transfer - we will provide our international banking information

Net-30 Accounts

- Only US and Canadian accounts are eligible for Net-30 Terms.
- Eligibility for Net-30 Terms is based on completion of our credit application.
- Approval of Net-30 Terms is subject to the discretion of Spark R&D, who has the right to refuse credit. We will contact the trade references you supply to us.
- Incomplete credit applications will not be processed.
- Invoices are in US\$ and are sent by email attachment to the billing address you provide. You will not receive a hardcopy in the mail.
- Net-30 Terms are a privilege, and Spark R&D has the right to revoke this privilege.
- Net-30 means that payment is received 30 calendar days after the date on your invoice, which is the date that the order ships.
- Any payment received after the due date posted on your invoice is considered to be overdue. Please respect our Net-30 business relationship by paying invoices on time.
- Accounts 15 days past due will receive a past due notice via email attachment.
- Accounts 30 days past due will be charged a 1.5% finance charge per month (18% APR).
- All new dealers approved with Net-30 Terms must have a current credit card on file with us until an on-time payment history is established.
- In the event a new dealer has not responded to past due notices within 30 days, Spark R&D will charge this credit card on file for the amount due in full plus a 3% transaction fee.
- Accounts will be automatically placed for collection at 90 days aging, unless a payment arrangement has been established.
- Buyer agrees to pay all costs of collection including but not limited to court costs and attorney fees.
- Domestic Net-30 accounts may pay invoices by check only.
- International payment methods for Net-30 Accounts:
 1. check - must be in US funds
 2. wire transfer - we will provide our international banking information
- Please kindly note - Spark R&D does not accept credit card or paypal payments on Net-30 accounts. However, in the event that the buyer does not have sufficient funds at the end of their Net-30 term, we will accept a credit card payment plus a 3% transaction fee. If this is requested on multiple occasions, we will rescind your Net-30 terms and change payment terms to Prepay.

Payments should be sent to:

Spark R&D

PO Box 3284

Bozeman, MT 59772 USA

Billing inquiries should be directed to Becca Ritter, becca@sparkrandd.com

ORDERING TERMS

- Pre-orders must be placed to guarantee delivery of Spark R&D products for the 2017/18 season.
- Minimum dollar amount for pre-order and new dealer initial order is \$2,500.
- **All pre-orders are due by March 1, 2017.** Orders placed after this date cannot be guaranteed.
- In season re-orders are subject to availability and are also not guaranteed.
- All orders can only be placed, accepted, and modified by authorized shop representatives as named on the shop credit application or on the order form. Likewise, if the person placing, accepting, or modifying an order is authorized on your account, the shop will be held responsible for accepting and paying for that order or otherwise incurring cancellation and/or re-stocking fees as outlined below.
- All requests to modify existing orders will be taken on a case-by-case basis, are subject to availability, and are not guaranteed. Order modifications may delay the scheduled ship date.

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ORDERING TERMS CONTINUED

- Demo fleets can be ordered at 10% below wholesale and are limited in quantity at the discretion of Spark R&D. Demo fleet orders must be placed as a separate PO.
- Employees of Spark R&D dealers are eligible (and encouraged!) to purchase product at wholesale pricing. These "Shop form" orders must be handled entirely through your shop. We encourage you to take employee demand into consideration when placing your order with us. We cannot accept individual orders from shop employees, nor can they be part of our proform program.
- There is a 15% cancellation fee for all orders cancelled less than 2 weeks before the scheduled ship date.
- All returns must be authorized. Buyer agrees to pay shipping and/or damages for any returned product. There is a 15% re-stocking fee.
- All prices, products, and product specs are subject to change without notice.
- No new orders can be placed, nor will existing orders be shipped, if there are overdue invoices present on your account, regardless of if a payment plan has been established.

MSRP (MANUFACTURER'S SUGGESTED RETAIL PRICE) & MINIMUM ADVERTISED PRICING (MAP)

- The MSRP for our products in various currencies were calculated based on exchange rate, shipping cost, duties/tax, intended dealer margin, and consumer inclination. We strongly feel that these prices are the best representation of the value of our products without discount. It is to the benefit of our dealers and brand that prices remain stable and consistent throughout the market.
- MSRP is set in USD, CAD, EUR, CHF, and JPY. Preliminary pricing is set in January 2017 and if necessary based on the exchange rate will be adjusted mid-July 2017 and those prices will carry on throughout the 17/18 snow season.
- Spark R&D asks that product pricing follow the MSRP outlined for the currency in which the products will be sold.
- If you are selling products in a country without a set MSRP, we suggest converting to your local currency based on the most similar MSRP.
- We ask that all product be sold at MSRP until March 1, 2017 and not be included in pre-season, all store, holiday, or specialty sales. If needed, product discount rules are suggested as follows:
 - March 1- 20% off MSRP
 - April 1 - 30% off MSRP
 - Aug 1(new season) - 40% off MSRP
- Carry over product should be placed back up to MSRP on Aug 1, and discontinued product can remain discounted perpetually.
- Dealers should follow MSRP guidelines regardless of "package discounts" or similar product combination discounts. For example, if a splitboard /binding /skin combination offers a 20% discount, the advertising should still illustrate full MSRP for the binding and the discount only be subtracted in the shopping cart if all combination items are present.
- Selling on eBay or Amazon is acceptable, but should follow the MSRP and MAP guidelines as stated above.
- Since our inception, we have worked hard to build a robust network of reputable Spark dealers. We vet new shops carefully based on territory, dealer inventory, and market demands to ensure current dealers are protected and new dealers can thrive. The re-selling of Spark gear to unauthorized dealers without written permission is not allowed.

SHIPPING TERMS

- The earliest ship date for the 2017/18 season is scheduled for September 1, 2017. All subsequent shipment dates fall on the 1st or 15th of each month, with December 15th being the last scheduled ship date for pre-season orders.
- Please note: Shipping dates are better described as shipping windows. An order assigned with a Sept. 1 ship date will be shipped between the 1st and the 14th of the month. Although we do our best to ship all orders as near the 1st or 15th as possible, we are not able to ship every order on that particular day.
- In the event that Spark R&D will be outside of the 14 day shipping window, you will be notified.
- Notification of any discrepancies in Sales Order shipments must be made within 30 days of receipt. After this period of time we will be unable to make corrections to the invoice or the shipment.
- Shipping costs will be charged to the dealer. Costs are not included on Sales Order confirmations, but will be included on the final invoice sent to you once the order is packed up and accurate shipping charges can be assessed.

Domestic Shipments

- All shipments will be sent via our preferred carrier and method - UPS Ground - unless specifically requested otherwise.
- Spark R&D will extend to you our discounted rate through UPS, which is much lower than retail rates. Therefore, shipping charges may vary and we cannot predict rates until the actual time of shipping.

International Shipments

- All shipments will be sent via our preferred carrier and method - UPS Worldwide Expedited - unless we are otherwise requested in writing to use another shipping service and/or method.
- Travel time for UPS Worldwide Expedited is typically 5-7 business days.
- You can generally expect shipping costs to be between 8-12% of the order value. Brokerage fees are included in this cost. Import duties and taxes are not included in this cost.
- At certain order volumes a freight forwarder or other slower shipping option may be a cheaper solution and in these instances we will notify you and can work together if there is interest to minimize shipping costs.

Important facts about Customs

- Canadian Dealers: Most of our products are made in the USA at our factory and the tariff codes we use for these items are duty free.
- Spark R&D is not responsible for high import fees. Individual countries use the information we provide on commercial invoices to charge fees and taxes accordingly. This is a cost of doing international business. We have neither authority nor influence on these additional costs.
- We report actual item cost charged to you on our commercial invoices. We will not falsely decrease the value of our products on these commercial invoices in order to minimize import fees to you.