

FIRE SECURITY SYSTEMS



General Terms and Conditions of Sale

The following terms and conditions of sale shall apply to any sale of goods and services by Fire Security Systems (hereinafter called "FSS"). Purchaser shall be deemed to have full knowledge of the terms and conditions herein and such terms and conditions shall be binding if either the goods and services referred to herein are delivered to and accepted by Purchaser, or if Purchaser does not within five days from the date hereof deliver to FSS written objection to said terms and conditions or any part thereof.

1. GENERAL

In the event of any conflict or inconsistency between the terms and conditions of sale herein and the terms and conditions contained in Purchaser's order or in any other form issued by Purchaser, whether or not any such form has been acknowledged or accepted by FSS, FSS' terms and conditions herein shall prevail. No waiver, alteration or modification of these terms and conditions shall be binding upon FSS unless made in writing and signed by a duly authorized representative of FSS. On placement of your order to FSS, you hereby confirm that you have read and accepted all Terms and Conditions, Including all product and performance based warranties.

2. QUOTATIONS

Unless otherwise stated, FSS' quotation shall be null and void unless accepted by Purchaser within sixty (60) days from the date of quotation.

3. PRICES / COST OF TRANSPORTATION

All quoted prices are based on the current exchange rates, tariffs and costs of manufacture. Unless otherwise stated in the quotation, quoted prices are subject to change by FSS with or without notice until Purchaser's acceptance. Prices are subject to correction for error. Unless otherwise stated, all prices are EX Works and include domestic packing. Customary methods of transportation shall be selected by FSS and such transportation will be at Purchaser's expense. Special methods of transportation will be used upon Purchaser's request and at Purchaser's additional expense provided reasonable notice of Purchaser's transportation requirements are given by Purchaser to FSS prior to shipment.

4. TAXES

Prices do not include Goods & Services Tax, Provincial or Municipal sales, use, value-added or similar tax. Accordingly, in addition to the price specified herein, the amount of any present or future sales, use, value-added or similar tax applicable to the sale of the goods hereunder to or the use of such goods by Purchaser shall be paid by Purchaser to the entire exoneration of FSS.

5. DELIVERY

Delivery schedules are approximate and are based on prevailing market conditions applicable respectively at the time of FSS' quotation and FSS' acceptance of Purchaser's order. Delivery shall also depend on the prompt receipt by FSS of the necessary information to allow maintenance of the manufacturer's engineering and manufacturing schedules. FSS may extend delivery schedules or may, at its option, cancel Purchaser's order in full or in part without liability other than to return any deposit or prepayment which is unearned by reason of the cancellation.

6. FORCE MAJEURE

FSS shall not be responsible or liable for any loss or damage incurred by Purchaser herein resulting from causes beyond the reasonable control of FSS including, but without limitation, acts of God, war, invasion, insurrection, riot, the order of any civil or military authority, fire, flood, weather, acts of the elements, delays in transportation, unavailability of equipment or materials, breakdown, sabotage, lock-outs, strikes or labour disputes, faulty castings or forgings, or the failure of FSS' suppliers to meet their delivery promises. The acceptance of delivery of the equipment by Purchaser shall constitute a waiver of all claims for loss or damage due to any delay whatsoever.

7. SHIPMENT/DAMAGES OR SHORTAGES IN TRANSPORT/RISK

Except for obligations stated under "Warranty" herein, FSS' responsibility for goods ceases upon delivery to the carrier. In the event of loss or damage during shipment, Purchaser's claim shall be against the carrier only. FSS will, however, give Purchaser any reasonable assistance to secure adjustment of Purchaser's claim against the carrier provided immediate notice of such claim is given by Purchaser to FSS. Claims for shortages must be made in writing within ten (10) days after receipt of goods by Purchaser. If FSS does not receive written notification of such shortages within such ten (10) days, it shall be conclusively presumed that the goods were delivered in their entirety. Unless agreed upon otherwise in writing, FSS reserves the right to make partial shipments and to submit invoices for partial shipments.

8. TITLE

Title to the goods or any part thereof shall not pass from FSS to Purchaser until all payments due hereunder have been duly paid in full, except as otherwise expressly stipulated herein. The goods shall be and remain personal or moveable property, notwithstanding their mode of attachment to realty or other property. If default is made in any of the payments herein, Purchaser agrees that FSS may retain all payments which have been made on account of the purchase price as liquidated damages, and FSS shall be free to enter the premises where the goods may be located and remove them as FSS' property, without prejudice to FSS' right to recover any further expenses or damages FSS may suffer by reason of such non-payment.

9. LIABILITY

FSS shall not be liable for and shall be held harmless by Purchaser from any damage, losses or claims of whatever kind, contractual or delictual, consequential or incidental, direct or indirect, arising out of, in connection with or resulting from the sale governed hereby or the goods, including, but without limitation, the manufacture, repair, handling, installation,

possession, use, operation or dismantling of the goods and any and all claims, actions, suits, and proceedings which may be instituted in respect to the foregoing.

10. SHELF LIFE WARRANTY

FSS warrants that all materials sold by FSS at date and place of shipment, are of a good marketable quality according to International standards. FSS Materials in sealed unbroken packaging carry a 2 year shelf life from date of dispatch. If materials are stored in off-site locations (non-FSS warehousing), strict temperature controls (+5°C to +30°C) for each product must be adhered to, for shelf life warranty continuation.

Should defects in materials develop within this period FSS will at its discretion replace the defective part or parts. Seller obligation hereunder, shall be limited to such replacement, and shall be conditioned upon seller's receiving written notice of any alleged defect within ten days after its discovery.

However the liability of FSS will be limited at the option of FSS to any one or more of the following:

In the case of goods, to any one or more of the following:

- (A) The replacement of the goods or the supply of equivalent goods to the same value;
- (B) The repair of the goods;
- (C) FSS will not be liable to the buyer for any accidental or consequential damages (including without limitation loss of profits).

The buyer shall not make any warranties or representations on FSS behalf to any third party in relation to the Products without the prior written consent of FSS.

The buyer agrees to indemnify and keep indemnified FSS on a full indemnity basis for all direct and consequential loss and damage and liabilities (each a "loss") (whether monetary or capable of being converted into money) suffered by FSS as a result of or caused by or contributed to by any act or omission or default of the Distributor/buyer.

Without limiting the generality of the above Clauses, the indemnity extends to all loss that FSS suffers or may suffer:

- (a) That is of a civil or criminal or penal nature;
- (b) That involves increased expenditure or effort in supplying Products to customers;
- (c) That is caused by or contributed to by any person for whom the buyer has legal responsibility including without limitation, sub-contractors;
- (d) that is not indemnified under any contract of insurance in which the Supplier is interested;
- (e) As a result of any breach or default of the buyer;
- (f) Arising out of any warranties or representations made by the buyer in relation to the Products and not hereby authorized.

All other warranties, legal, expressed or implied, including but not limited to any expressed or implied warranty of merchantability, of fitness for the intended use thereof or against infringement are hereby expressly excluded.

The applicable warranty ceases to be effective if the goods are

altered or repaired other than by persons authorized or approved by FSS to perform such work. Repairs or replacement deliveries do not interrupt or prolong the term of the warranty. The warranty ceases to be effective if Purchaser fails to operate and use the goods sold hereunder in a safe and reasonable manner and in accordance with any written instructions from the manufacturers.

11. INSTALLATION

Unless otherwise expressly stipulated, the goods shall be installed by and at the risk and expense of Purchaser. In the event that FSS is requested to supervise such installation, FSS' responsibility shall be limited to exercising that degree of skill customary in the trade in supervising installations of the same type. Purchaser shall remain responsible for all other aspects of the work including compliance with the local regulations.

RETURNED GOODS

No goods may be returned to FSS without FSS' prior written permission. FSS reserves the right to decline all returns or to accept them subject to a handling/restocking charge of 10% of the existing invoice value. Even after FSS has authorized the return of goods for credit, FSS reserves the right to adjust the amount of any credit given to Purchaser on return of the goods based on the conditions of the goods on arrival in FSS' warehouse. Credit for returned goods will be issued to Purchaser only where such goods are returned by Purchaser and not by any subsequent owner of the goods. Goods will be considered for return only if they are in their original condition and packaging.

12. TERMS OF PAYMENT

Unless otherwise stated, invoices on "open account" shipment are payable based on existing Exclusive Agreements. Unless specifically provided, no cash discount shall be available to Purchaser. When cash discount is offered, the discount price is computed from the date of invoice. FSS does not offer cash discount on C.O.D. shipments. Should payment not be made to FSS when due, FSS reserves the right, until the price has been fully paid in cash, to charge Purchaser with interest on such overdue payments at the rate of eighteen percent (18%) per annum. The charging of such interest shall not be construed as obligating FSS to grant any extension of time in the terms of payment.

13. CHANGES AND CANCELLATION

Orders accepted by FSS are not subject to changes or cancellation by Purchaser, except with FSS' written consent. In such cases where FSS authorizes changes or cancellation.

14. THE AGREEMENT

An acceptance and official confirmation of Purchaser's order by FSS shall constitute the complete agreement, subject to the terms and conditions of sale herein set forth, and shall supersede all previous quotations, orders or agreements. The law of the Kingdom of Norway shall govern the validity, interpretation and enforcement of these terms and conditions of sale and of any contract of which these terms and conditions are a part.