

THE COMPANY'S STANDARD TERMS AND CONDITIONS (AND ANY SPECIAL CONDITIONS ATTACHING TO THOSE STANDARD TERMS AND CONDITIONS)

1. INTERPRETATION

(a) In these Conditions of Sale "the Seller" shall mean Eurologix Security Group or any of its wholly owned subsidiaries, entity, trading names or registered officers. (b) These Conditions shall apply to any contract between the Seller and any person, firm or company ("the Buyer") placing an order with the Seller in respect of any Goods, components, products or other items or services ("the Goods"). (c) The "Special Conditions" shall mean all specific Conditions relating to the Goods (including but not limited to descriptions, prices, and the place and time of delivery) contained in or referred to in the Seller's written Order Acknowledgement Form. If there is any conflict between these Conditions and the Special Conditions the Special Conditions shall prevail. (d) Terms of carriage such as "ex-works", "FOB" and "CIF" shall be construed according to the definition of such terms contained in the uniform rules for the interpretation of trade terms ("incoterms") current at the time that a contract is made. (e) "Software" shall mean any computer program used as part of the Goods. (f) A "Working Day" shall mean Monday to Friday inclusive excluding any generally proclaimed national holidays in the Buyer's country. (g) Condition 16 (Non-Warranty Repairs) shall not apply unless the Special Conditions so designate and in Condition 16 "Goods" excludes services. (h) Any reference in these Conditions to a statute or provision of a statute shall be construed and a reference to that statute or provisions as amended or re-enacted or extended at the relevant time. (i) The headings in these Conditions are for convenience only and shall not affect their interpretation.

2. ORDERS

(a) No quotation issued by the Seller shall constitute an offer to supply Goods but the terms contained in any quotation (including prices) will normally remain fixed if a contract is made within 30 days of the date of the quotation. (b) The Seller will be under no liability for any order received until the order is accepted by the Seller in writing on its Order Acknowledgement Form at which time a contract will be formed between the Seller and the Buyer ("the Contract"). (c) Cancellation can only be effected with the Sellers consent and on terms which indemnify the Seller against all loss. (d) These Conditions together with Special Conditions constitute the Contract for the supply of the Goods referred to in the Special Conditions. No variation of or addition to such Contract shall be binding unless expressly agreed or confirmed in writing on the Seller's behalf by a duly authorised officer of the Seller.

3. PRICES

(a) Unless otherwise stated in the Special Conditions priced for the Goods are the Seller's ex-works prices and do not include: i) Sale & Province taxes; ii) Insurance; iii) The cost of loading, unloading and installation; and iv) Any special packing or alterations to the order required by the Buyer and agreed to by the Seller; v) Import duties or other levies. (b) The seller reserves the right, to invoice the Buyer for Goods delivered in instalments after such instalment has

been delivered, the provisions of these terms and Conditions shall apply in full to such invoices as if such instalment was a separate contract. (c) Our quoted prices are based on international Rates of Exchange ruling at the date of the quotation. If as a result of any changes in these rates there is a variation in the cost to the Seller or performing any contract arising from the quotation then the Seller reserves the right to adjust the prices accordingly.

4. PAYMENT

(a) Payment shall be made in the currency stated in the Special Conditions without deduction within thirty days of delivery of the invoice by the Seller to the Buyer if a credit account is granted otherwise all in advance. (b) Failure by the Buyer to pay in accordance with the provisions of the Clause shall entitle the Seller, without prejudice to its rights to damages, to suspend any outstanding deliveries or cancel the Contract and to recover Goods already supplied. (c) In addition to the Seller's rights under sub-clause (b) the Seller shall be entitled to charge interest on any amounts outstanding (both before and after judgement) at the rate of 15 per cent above the base rate of the Bank of England for the time being in force. (d) If so requested by the Seller payments shall be made by letter of credit in which event all costs including bank charges shall be for the account of the Buyer and all letters of credit shall be: i) In favour of the Seller; ii) Consistent with the provisions of these terms and conditions; iii) In sufficient amounts and for the period necessary to meet with all payment obligations hereunder; iv) Irrevocable; and v) Issued by a Bank nominated by the Buyer and advised to and (if so requested by the Seller) confirmed by a Bank in UK or Canada acceptable to the Seller within thirty days after the date of the Contract.

5. INSPECTION AND TESTING

The Seller's products are carefully inspected and where practicable submitted to the Seller's standard tests in their works before dispatch. If special tests in the presence of the Buyer's representatives are required the Seller reserves the right to charge extra for such tests. These tests, unless otherwise agreed, will take place in the Seller's works and in the event of any delay on the part of the Buyer attending such tests after having received seven days notice, the tests shall proceed in the absence of the Buyer and shall be deemed to have been made in their presence. Any performance figures given by the Seller are based on experience and are such as we shall expect to obtain on test. The Seller cannot, however, accept any liability if such figures are not obtained, unless these have been specifically guaranteed in writing.

6. DELIVERY AND PASSING OF RISK

(a) Risk in the Goods passes to the Buyer on delivery in accordance with Incoterms. (b) The Seller will use all reasonable efforts to deliver the Goods in accordance with the times specified in the Special Conditions but failure to comply with such times shall not constitute a breach of this agreement. (c) The Seller shall pack the Goods suitably for transportation to such destination as shall be designated in the Special Conditions and shall if requested by the Buyer arrange for freight and insurance to such destination. In arranging the freight and insurance to the point of destination the Seller shall be acting as the Buyer's agents and the Buyer hereby appoints the Seller for that purpose.

(d) Where the Special Conditions specify that the Goods are to be delivered in instalments of scheduled quantities the following provisions shall apply: i) Unless otherwise notified to the Seller by at least three clear calendar months prior notice in writing the scheduled quantities are exact quantities ("the Exact Quantities" and will be delivered to the Buyer accordingly. It is therefore the case that quantities for delivery within the first three complete calendar months after the date of the Contract are Exact Quantities in any event. ii) Notwithstanding any alterations made in the scheduled quantities the total quantity set out in the Special Conditions is fixed and the scheduled quantity for delivery as the final instalment shall comprise the outstanding total of such quantity not already delivered to the Buyer.

7. TITLE AND RISK

(a) Risk in the equipment shall pass to the Buyer on delivery, but the equipment shall remain the sole and absolute property of the Seller until such time as the Buyer shall have paid to the Seller the agreed price. (b) Until such payment the Buyer shall take all necessary measures for the protection of the Goods including insurance thereof with a reputable Insurance Company for an amount at least equal to the Value and the Goods shall, unless otherwise agreed to the contrary by the Seller, be clearly marked, and stored separately, as being the property of the Seller. (c) If any one of the events referred to below happen, notice thereof is to be given immediately to the Seller by the Buyer. Furthermore, all Goods which are the property of the Seller and are in the possession of the Buyer shall be delivered immediately to the Seller. Without prejudice to the Buyer's duty to make delivery as aforesaid the Seller upon receiving notice from whatever source of the happening of any one of the said events shall also have the right during normal business hours to enter upon the said land or buildings of the Buyer to take possession of the Seller's goods and the Buyer, if at any time required to do so by the Seller, shall formally assign to the Seller the benefit of any claims arising from the resale of the Seller's Goods by the Buyer and shall furnish to the Seller full particulars or any information in respect of such claims. The events referred to above are: i) Any notice to the Buyer that a receiver or manager administrative receiver or administrator is to be or has been appointed; ii) Any notice to the Buyer that a petition to wind-up the Buyer is to be or has been presented or any notice of a resolution to wind up the Buyer (save for the purposes of a reconstruction or amalgamation); iii) A decision by the Buyer that the Buyer intends to make an arrangement with its creditors; iv) Any act of bankruptcy or, if the Buyer be a person, Company or firm domiciled, incorporated or constituted outside Canada, any of the events equivalent to those stated above in the relevant jurisdiction. (d) The Buyer shall not save as above create or allow to be created any right in the Goods in favour of any third party. If the Buyer breaches any of the provisions of this sub-paragraph the value shall immediately and notwithstanding any contractual term to the contrary become payable.

8. SOFTWARE

(a) In this Condition 8 "the Seller's Software" shall mean Software of which the Seller is the legal and beneficial owner and which is not licensed to the Seller by a third party and "Licensed Software" shall mean Software which is licensed to the Seller by a third party. (b) Legal and beneficial ownership in the Seller's Software shall at all times remain with the Seller. (c) The Seller hereby grants to the Buyer a non-exclusive licence to use the Seller's Software

with the other Goods the subject of the Contract (and only with the Goods the subject of the Contract) which licence automatically terminates upon cessation of such use. (d) The Buyer may assign its licence to use the Seller's Software to a third party in the ordinary course of the Buyer's business but the Buyer shall in every such case make it a condition of such assignment that the assignment is personal to the third party and is not assignable and that the terms of sub-clauses (a) to (c) inclusive and (f) of this Conditions 8 shall apply to the third party. (e) The Special Conditions shall set out details of any Licensed Software and (if the same is being supplied by way of sub-license to the Buyer by the Seller) the terms of any sub-license (including the terms upon which the Buyer may assign such sub-license). (f) The Buyer agrees to notify the Seller in writing immediately if the Software (whether Seller's or Licensed) or any part thereof is stolen, damaged beyond repair or used in an unauthorised manner.

9. EXPORT/IMPORT LICENSES

Where the equipment, or part of the equipment, listed in the quotation is or becomes subject to Export Control, the quotation and any resulting contract are subject to the grant of any necessary Export License, Import or end user certificated and any other information and documentation as may be required should be made available with the customer's order. The Seller has no liability to deliver any export licence, import or end user certification. Where the regulations of the Territory to which the equipment is to be consigned require an Import License the Customer shall be responsible for obtaining such License. The Customer's order shall include the number of such License together with any other relevant information.

10. STORAGE

If forwarding instructions are not received within 7 days, or 14 days for export orders, of our advice to the customer that the Goods are ready for acceptance and dispatch, the Seller shall be entitled to make an appropriate storage charge.

11. PACKING

All wooden packing cases, skids, drums etc will be charged when the Goods are invoiced and are not returnable.

12. NOTIFICATION OF LOSS OR DAMAGE

(a) The Buyer shall examine the Goods on arrival at the Buyer's premises for any obvious damage to packaging or shortage and any claim that the Goods are or may have been damaged or have been short delivered must be communicated in writing to the Seller within 3 working days of arrival of the Goods at the Buyer's premises. For this purpose the Buyer must communicate in writing to the Seller any damage to packaging. Non-delivery must be reported to the Seller within 5 working days of the expected date of receipt. (b) If the Buyer fails to give notice in accordance with this Clause, the Buyer shall be bound to pay for, and shall lose any right to make a claim, in respect of such non-delivery, short delivery or loss or damage covered by this clause. If notice is given the Buyer shall not be entitled to reject the Goods until the Seller has been given a reasonable opportunity to inspect them and, if required, to remedy

the problem within a reasonable period.

13. FORCE MAJEURE

(a) The Seller shall be under no liability for any delay or failure to perform in the event that manufacture, supply or delivery of the Goods is prevented or delayed by any act or circumstances beyond the Seller's reasonable control including but not limited to Act of God, legislation, war, fire, drought, failure of power supply, lock out, strike or other action taken by employees in contemplation or furtherance of a trade dispute or owing to (b). (b) The Seller shall notify the Buyer of any circumstances arising under (a) above and if such circumstance prevails for more than 3 months then either party shall have the option by giving notice in writing to being the Contract to and end.

14. SPECIFICATIONS

(a) All descriptions, specifications, drawings, and particulars of weights and dimensions submitted with quotations are approximate only; and the description, illustrations or specifications contained in any publicity material are only intended to convey a general idea of the goods described there in, and shall not form part of the contract. The company reserves the right to supply equipment which may not exactly agree with the published specification or illustration. (b) The Seller will endeavour to ensure that the Goods comply with the specifications relating to them which are referred to in the Contract but reserves the right to alter the specifications of the Goods at any time by agreement with the Buyer. Any such specifications, drawings, descriptions, photographs or measurements not entirely in the public domain are confidential to the Seller and must be disclosed to any third party.

15. WARRANTY

To the extent permitted by the law, the Seller's liability in respect of any defect in or failure of the Goods supplied, or for any loss, injury or damage attributable thereto, is limited to making good by replacement or repair defects which, under proper use, appear therein and arise solely from faulty design, materials or workmanship, within a period of 12 calendar months after the original Goods have been first dispatched from our works, at the termination of which period all liability on the Seller's part ceases. Such defective parts shall be promptly returned free to the Seller's works, unless otherwise arranged. The repaired or new parts will be delivered free of charge to the point of dispatch stated in our quotation. Any labour costs involved in refitting, if this is required, will be chargeable to the Buyer. In the case of Goods not of the Seller's manufacture, the Buyer is entitled only to such benefits as the Seller may receive under any guarantee given to it in respect thereof.

16. NON-WARRANTY REPAIRS

(a) This condition applies where repairs are carried out to Goods outside the terms of Condition 15. (b) Condition 15

shall not apply. The repairs shall be carried out with all reasonable skill and care but no warranty is given that the Goods will, as a result, function for any period unless expressly stated in the Special Conditions. (c) The Buyer shall pay for such repairs as set out in the Special Conditions. (d) The Seller shall notwithstanding any other Condition or Special Condition, be entitled to retain possession of the Goods until payment has been made in full. (e) In this Condition risk of loss or damage to the Goods shall be borne by the Buyer except for the time when the Goods are on the Seller's premises when such risk of loss or damage shall be borne by the Seller.

17. PATENTS

The Seller knows of no proved infringement of third party rights in the Goods by way of patent registered design mark or trade name copyright or other intellectual property rights but the Goods are sold subject to any such rights as may exist.

18. ACCESS

Where the Seller is to carry out work or operations upon the Buyer's premises or other premises at the direction of the Buyer, the Buyer must ensure that the premises and any machinery involved and all other arrangements affecting the work or operations are ready by the time scheduled for the Seller to enter upon the premises to commence such work or operations and the Buyer undertakes that there will be no delay to the works or operations caused directly or indirectly by the premises or machinery or arrangements of the state and condition thereof. If Notwithstanding the above delay occurs the Buyer shall pay to the Seller any costs incurred.

19. CONFIDENTIALITY

Any information which the Seller discloses relating to the Goods, documentation, drawings, emails, employees and officers which is not in the public domain at the time of disclosure shall be confidential and shall not (save with the prior written consent of the Seller) be disclosed to any third party or used by the Buyer to enable the Buyer to manufacture the Goods or use the information without the written consent of the company or its officers. Proprietary or confidential information disclosed for supply of any Materials must not be used or disclosed by the recipient other than for the express purpose for which it was disclosed.

20. GOVERNING LAW & JURISTRICITION

The sale of the Materials and all contracts related thereto are governed by the laws of Ontario and the laws of Canada applicable therein. The federal or state courts located in Ontario, Canada shall have jurisdiction to hear any dispute.

21. NOTICES

All notices required to be served by one party upon the other may be served on the other at its normal trading address.

All such notices may be served by first class pre-paid letter or email and (in the absence of proof of earlier receipt) shall be deemed to be served in the case of a letter 5 working days after the proof of dispatch or porting and in the case of email transfer at 9 am in the business day of the recipient party next following its dispatch and legible receipt.

22. WAIVER AND SEVERANCE

(a) Any indulgence granted by the Seller to the Buyer and any failure by the Seller to insist upon strict performance of these terms and conditions shall not be deemed to be a waiver of any of this Seller's right or remedies nor be deemed a waiver of any subsequent default by the Buyer. (b) The invalidity in whole or in part of any clause in these terms and conditions shall not affect the validity of the remainder of such clause or these terms and conditions.

23. ASSIGNMENT

The Agreement is not assignable by the Buyer without the written consent of the Seller.

24. ACCEPTANCE

The Buyer Accepts all terms and conditions and enters into contract with the Seller on payment of the goods to the nominated bank account.

25. ARBITRATION

If at any time any question, dispute or difference whatsoever shall arise, in relation to or in connection with any contract for Goods either party may give to the other notice in writing of the existence of such question, dispute or difference, and the same shall be referred to the arbitration of a person to be mutually agreed upon, or failing agreement, of some person appointed by UK Arbitration office. The submission shall be deemed to be a submission to arbitration within the meaning of the UK Arbitration Acts or any statutory modification or re-enactment thereof for the time being in force..