

1. CONTROLLING AGREEMENT:

These terms and conditions of sale set forth herein (this "Agreement") shall be final and binding upon the parties. Seller as used herein shall mean Unifire AB, Bultgatan 40B, SE442 40 Kungälv, Sweden, and Buyer shall mean the other party to this Agreement. Any and all terms and conditions contained in any prior oral or written communication, including, without limitation, Buyer's purchase order, which are different from or in addition to the terms and conditions herein are hereby rejected and shall not be binding on Seller, whether or not they would materially alter this document, and Seller hereby objects thereto. All prior proposals, negotiations and representations, if any, are merged herein. Buyer will be deemed to have assented to all terms and conditions contained herein if any part of the goods and/or services described herein are shipped or an invoice is presented in connection with the said goods and/or services.

2. GOVERNING LAW & VENUE:

This Agreement shall be governed by, and construed in accordance with, the laws of Sweden, without giving effect to any choice of law or conflict of law rules or provisions (whether of Sweden or any other jurisdiction) to the extent such rules or provisions would cause the application of the laws of any jurisdiction other than Sweden. Each of the parties to this Agreement consents and agrees that any action to enforce this Agreement or any dispute, whether such dispute arises in law or equity, arising out of or relating to this Agreement shall be brought exclusively in Sweden. The parties hereto consent and agree to submit to the exclusive jurisdiction of Swedish courts. Each of the parties to this Agreement waives and agrees not to assert in any such dispute, to the fullest extent permitted by applicable law, any claim that (i) such party and such party's property is immune from any legal process issued by such courts or (ii) any litigation or other proceeding commenced in such courts is brought in an inconvenient forum. The parties hereby agree that mailing of process or other papers in connection with any such action or proceeding to an address provided in writing by the recipient of such mailing, or in such other manner as may be permitted by law, shall be valid and sufficient service thereof and hereby waive any objections to service in the manner herein provided.

3. PAYMENT TERMS: Buyer agrees to pay for the products according to the Seller's payment terms or, if none are specified, on a prepayment basis.

In the event Buyer fails to make any payment to Seller when due, Buyer's entire account(s) with Seller shall become immediately due and payable without notice or demand. All past due amounts are subject to a service charge of one percent (1%) of the transaction amount and shall then begin accruing interest at the rate of rate of twelve percent (12%) per annum, compounded monthly.

4. SELLER RETAINS TITLE UNTIL PAID IN FULL:

All products delivered under this sale shall remain the property of Seller until Buyer has paid for them in full, including but not limited to any and all service charges, interest and delivery charges (if any). No products furnished by the Seller shall become a fixture by reason of being attached to real estate or real property of any kind. Seller shall acquire joint property in any new products created as a result of processing and/or mingling Seller's products with goods owned by others. The extent of such joint property is calculated in the proportion of the invoice value of the products delivered by Seller to the invoice value of the other goods.

5. DELIVERY: Seller will make a good faith effort to complete delivery of the products as indicated by Seller in writing, but Seller assumes no responsibility or liability and will accept no back charge for loss or damage due to delay or inability to deliver, whether or not such loss or damage was made known to Seller, including, but not limited to, liability for Seller's non-performance caused by acts of God, war, labor difficulties, accidents, inability to obtain materials, delays of carriers, contractors or suppliers, legal prohibitions, or any other causes of any kind whatever beyond the control of Seller. Under no circumstances shall Seller be liable for any special, consequential, incidental, indirect, or liquidated damages, losses, or expense (whether or not based on negligence) arising directly or indirectly from delays or failure to give notice of delay.

6. SHIPMENTS: Unless otherwise agreed to in writing or specifically set out to the contrary in the terms of Unifire's Order Confirmation, all products are offered on an Ex Works (EXW) Kungälv basis, per Incoterms 2000. The cost of any special packing or special handling caused by Buyer's requirements or requests shall be added to the amount of the order. If Buyer causes or requests a shipment delay, or if Seller ships or delivers the products erroneously as a result of inaccurate, incomplete or misleading information supplied by Buyer or its agents or employees, storage and all other additional costs and risks shall

be borne solely by Buyer. Claims for products damaged or lost in transit should be made by Buyer to the carrier, as Seller's responsibility ceases upon tender of goods to Buyer, Buyer's representative or common carrier.

7. INSPECTION & ACCEPTANCE:

Claims for damage, shortage or errors in shipping must be reported within three (3) days following delivery to Buyer. Buyer shall have three (3) days from the date Buyer receives any products to inspect such products and services for defects and nonconformance which are not due to damage, shortage or errors in shipping and notify Seller, in writing, of any defects, nonconformance or rejection of such products. After such three (3) day period, Buyer shall be deemed to have irrevocably accepted the products, if not previously accepted. After such acceptance, Buyer shall have no right to reject the products for any reason or to revoke acceptance. Buyer hereby agrees that such three (3) day period is a reasonable amount of time for such inspection and revocation. Buyer shall have no right to order any change or modification to any product or service previously ordered by Buyer or its representatives or cancel any order without Seller's written consent and payment to Seller of all charges, expenses, commissions and reasonable profits owed to or incurred by Seller. Specially fabricated or ordered items may not be canceled or returned, and no refund will be made. The sole and exclusive remedy for merchandise alleged to be defective in workmanship or material will be the replacement of the merchandise subject to the manufacturer's inspection and warranty.

8. RETURNS: Unless otherwise agreed to in writing by the parties, all sales are final and Buyer may not return any product unless covered by warranty.

9. REMEDIES OF SELLER: Upon default by Buyer, Buyer agrees to reimburse Seller all attorney fees and court costs incurred by Seller in connection therewith. Buyer agrees that any of the following shall constitute an event of default which shall enable Seller, at its option, to cancel any unexecuted portion of this order or to exercise any right or remedy which it may have by law: (a) the failure of Buyer to perform any term or condition contained herein; (b) any failure of Buyer to give required notice; (c) the insolvency of Buyer or its failure to pay debts as they mature, an assignment by Buyer for benefit of its creditors, the appointment of receiver for Buyer or for the materials covered by this order or the filing of any peti-

tion to adjudicate Buyer bankrupt; (d) the death, incompetence, dissolution or termination of existence of Buyer; (e) a failure by Buyer to provide adequate assurance of performance within ten (10) days after a justified demand by Seller or (f) if Seller, in good faith, believes that Buyer's prospect of performance under this Agreement is impaired. All rights and remedies of Seller herein are in addition to, and shall not exclude, any rights or remedies that Seller may have by law. In the event it becomes necessary to incur any expense for collection of any overdue account, reasonable collection charges, including reasonable attorneys' fees, will be added to the balance due and Buyer shall pay all such charges.

10. THIS EQUIPMENT IS NOT TO BE USED WITH INCAPACITATING OR IRRITATING CHEMICAL IRRITANTS. Buyer understands and agrees that Unifire's equipment is designed for fire fighting and other peaceful professional uses and warrants to Seller that the Equipment shall, under no circumstances, be used for the dissemination of incapacitating or irritating chemical agents.

11. BUYER WARRANTS TO SELLER THAT THE EQUIPMENT PURCHASED SHALL NOT BE SOLD, EXPORTED OR REEXPORTED TO ANY COUNTRY OR ENTITY IN VIOLATION OF ANY EUROPEAN UNION EMBARGO IN FORCE AT THE TIME OF SALE. Buyer agrees that it will not divert, use, export, or reexport any equipment sold hereunder contrary to European Union ("E.U.") Export Controls and/or any other provision of E.U. law. Buyer expressly acknowledges and agrees that it will not export, reexport, or provide such items to any entity or person within any country that is subject to E.U. economic sanctions or embargoes. A partial list of nations which are subject to embargoes can be found at <http://www.sipri.org/databases/embargoes>. The list of countries subject to E.U. economic sanctions or embargoes may change from time to time.

12. NO LIABILITY FOR NETWORK SECURITY BREACHES OR UNAUTHORIZED USE OF UNIFIRE INTERACT & OTHER UNIFIRE NETWORK-CONTROLLED ROBOTIC NOZZLE SYSTEMS: Some Unifire Robotic Nozzles systems are offered and sold with the ability to be connected to and controlled over a local area network (LAN) or wide area network (WAN) via Unifire's web server and InterAct core technology. **Unifire urges users of such systems to take extreme care to en-**

sure that any such networked system(s) be highly secure from possible intrusion, hacking and use by unauthorized individuals. Unauthorized access to the Unifire robotic nozzle control system could result in serious damage to persons and/or property. Network security of Unifire robotic nozzle systems is strictly the responsibility of the purchaser and/or end user, and NOT of Unifire. Unifire makes no warranty, and accepts no responsibility or liability, for the security of networked robotic nozzle systems.

13. WARRANTY: THE BUYER'S SOLE AND EXCLUSIVE WARRANTY, IF ANY, IS THAT PROVIDED BY THE SELLER AT THE TIME OF THE SALE. SELLER MAKES NO OTHER EXPRESSED OR IMPLIED WARRANTIES INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS OR FITNESS FOR A PARTICULAR PURPOSE. Seller specifically disclaims, to the maximum extent permitted by law, any express or implied warranty of merchantability and of fitness for a particular purpose. Buyer understands and agrees that Seller is an equipment manufacturer only, and that this sales is for equipment only. Seller makes no representations relating to fire safety engineering or fire fighting system designs for any specific application or project. Buyer and its agents are solely responsible for determining whether the equipment offered herein is fit for Buyer's particular purpose (and/or that of the ultimate end user, as the case may be). Seller accepts no responsibility for, and expresses no opinion regarding, the appropriateness of the selection of the equipment offered herein with respect to whether the Equipment is fit for a particular purpose.

14. FLAME RANGER "PROJECT MANAGEMENT FEE": When offer as part of a sale of one or more sets of the Unifire FlameRanger System, the term "Project Management Fee" shall mean a one-time fee that includes each of the following: i) preparation of the offer—including document review, site visit (where applicable), telephone discussions and related correspondence, graphical designs and renderings (when applicable) and presentations to Buyer and/or Buyer's representatives; and ii) technical support and documentation provided by Seller to Buyer during the installation phase; and iii) on-site commissioning of the equipment by Seller and/or Seller's agents, which commissioning shall take place only after Buyer has provided Seller with adequate assurances that the equipment

has been installed by Buyer or Buyer's agents in accordance with Seller's instructions (including but not necessarily limited to those in the Unifire FlameRanger Design & Installation Manual and/or other written, oral or video instructions Seller provides to Buyer); and iv) all travel expenses and costs incurred by Seller in performing the services described in the preceding subsections. The "Project Management Fee" shall be nonrefundable, regardless of the actual scope of services provided or number of on-site visits or other services rendered by Unifire, and Unifire reserves the sole right to determine when it has completed its obligations associated with the Project Management Fee.

15. LIMITATION OF DAMAGES: To the maximum extent permitted by law, Buyer waives any and all claims, rights and remedies against Seller, whether express or implied, or arising by operation of law or in equity, for any punitive, exemplary, indirect, incidental or consequential damages whatsoever arising out of this Agreement and/or the use of the equipment sold hereunder.

16. CONFIDENTIALITY AND INTELLECTUAL PROPERTY: Except to the extent specifically granted in any software license(s) associated with this transaction (if any), this Agreement does not grant any right or license, and no other right or license is to be implied by, or inferred from, any provision of the Agreement or by the conduct of the Parties, with respect to any intellectual property right, including without limitation, drawings, specifications, plans, models, samples, process, trade secret, know-how, patents or design of either Party. Seller shall remain the exclusive owner of all intellectual property rights relating to the Goods or Services, or discovered by Seller as a result of, or incidental to, the performance of the Agreement. Buyer shall keep as strictly confidential and shall not disclose to any third party, nor use for any purpose other than the proper performance of the Agreement, any information of whatever nature regarding the Seller and/or the Goods or Services. If the Goods are manufactured according to Buyer's design, Buyer shall defend, indemnify and hold harmless Seller against any claims or liability for patent infringement related to such design.

17. INDEMNIFICATION: The Buyer shall at its own expense apply for and obtain any permits and inspections required for the installation and/or use of the products. Seller makes no promise or representation that the

products or services will conform to any federal, state or local laws ordinances, regulations, codes or standards, except as particularly specified and agreed upon in writing by Seller. Seller shall not be responsible for any losses or damages sustained by the Buyer or any other person as a result of improper installation or misapplication of the products or for use in contravention of local or international laws. Buyer shall defend, indemnify and hold harmless Seller and its agents and employees against any loss, damage, claim, suit, liability, judgment or expense (including, without limitation, attorney's fees) arising out of or in connection with any claim, injury, disease or death of persons—including, without limitation, Buyer's employees and agents—or damage to or loss of any property or the environment, or violation of any applicable laws or regulations resulting from or in connection with the sale, transportation, installation, use, or repair of the Equipment by Buyer or of the information, designs, services or other work supplied to Buyer, whether caused by the concurrent and/or contributory negligence of Buyer, Seller, or any of their agents, employees or suppliers. The obligations, indemnities and covenants contained in this paragraph shall survive the consummation or termination of this transaction.

18. TAXES: The payment of any sales, excise or other taxes, if any, applicable to the Equipment sold hereunder shall be the sole responsibility of Buyer.

19. NON-WAIVER: Seller's failure to insist upon the strict performance of any term or condition herein shall not be deemed a waiver of any of Seller's rights or remedies hereunder, nor of its right to insist upon the strict performance of the same or any other term herein in the future. No waiver of any term or condition hereunder shall be valid unless in writing and signed by Seller's Branch Manager.

20. SEVERABILITY: These terms and conditions of sale shall not be construed against the party preparing them, but shall be construed as if all parties jointly prepared these terms and conditions of sale and any uncertainty or ambiguity shall not be interpreted against any one party. If any provision hereof is held to be illegal, invalid or unenforceable under any present or future laws, such provision shall be fully severable and the terms and conditions herein shall be construed and enforced as if such illegal, invalid or unenforceable provision had never been made a part hereof. The remaining provisions herein shall remain in full force and effect and

shall not be affected by such illegal, invalid or unenforceable provisions or by their severance herefrom.

21. ENTIRE AGREEMENT: This document, together with Unifire's Offer and/or Order Confirmation, together constitute the entire, complete, and exclusive agreement between the parties with respect to the subject matter hereof and contain all the agreements and conditions of sale; no course of dealing or usage of the trade shall be applicable unless expressly incorporated herein. The terms and conditions contained herein may not be added to, modified, superseded or otherwise altered except by a written modification signed by the Seller's Branch Manager. All transactions shall be governed solely by the Offer, Confirmation and Terms and Conditions contained herein.

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