

## TERMS AND CONDITIONS OF SALE AND DELIVERY

10 January 2012

1. Acceptance. All orders, quotations, and sales made or accepted by Netherlocks Safety Systems B.V. hereafter the "Seller" are subject to the following terms and conditions, which terms and conditions may not be varied except in writing, signed by a Director of the Seller. It is expressly understood and agreed that the terms and conditions herein set forth shall prevail insofar as any may conflict with the terms and conditions in any order form or confirmation of the party which is purchasing goods or services pursuant to this agreement (the "Buyer"). These General Conditions of Sale and Delivery shall apply to all acts in respect of the purchase and supply of goods and/or services (the "Work") pursuant to the contract (the "Contract") to which these General Conditions are made applicable.
2. Domestic – (Defined as the Netherlands) - Terms are Net 30 days. The net amount for goods or services purchased under this agreement shall be due in full, without discount, within thirty (30) days of date of the invoice. If payment in full is not made when due, interest shall accrue in the amount of one and one-half percent (1.5%) per month (18% per annum) on the unpaid balance. If, in the sole opinion of the Seller, the financial condition of the Buyer at any time does not justify continuance of production or shipment on the terms of payment herein specified, Seller may require full or partial payment in advance. If Seller at any time determines in its sole judgment that there are reasonable grounds for insecurity with respect to Buyer's payment for the goods or services or any other obligation of Buyer set forth in the Contract or in these Terms and Conditions, Seller may require adequate assurance of due payment or other performance, such as payment in cash or satisfactory security, and until Seller receives such assurance, Seller may suspend any performance for which it has not already received payment.
3. Foreign – (All areas non domestic) - Terms are Payment in Advance. The net amount for goods or services purchased under this agreement shall be due in full, without discount, prior to shipment. If Seller at any time determines in its sole judgment that there are reasonable grounds for insecurity with respect to Buyer's payment for the Work or any other obligation of Buyer set forth in the Contract or in these Terms and Conditions, Seller may require adequate assurance of due payment or other performance, such as payment in cash or satisfactory security, and until Seller receives such assurance, Seller may suspend any performance for which it has not already received payment.
4. Taxes. The price quoted herein does not include sales, use, excise or any similar tax levied by any governmental body, and any present or future such tax applicable to the sale of the goods or services described herein shall be paid by the Buyer, or in lieu thereof, the Buyer shall provide the Seller with a tax exemption certificate acceptable to the applicable taxing authorities.
5. Prices. Unless otherwise agreed, all prices are Ex-Works (Inco terms 2010) Seller's factory. Written and oral quotations are subject to revocability by the Seller by notice at any time, and, in any event, shall be valid only for thirty (30) days from the date thereof. The prices quoted herein shall be valid if accepted within thirty (30) days of quotation.
6. Delivery. The Seller shall be permitted to make delivery in lots and is not required to deliver all goods requested in any order in a single delivery, unless Seller and Buyer agree on subsequent terms.
7. Risk of Loss. All risk of loss or damage to the goods shall pass to the Buyer upon disposal by the Seller of the goods and services at Seller's factory.
8. Data. Buyer shall make available to Seller all information, data, drawings, documentation, etc. ("Data") required for the Works. Buyer is responsible for timely and complete availability and correct and unambiguous quality and contents of the Data.
9. Limited Warranty. Buyer agrees that the remedies set forth herein are the Buyer's sole and exclusive remedies hereunder. Seller, solely and exclusively on the terms and conditions stated below, guarantees to, at its sole option, replace, Ex-Works (Inco terms 2010) Seller's factory, or repair any goods or services sold to Buyer hereunder which are found by Seller to be defective in material or workmanship and not as the result of: (1) damages due to normal wear and tear, (2) damages due to not following Seller's instructions or maintenance schedules, (3) having third parties perform work on Seller's goods or services, and (4) any negligence of Buyer or its agents. Buyer shall examine the goods or services provided by Seller hereunder, both as to quantity and quality of goods or services delivered, immediately upon Buyer's receipt of the goods or services purchased hereunder. Buyer shall provide written notice to Seller within fifteen (15) days of the date of the receipt of said goods or services as to any defect in quantity or obvious defect in quality, and shall, if an obvious defect in quality is claimed, return the claimed defective goods or services to Seller within fifteen (15) days after the date of said notice. Failure of Buyer to provide notice of any claims or to return any claimed defective goods or services in the manner as described above shall constitute an unqualified acceptance by Buyer of the performance by Seller of the sale of the goods or services described hereunder and shall constitute a waiver by Buyer of any and all claims with regard thereto. Unless a different warranty period is agreed to in writing, the Seller warrants the Work against all defects which may appear or occur for a maximum period of 12 months from the first of the date of delivery, title, acceptance or putting into use of the Work.
10. Exclusions. In no event shall Seller be liable for any incidental or consequential damages of any kind, including without limitation any loss or damage arising in any manner from the use of the Goods or services sold hereunder, and Seller shall not be liable for its failure to perform hereunder due to contingencies beyond its control, including without limitation acts of God, fires, floods, wars, sabotage, accidents, labour disputes or shortages, statutes, ordinances, rules, regulations, laws, or the inability to obtain materials, power, equipment or transportation. EXCEPT AS EXPRESSLY STATED ABOVE, THERE ARE NO OTHER WARRANTIES, EITHER EXPRESSED OR IMPLIED, AS REGARDS IN ANY MANNER THE ARTICLES, COMPONENTS, AND/OR SERVICES OFFERED AND/OR PROVIDED BY SELLER HEREUNDER, INCLUDING WITHOUT LIMITATION WARRANTIES OR MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, FREEDOM FROM THIRD PARTY CLAIMS UNDER PATENT OR TRADEMARK INFRINGEMENT LAWS OR OTHERWISE. NO WAIVER OR MODIFICATION OF ANY OF THE PROVISIONS STATED ABOVE SHALL BE VALID UNLESS MADE IN WRITING AND SIGNED BY THE SELLER. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY DAMAGES ABOVE THE COST OF THE WORK, WHETHER SUCH DAMAGES SHALL ARISE FROM BREACH OF THE CONTRACT OR THESE TERMS AND CONDITIONS, OR IN TORT, OR OTHERWISE.
11. Delay. The Seller will not be liable for any delay in the performance of orders or contracts, or in the disposal of goods or services, or for any damages suffered by the Buyer by reason of such delay.

# Netherlocks Safety Systems B.V.

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12. Seller's Remedies. The goods or services will remain the property of the Seller until the full amount due, including any interest and cost, has been paid by the Buyer. The Buyer will not be entitled to transfer or encumber the goods or services in any form until the full invoice amount has been paid and title has been transferred to the Buyer. Until the Buyer has paid in full for all goods or services sold pursuant to these Terms and Conditions, the Buyer grants to the Seller a security interest in all such goods or services. The Buyer shall execute and deliver any financing statements or other documents that the Seller reasonably requires for the perfection of the Seller's security interest, and the Buyer shall do all other acts necessary for the perfection and presentations of this security interest.
13. Interim or final inspection, examination and tests. Buyer is entitled during the execution of the Work to inspect, examine, test, or check the progress of the Work. The Buyer shall, within reasonable time, notify Seller in advance in writing of the proposed date of inspection, examination or test. The costs of all inspections, examinations or tests shall be borne by the Buyer.
14. Cancellation. An order once placed with and accepted by the Seller can be cancelled only with the written consent of the Seller and upon terms that will indemnify the Seller against any loss.
15. Industrial/Intellectual property rights. All (intellectual/industrial) property rights to the Work, drawings, specifications, manuals, documentation, samples, software, etc. provided by Seller, or produced by the Seller as a part of the Contract, reside with or accrue fully to Seller. Seller is not obliged to pay a separate consideration for these rights and may dispose of them at will. The Buyer shall lend its cooperation in the realization of any and all necessary deeds of transfer (amongst other things, with regard to intellectual/industrial property rights) and herewith, additionally, gives Seller an irrevocable power of attorney to draw up and sign such deeds on behalf of the Buyer. If the Work consists of the design/modification of software, the Buyer shall, on Seller's first request, hand over at no charge the object code, the source code and all documentation associated therewith. All this shall be provided in such a fashion that Seller can make effective and immediate use thereof without any further work or cost on Seller's part.
16. Secrecy. In the widest possible sense, the Buyer agrees to maintain the strictest secrecy towards third parties in respect of all information about Seller, the Contract, and the Work, including information about instructions, patterns, drawings, schedules, designs and the like, and shall not, without our prior written consent, disclose in any manner the existence of the Contract to third parties.
17. Arbitration. All disputes (including those regarded as such by only one of the parties) arising out of or in connection with the Contract or other contracts arising there from shall be resolved by binding arbitration, held in The Netherlands pursuant to the Commercial Rules of the Dutch Arbitration Association. Buyer shall appoint one arbitrator and the Seller shall appoint another, and the two arbitrators so selected shall select a third arbitrator. Each arbitrator shall be selected from a list of arbitrators approved by the Dutch Arbitration Association. The selected arbitrators shall together hear the parties and settle the dispute, awarding such relief, which may include costs and expenses shall in no event include punitive or exemplary damages, as they may deem appropriate.
18. Construction and Applicable Law. The captions used in this agreement are for convenience only and shall not be used in interpreting these Terms and Conditions. These Terms and Conditions and the Contract shall be governed and constructed under the laws of the Netherlands.
19. Time of Suit. Any action by the Buyer for breach of these Terms and Conditions and the Contract must be commenced within three (3) months after the cause of action has accrued.
20. Entirety. These Terms and Conditions shall not be varied or added to except by a written modification signed by a Director of the Seller.
21. Export Control Laws and Regulations. All parties shall comply with all export control laws and regulations (including, but not limited to, the European Export Compliance Regulations, U.S. Export Administration Regulations and the U.S. International Traffic in Arms Regulations) to the extent applicable to the Parties' respective activities under this Agreement.
22. Anti-Bribery. Buyer will comply with all applicable laws, regulations, codes and sanctions relating to anti-bribery and anti-corruption including, but not limited to: Local and national laws in the territories in which it operates, The UK Bribery Act 2010, The US Foreign Corrupt Practices Act 1977, The UN Convention Against Corruption.
  - a. Buyer will comply with the Halma plc. Group Code of Conduct relating to bribery and corruption which may be found on the Halma website ([www.halma.com](http://www.halma.com)).
  - b. Have in place its own policies and procedures to ensure compliance with this Clause.
  - c. Ensure that all parties with which it is associated or who are providing goods or services in connection with any contract governed by these Terms (including subcontractors, agents, consultants and other intermediaries) are aware of and comply with the requirements of this Clause.
  - d. Maintain complete and accurate records of all transactions and payments related to any contract governed by these Terms and, on reasonable request, disclose details of those transactions and payments to the Seller.
  - e. On reasonable request confirm in writing to the Seller that it has complied with the requirements of this Clause and, if so requested, allow the Company to verify this compliance by way of an audit of its records.
  - f. Immediately inform the Seller if it suspects or becomes aware of any breach of this Clause by one of its employees, subcontractors, agents, consultants or other intermediaries and provide detailed information about the breach.
  - g. If Buyer breaches this Clause the Seller shall have the right to terminate any contract governed by these Terms without notice and with immediate effect and will be in no way liable to Seller in respect of such termination for payment of damages or any other form of compensation.