

TERMS & CONDITIONS

The sale of all goods and services by Armoured Electrical & Fire Safety Ltd. ("ARMOURED") will be subject to the following terms and conditions. The buyer's, owner's, client's, or company's ("Buyer")'s acceptance of any quotation, proposal or offer made by ARMOURED for the sale of its goods and services (collectively, the "Order") is expressly made subject to these Terms and Conditions. None of the Terms and Conditions may be added to, modified, superseded or otherwise altered except as revised in writing by ARMOURED. All orders for goods received by ARMOURED will be governed only by these Terms and Conditions, notwithstanding any terms and conditions in any purchase order, release order, or any other form issued by the Buyer.

1. PRICE

Prices quoted by ARMOURED will remain firm for a period of 14 days from the date of a quotation. Nevertheless, ARMOURED reserves the right, at any time before receiving the acceptance of a quotation by the Buyer, to adjust prices by providing written notice to the Buyer regarding that adjustment. Quotations provided are priced based on the Buyer's purchase of the entire scope of goods and services identified in a quotation. If less than the entire scope of items identified in a quotation are ordered by the Buyer, prices may vary. Unless otherwise stated in a quotation, installation, commissioning, supervision and/or start-up services are not included in the price. The Buyer will pay ARMOURED to the extent of services provided or for the quantity of goods shipped if ARMOURED is unable for any reason to provide and/or ship the entire scope of items identified in the Order. This proposal may be withdrawn if not accepted within 14 days from date of submission. Any work required under this proposal after this date is not covered within the scope of this proposal.

2. SCOPE OF GOODS AND SERVICES

The Goods and Services provided by ARMOURED pursuant to the Order are limited exclusively to the goods and services expressly identified in the Order. As a result, ARMOURED does not assume responsibility and/or liability for the failure to provide any other goods or services. Modifications, additions or deletions to or from the scope described in the Order will only be effective if evidenced in writing signed by ARMOURED. The sale of goods and services affected by such modification, addition or deletion will be subject to these Terms and Conditions. All sales of Goods and Services are final.

3. PAYMENT TERMS

Unless otherwise indicated a payment of 50% is due with proposal acceptance and a final payment of 50% due with work completion or receiving goods. All payments not received by invoice due date shall be considered past due. Unless otherwise provided, the Buyer will have 30 days from the date of the invoice in which to make payment for the Order. No release of lien shall be signed unless all payments are paid in full. Acceptance by ARMOURED of less than full payment will not be a waiver of any of its rights hereunder. Interest will accrue at the annual rate of 24% per annum to be compounded monthly on the balance due. In the event of default by the Buyer, the Buyer will pay all collection costs and indemnify ARMOURED for all legal and other expenses relating to the default.

4. CANCELLATION

The Buyer may cancel or modify a shipment of any part of an Order only upon ARMOURED receiving seven days written notice prior to the cancellation or modification and upon payment to ARMOURED of reasonable and proper cancellation or modification charges based upon expenses already incurred and commitments made by ARMOURED, including any labour done, material purchased and also including ARMOURED's usual overhead and reasonable profit and cancellation charges from ARMOURED's suppliers.

5. RETURN OF GOODS

No credit or refund will be permitted for goods returned unless ARMOURED's prior written permission has been obtained. If accepted by ARMOURED, returned goods may be subject to a handling or restocking charge.

6. LIABILITY

ARMOURED SHALL NOT BE LIABLE for failure to perform based on any condition outside of the full controls of ARMOURED such as labour disputes, accidents, acts of God, governmental or municipal regulation or interference, shortages of labour or materials, delays in transportation, non-availability of the same from manufacturer or supplier, or other causes beyond electrical contractor's control. In no event shall the electrical contractor be liable for special or consequential damages whatsoever or however caused.

7. SECURITY INTEREST

The Buyer hereby grants ARMOURED a security interest in the Buyer's present and after acquired assets to secure the unpaid balance of the price and all other obligations of the Buyer to ARMOURED. The Buyer authorizes ARMOURED to file

financing statements and other similar documents required to perfect the security interest granted herein and irrevocably grants ARMOURED a power of attorney to execute such documents on behalf of the Buyer.

8. FIXTURES AND EQUIPMENT SUPPLIED BY OTHERS

All materials, fixtures and equipment supplied by and in the control of others to any degree which incur losses due to theft, damage, vandalism, etc. are not the responsibility of ARMOURED. All delivered fixtures and equipment must be stored by others securely. This proposal pricing does not include or cover expenses for:

- a) The warranty of fixtures and equipment supplied by others includes those currently installed or existing that will be related to or directly connected to the scope of work in this proposal.
- b) Equipment supplied by others (except fixtures according to conditions above) shall be installed by others. The assembly of fixtures and/or equipment supplied by others.
- c) Fixtures weighing more than fifty (50) pounds

9. WARRANTIES

Warranties shall apply exclusively to the electrical installation of the material, fixtures, equipment, and other items supplied by ARMOURED. Therefore this Warranty does not apply to:

- a) Material, fixtures, equipment and other items supplied by others.
- b) Extensions or additions to the original installation if made by others.

Warranty shall commence from the final electrical inspection date for a maximum period of one (1) year. Warranty or service will not be performed if any payments according to this proposal become past due including change orders. We extend to the Buyer the standard or proposed warranty, if any, offered by equipment manufacturers. ARMOURED does not warrant against damages due to corrosion, abrasion, normal wear and tear, product modification or product misapplication. There exist no other representations, warranties or guarantees except as stated in this paragraph and all other warranties including merchantability and fitness for a particular purpose, whether express or implied are hereby expressly excluded and disclaimed. For further clarity, the parties acknowledge and agree that section 18 of the Sale of Goods Act, R.S.B.C. 1996, c. 410 is excluded from and inapplicable to this Agreement. ARMOURED is a supplier of electrical and fire safety products for applications which may include processes or materials with inherent fire and explosion hazards. ARMOURED is neither an expert nor a certified consultant in fire, spark and/or explosion detection or suppression control. Complying with applicable codes and standards and managing the risks associated with the process or materials remains the responsibility of the Buyer. ARMOURED may provide referrals to suppliers of equipment or services related to the detection and/or mitigation of sparks, fires and/or explosions, but ARMOURED does not assume responsibility for any such referrals, nor does ARMOURED assume any liability for the fitness of a mitigation strategy or product for a particular installation or application. ARMOURED recommends that all electrical and fire safety system designs be reviewed and approved by an expert consultant who is responsible for the integrity of the system design and compliance with locally accepted codes. ARMOURED also recommends that proper maintenance procedures and work practices be followed to maintain electrical and fire safety products in safe operating condition. Selection and sizing of the Goods and Services described in the Order have been based on the data supplied to us by you, with the understanding that the Goods & Services will be used in the manner recommended. Any variation in use from our recommendations (unless accepted in writing by ARMOURED), will void our warranty and/or performance guarantee.

10. EXCLUSIONS

This proposal does not include concrete, forming, painting, hole repair, patching, trenching, core drilling, venting and sealing of roof penetrations. All waste created by the electrical contractor will be removed to a specific area on the project site.

11. NATIONAL AND LOCAL CODES

Electrical installation shall meet the Canadian Electrical Code and local building codes. Errors in design by the architect and/or engineer are not the responsibility of ARMOURED. Any additional outlets, wiring, fixtures, equipment, etc. not indicated on plans and specifications that are required by others (i.e., Inspectors) shall not be part of this proposal.

12. MATERIALS AND EQUIPMENT

All material and equipment shall be as warranted by the manufacturer and will be installed in a manner consistent with standard practices at this time. It is agreed that title to all material required (for the purpose of this proposal) remains the property of ARMOURED until paid in full. It is understood that ARMOURED shall have the authorization to enter upon Buyer's property for the purpose of repossessing material and equipment whether or not installed without liability to Buyer for trespass or any other reason.

TERMS & CONDITIONS**13. CUSTOMER DEFAULTS**

Buyer will be in default if: Any payment called for under this proposal and all authorized change orders becomes past due.

- a) Any written agreement made by the Buyer is not promptly performed.
- b) Any conditions warranted by the Buyer prove to be untrue.
- c) Failure of Buyer to comply with any of the conditions of this proposal.

In the event of a customer default, the customer agrees to remedies for ARMOURED, who may do any or all of the following:

- a) Suspend the work and remove its material/equipment from the premises.
- b) Remove any Electrical Contractor-supplied material/equipment, whether or not it has been installed and whether or not it has been placed in operation. In this regard, Buyer agrees that electrical contractor may enter upon Buyer property for the purpose of repossessing such equipment without liability to Buyer for trespass or any other reason.
- c) Retain all monies paid hereunder, regardless of the stage of completion of the work and bring any appropriate action in court to enforce its rights. The Buyer agrees to pay all costs and expenses, attorney's fees, court costs, collection fees (including fees incurred in connection with appeals) incurred by the electrical contractor in enforcing its rights under this proposal.

11. LIMITATION OF DAMAGES

ARMOURED will have no liability to the Buyer or any end user of goods or services with respect to the sale of goods or provision of Goods and Services under the Order for lost profits or for special, consequential, exemplary or incidental damages, whether arising in contract, tort, product liability or otherwise, even if ARMOURED was advised of the possibility of such lost profits or damages. ARMOURED's direct damages are limited to the contract price. In no event will ARMOURED be liable to the Buyer for any damages in excess of the total price paid by the Buyer for Goods and Services referenced in the Order.

12. CONFIDENTIALITY

ARMOURED may disclose to the Buyer certain information relating to ARMOURED's business, including drawings, diagrams, technical data, marketing, reference lists, planning, and other information that is marked confidential or which the Buyer should reasonably know to be confidential given the nature of the information and the circumstance of disclosure ("Confidential Information"). The Buyer agrees that it will not disclose ARMOURED's Confidential Information except (a) to the employees, contractors, advisors or agents of the Buyer to the extent that they need to know that Confidential Information for the purpose of performing the Buyer's obligations under this Agreement or performing their obligations to the Buyer and who are bound by confidentiality terms with respect to that Confidential Information no less restrictive than those contained in this Section 10; or (b) as required to be disclosed by law, to the extent required to comply with that legal obligation, provided that the Buyer will promptly notify ARMOURED of such obligation and proposed disclosure.

13. INDEMNIFICATION

ARMOURED will not be liable for and the Buyer will release, indemnify and hold ARMOURED, or any entity affiliated in any way therewith, harmless from any claims, demands, damages (regardless of their type, direct, consequential, incidental, punitive or special), accounts, grievances, losses and expenses, whether known or unknown, present or future, all liability, of and from any and all manner of actions, cause(s) of action, including suits for contribution and/or indemnity and all suits in law, in equity, or under statute, of whatever kind or nature, on account of or in any way arising out of acts or omissions of the Buyer, its agents, contractors, employees or any person under their control and relating in any way to the Goods and Services provided under the Order or the equipment related thereto, including the Buyer's use, installation, incorporation or selection thereof.

14. APPROVAL DRAWINGS

Approval drawings, if provided to the Buyer by ARMOURED and either signed by a representative of the Buyer with apparent authority to do so or not objected to by the Buyer in writing within the time required by ARMOURED, will constitute exclusive proof regarding the Buyer's verification and acceptance of the dimensions and other information described therein and ARMOURED will be entitled to rely on such approval drawings to develop the Order and provide the Goods and/or Services referenced in it. The Buyer hereby assumes any and all responsibility for any inaccurate or incomplete information contained therein. To the extent that the Buyer provides the design for any goods or services to be performed by ARMOURED, the Buyer will indemnify, defend, and hold harmless ARMOURED against all claims, suits, and causes of action and from all costs, expenses, damages and liabilities (including legal and consulting fees) for actual or alleged infringement of any United States or foreign patent, copyright, trademark, intellectual property rights, or proprietary rights of third parties by reason of the use, sale, manufacture, or design of goods and/or services covered by these terms and conditions.

15. SEVERABILITY

If any covenant or other provision of this Agreement is found to be invalid, illegal or incapable of enforcement by reason of any rule of law or public policy, such covenant or other provision will be severed; all other conditions and provisions of this Agreement will nevertheless remain in full force and effect and no covenant or provision unless so expressed in this Agreement will be deemed dependent upon any other covenant or provision unless so expressed in this Agreement.

16. GOVERNING LAW; JURISDICTION

It is agreed by the parties that the governing law for this Agreement will be the law of the Province of British Columbia.

17. WAIVER

No provisions of this Agreement will be deemed waived and no breach excused unless the waiver or consent is in writing and signed by the party granting the waiver or consent. A waiver of a provision or a consent to a breach of this Agreement will not constitute a waiver of, consent to or, excuse for any other breach of that or any other provision.

18. WAIVER OF SUBROGATION

The Buyer further agrees to waive all rights of subrogation that would otherwise be available to its insurers, regardless of the theory of recovery, relating in any way to the design, testing, manufacture, sale or installation of any goods, any components, or any related services.

19. ARBITRATION

Unless ARMOURED, in its sole discretion, determines that a matter should proceed by way of commencing an action in the Supreme Court of British Columbia, and thus that matter is expressly excluded from arbitration hereunder, any controversy, dispute, disagreement, or claim arising out of, relating to or in connection with this Agreement or any breach thereof, including any question regarding its existence, validity, or termination, shall be finally and conclusively resolved by arbitration administered by the British Columbia International Commercial Arbitration Centre ("BCICAC") pursuant to its applicable Rules and in accordance with the British Columbia Arbitration Act. The following provisions shall govern any arbitration hereunder:

- (a) The location for any arbitration pursuant to this Agreement shall be Prince George, British Columbia, Canada.
- (b) Arbitration shall be conducted by a single arbitrator and governed in accordance with the laws of British Columbia.
- (c) The Parties shall equally share the fees of the arbitrator and the facility fees.
- (d) The Parties shall each bear their own legal costs and expenses of the arbitration, unless the Arbitrator makes a different order respecting costs.
- (e) The parties agree that either party shall have a right of appeal pursuant to the BCICAC Rules solely with leave of the Appeal Tribunal and where the grounds of appeal are on a question of law.
- (f) Except for the appeal process under the BCICAC Rules as detailed above, the parties agree that they will not appeal any arbitration decision, or decision of an Appeal Tribunal, to any court.

20. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement of the parties and will not be changed or discharged except in writing. Any purchase order or other document issued by the Buyer will be deemed to (i) be solely for the record keeping convenience of the Buyer, and (ii) confirm these Terms and Conditions and not add to, delete from, or otherwise change or modify these Terms and Conditions or those contained in the Order.