

## GENERAL TERMS AND CONDITIONS FOR SALES CONTRACT

All sales by Detector Electronics Corporation (hereinafter called "**Det-Tronics**") of equipment offered and sold by it to the entity that places the purchase order (the "**Buyer**") shall be subject to the following General Terms and Conditions (the "**Terms and Conditions**") which shall be deemed incorporated into all orders and offers to purchase submitted to Det-Tronics for acceptance and into all of its acceptances and contracts for sale.

### 1. **WARRANTIES.**

**LIMITED WARRANTY:** Det-Tronics makes the following limited warranty: Det-Tronics warrants that the Equipment represented by this contract shall be free from defects in material and workmanship upon delivery (the "**Limited Warranty**"). If such Equipment is not as warranted within **eighteen (18) months after date of manufacture, or within twelve (12) months after date of installation, whichever occurs first**, as evidenced by a certification by the installer, Det-Tronics' liability and Buyer's exclusive remedy will be limited to the repair or replacement of the defective good(s). If, after inspection of the returned equipment, Det-Tronics determines that the defect is a result of damage, misuse, mishandling, installation, abnormal conditions of storage or operation, unauthorized repair or modification, or due to Buyer's failure to install, maintain, or operate the Equipment in compliance with the written instructions, all expenses incurred by Det-Tronics in connection with the replacement or repair of the equipment shall be the responsibility of Buyer. Any equipment returned to Det-Tronics for replacement shall become the property of Det-Tronics. Any part, item or equipment repaired or replaced and returned to Buyer shall be warranted by Det-Tronics for the remainder of the original warranty period.

**EXTENDED WARRANTY:** The following warranty periods shall only apply for the specific products listed below (collectively, the "**Extended Warranties**"):

- a. Sixty (60) months from the date of manufacture:
  - i. PointWatch Model PIR9400 IR Hydrocarbon Gas Detector
  - ii. PointWatch Eclipse® Model PIRECL IR Hydrocarbon Gas Detector
  - iii. PointWatch Eclipse® Model PIRECL IR CO2 Gas Detector
  - iv. Model X3301 Multispectrum IR Flame Detector
  - v. Model X3302 Multispectrum IR Flame Detector
  
- b. Thirty-six (36) months from the date of manufacture:
  - i. X2200 UV Flame Detector
  - ii. X9800 Single Frequency IR Flame Detector
  - iii. X5200 UVIR Flame Detector
  - iv. AC100 and ATX10 Acoustic Detector
  
- c. Twenty-Four (24) months from the date of manufacture:
  - i. Nanotechnology Metal Oxide Semiconductor Model NTMOS H2S Stand-Alone Gas Detector
  - ii. Open Path Eclipse Model OPECL IR Gas Detector

Limited Warranties and Extended Warranties do not apply to cosmetic damage, such as scratches, paint fading, nicks and dents due the normal use of the product or operation under severe environment conditions.

All Limited Warranty and Extended Warranty claims shall be made within ten (10) days of expiration of the applicable warranty period.

**FIELD SERVICE LIMITED WARRANTY:** Det-Tronics agrees to re-perform any field services it has provided which are shown to Det-Tronics' satisfaction to have been performed in a defective or faulty manner. Buyer must provide Det-Tronics notice of such defective or faulty service within forty-eight (48) hours following the conclusion of the field service performance in order to effect this field service limited warranty, unless otherwise agreed to in writing by Det-Tronics. Det-Tronics shall re-perform such work on an eight (8) hour per day, forty (40) hour per week basis. Re-performance shall constitute the exclusive remedy of the Buyer. The cost of overtime shall be paid by the Buyer at the applicable overtime rates in effect at the time the field services are provided.

The validity, performance and interpretation of the warranties in this Section 1 shall be governed by the internal laws (and not the laws of conflicts) of the State of Minnesota. All disputes arising in connection with the Limited Warranty and Extended Warranties shall be resolved, if not sooner settled, by a court of competent jurisdiction located in Hennepin County, Minnesota, USA.

THE FOREGOING WARRANTIES ARE THE SOLE AND EXCLUSIVE WARRANTIES GIVEN BY DET-TRONICS IN CONNECTION WITH THE SERVICES PERFORMED AND PRODUCTS PROVIDED HEREUNDER, AND ARE IN LIEU OF ALL OTHER WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, WHICH ARE HEREBY DISCLAIMED AND EXCLUDED BY DET-TRONICS, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. ANY ADDITIONAL WARRANTIES OR REPRESENTATIONS MADE BY EMPLOYEES, REPRESENTATIVES OR AGENTS OF DET-TRONICS WHICH ARE NOT EXPRESSLY INCLUDED IN THE LIMITED WARRANTY, EXTENDED WARRANTIES OR FIELD SERVICE WARRANTIES ARE EXCLUDED AND DISCLAIMED BY DET-TRONICS.

2. **LIMITATION OF LIABILITY.** To the extent permitted by law, the aggregate liability of Det-Tronics hereunder whether in contract, tort (including negligence) or otherwise, will be limited to one times the contract of sale value in relation to the subject matter hereof, provided however the foregoing limitation does not limit the liability of Det-Tronics for any injury to, or death of a person, caused by the gross negligence of Det-Tronics. Under no circumstances shall either party be liable for special, indirect, or consequential damages of any kind including, but not limited to, loss of profits, loss of good will, loss of business opportunity, additional financing costs or loss of use of any equipment or property, whether in contract, tort (including negligence), warranty or otherwise, notwithstanding any indemnity or other provision to the contrary.
3. **ACCEPTANCE STATES THE ENTIRE CONTRACT.** The acknowledgment by Det-Tronics of the Buyer's order or offer to purchase is an acceptance of the Buyer's order and intended to embody the complete and exclusive contract of sale in relation to the subject matter hereof, and no understandings or agreements, verbal or otherwise, in relation thereto except as herein expressly set forth or incorporated herein by reference shall be binding on either party.

The acceptance by Det-Tronics of Buyer's order(s) is on the condition that these Terms and Conditions shall apply and shall constitute the complete contract between the parties. Any provisions or conditions of the Buyer's order forms or any verbal or other understandings or agreements which are in any way in conflict with or in addition to these Terms and Conditions shall not be binding on Det-Tronics and shall not be applicable, unless expressly agreed to in writing by Det-Tronics herewith or hereafter.

4. **DELIVERY.** Delivery shall be FCA Factory Bloomington, Minnesota, unless otherwise agreed and indicated on our order acknowledgement. Shipping dates are approximate and are based upon current and anticipated manufacturing capabilities and upon receipt of all necessary information from Buyer. Det-Tronics reserves the right to make delivery in installments and the contract shall be severable as to each such installment. Delay in delivery or other default in any installment shall not relieve Buyer of its obligation to accept and pay for remaining deliveries. If delivery of goods is delayed due to default in payment of the purchase price or to delay in receipt of shipping instructions, documents for payment, required inspection, export license or authorization or other cause for which Det-Tronics is not responsible, charges for demurrage and storage shall be paid by Buyer. All claims for a delay in delivery shall be deemed waived unless presented to Det-Tronics in writing thirty (30) days after the delivery of each shipment.

Unless otherwise indicated by the agreed upon International Commercial Terms ("**Incoterms® 2010**"), all shipping and insurance charges, any duty and all taxes related to Buyer's order shall be paid by Buyer. Claims for damages in transit must be asserted against the first carrier transporting the shipment (the "**Carrier**"). Within (7) days after receipt of shipment, Buyer must report to Det-Tronics any shortage or damage not due to the Carrier, otherwise claims for such shortage or damage will be deemed waived.

5. **FORCE MAJEURE.** Neither party shall be liable for any delays in delivery or for non-delivery or nonperformance, in whole or in part, caused by the occurrence of any event beyond the control of either party, including but not limited to one or more of the following causes: fires, destruction of plant; strike; lockout; dispute with workmen; epidemic; quarantine; flood; accident; delay in transportation; war (whether declared or undeclared); insurrection; riot; blockade; embargo; acts, demands or requirements of the United States, or the country in which or through which delivery is to be made or any state or territory thereof, or of any governmental subdivision of any thereof; restraining orders for decrees of any court or judge; or any other cause whatsoever, whether similar or dissimilar to those herein before enumerated. The existence of any such cause or causes of delay shall extend the time of performance by the time or times measured by any such cause or causes of delay. If delivery is not completed within sixty (60) days after the date stipulated in the acceptance of the order due to any said causes, either party may cancel this contract on ten (10) working days' notice to the other.

6. **CANCELLATION, COUNTERMAND AND RETURN OF GOODS.** Orders accepted by Det-Tronics cannot be cancelled or countermanded, or shipments deferred or equipment returned except with prior written consent from Det-Tronics' office in Minneapolis, Minnesota, and upon terms that will indemnify Det-Tronics against all losses resulting therefrom, including the profit on any part of the order that is cancelled. When Det-Tronics authorizes the return of equipment, Buyer shall prepay the shipping charges on such returned equipment unless otherwise expressly stated by Det-Tronics in its written return authorization.
7. **PRICE, TAXES AND OTHER CHARGES.** Unless otherwise agreed, the sales price stipulated in this contract is fixed and excludes all other fees including, but not limited to, customs duties, charges or surcharges, consular fees, sale, use, excise, turnover, occupational or transportation taxes, or any other taxes imposed by any country or political subdivision thereof.
8. **STORAGE FEES.** Det-Tronics reserves the right to assess a storage fee upon Buyer of one-half percent (0.5%) of the purchase order value per month in the event Buyer fails to pick up a shipment within thirty (30) days of the date that Det-Tronics notifies Buyer that the shipment is complete and ready to ship.
9. **PAYMENT TERMS.** Subject to approval and continuance of approval by Det-Tronics, terms of payment are thirty (30) days net from the date of invoice. For international orders, terms of payment are by satisfactory, irrevocable letter of credit or advance payment prior to shipment as Det-Tronics may elect. Unless otherwise agreed, all payments shall be in U.S. dollars. Acceptance and endorsement by Det-Tronics of an instrument for less than the full amount which claims to be due shall not be deemed to be an admission of payment in full and any conditions to the contrary which are noted on such an instrument shall not be binding on Det-Tronics. Det-Tronics' prices prevailing at time of each shipment shall apply. Prices are subject to correction for error.
10. **TITLE AND RISK OF LOSS.** Risk of loss shall pass to the Buyer immediately upon transfer of the shipment to the Carrier, unless specified otherwise by the agreed upon Incoterms® 2010. Title shall pass to the Buyer immediately upon delivery of the shipment to the Carrier unless specified otherwise in the contract.
11. **PATENTS.** Buyer shall indemnify and hold Det-Tronics harmless from any claim of patent infringement if such patent infringement or claim involves Equipment produced by Det-Tronics at Buyer's direction, or is based upon the use of the Equipment in combination with other items where such infringement or claim thereof would not have occurred under the normal or limited use for which the Equipment was designed.
12. **GENERAL PROVISIONS.** Det-Tronics reserves the right to correct any stenographical or clerical errors in any of the writings issued by it. Except as otherwise set forth herein, the Terms and Conditions and any description on the face of the acknowledgement constitute a complete and exclusive statement of the sale of the products by Det-Tronics to the Buyer. There are no other promises, conditions, understandings, representations or warranties. This contract may be modified only in a writing signed by Det-Tronics. No waiver of any right will be effective against Det-Tronics unless supported by consideration and expressly stated in a writing signed by Det-Tronics, and the failure of Det-Tronics to enforce any right will not be construed as a waiver of Det-Tronics' right to performance in the future. The Buyer may not assign any rights to, or delegate any performance owed under this contract without the written consent of Det-Tronics. Det-Tronics shall have the right to credit toward the payment of any monies that may become due Det-Tronics hereunder any sums which may now or hereafter be owed to Buyer by Det-Tronics. The validity, performance and interpretation of all matters relating to the interpretation and effect of these Terms and Conditions, the purchase order and any amendment hereto shall be governed by and construed in accordance with the internal laws (and not the laws of conflicts) of the State of Minnesota. All disputes arising in connection herewith shall be resolved, if not sooner settled, by a court of competent jurisdiction located in Hennepin County, Minnesota, USA. The Buyer shall pay Det-Tronics all fees, costs and expenses of Det-Tronics reasonably incurred in the enforcement of Det-Tronics' rights under or with respect to these Terms and Conditions and the purchase order, including, without limitation, reasonable attorneys' fees.
13. **LICENSES AND PERMITS.** Where Buyer is a U.S. company located in the United States, or has provided a duly executed power of attorney to an agent located in the United States and authorized to act on their behalf, Buyer shall be solely responsible for obtaining all export licenses or governmental permits necessary to export the products from the United States. At Buyer's request, Det-Tronics may, but is not legally obligated, to assist Buyer in obtaining such licenses and permits. Buyer shall be solely responsible for obtaining all import permits or other documents necessary for the importation of the products into another country or political subdivision thereof.
14. **NON-DISCLOSURE OF CONFIDENTIAL AND/OR PROPRIETARY INFORMATION.** Buyer shall not disclose any technical/proprietary information furnished by Det-Tronics or acquired by Buyer by virtue of or as a result of the implementation of these Terms and Conditions or the purchase order to any person, firm, body or corporate

authority and shall make all endeavors to ensure such technical/proprietary information is kept CONFIDENTIAL. Title to such technical/proprietary information imparted/supplied by Det-Tronics to Buyer shall at all times remain the absolute property of Det-Tronics.

15. **SOFTWARE LICENSE.** All software programs which are embodied in a human readable media or machine readable media and which include, but are not limited to, programs having a series of instructions, statements and data, and are related materials furnished by Det-Tronics, are trade secrets and proprietary to Det-Tronics. Det-Tronics provides such programs under a non-transferable and non-exclusive license to use them on the system for which Det-Tronics provided it; the Buyer may not assign, sublicense or otherwise transfer said license and programs or materials without the prior written consent of Det-Tronics. In the event information/data is exchanged between Det-Tronics and the Buyer, both parties mutually agree not to expose said programs to any claim, lien, conversion or any other encumbrance. Det-Tronics and the Buyer further agree to exercise due care and employ reasonable efforts to prevent disclosure of said technical information/data/program(s) unless it was or is:
  - [i] Known to the receiving party without restriction when received or thereafter developed independently by the receiving party, or
  - [ii] Obtained from a source other than the originating party, or
  - [iii] In the public domain when received or thereafter enters the public domain through no fault of the receiving party, or
  - [iv] Disclosed by the originating party to a third (3rd) party without restriction.
16. **CHANGES.** The Buyer may make changes, additions or deletions to specifications, drawings and other descriptions and conditions recited in the related document(s) upon written notice to Det-Tronics. If any such change(s), addition(s) or deletion(s) initiated by the Buyer affects the cost of manufacture or time of delivery, Det-Tronics shall give the Buyer written notice thereof within two (2) weeks from the date of receipt of Buyer's notice which shall include Det-Tronics' changes to the proposed cost and/or delivery. Buyer shall then give the instruction within a period of two (2) weeks after receipt thereof as to whether Buyer accepts Det-Tronics' notice of proposed cost and/or delivery changes. In case of withdrawal of change(s), addition(s), deletion(s) during the above period(s), the original contract price and/or delivery shall remain unchanged.
17. **FEDERAL ACQUISITION REGULATIONS.** The components, equipment and services proposed by Det-Tronics are commercial items as defined by the Federal Acquisition Regulations ("FAR") and the prices in any resulting contract and in any change proposal are based on Det-Tronics' standard commercial accounting policies and practices which do not consider any special requirements of U.S. Government cost principles and do not meet the requirements of Part 31 of the FAR or any similar procurement regulations. Det-Tronics agrees only to perform a contract for the sale of a commercial item on a fixed-price basis. In addition, Det-Tronics will not agree to submit or certify to any cost or pricing data nor will Det-Tronics agree to any requirements to establish price reasonableness under FAR Part 15 or such similar regulations. In stating its position, Det-Tronics refers to FAR Part 12 - "Acquisition of Commercial Items." All Sales under \$3,000 are made pursuant to FAR Part 13, Simplified Acquisitions.
18. **EXPORT CONTROL.** Buyer agrees to conduct its operations under this Contract and perform all its responsibilities in full compliance with United States ("U.S.") export control laws and all other applicable U.S. laws which may apply to exports, re-exports or transfer of commodities, technology or software sales or transfers to other countries and all other foreign trade. Any other provision of this Contract to the contrary notwithstanding, Buyer agrees that no commodities, software, technology, or technical data of U.S. origin or with U.S. origin content will be sold, exported, re-exported, transferred or transmitted except in full compliance with all applicable laws, including all relevant U.S. government requirements. In addition, Buyer specifically agrees to comply with all applicable laws, including U.S. government requirements, governing the transfer of information and items to U.S. embargoed and sanctioned countries and denied and restricted parties. Any violation of this Section 17, as determined solely by Det-Tronics, shall be deemed a material breach of this contract of sale in relation to the subject matter hereof. It is the responsibility of Buyer to inform Detector of all parties to the transaction including end-user, the country of ultimate destination and the application or end use.
19. **COMPLIANCE WITH LAWS.** Buyer represents, warrants, certifies and covenants (collectively "Covenants") that it will comply with all laws applicable to the goods, services and/or the activities contemplated or provided under these Terms and Conditions, including, but not limited to, any national, international, federal, state, provincial or local law, treaty, convention, protocol, common law, regulation, directive or ordinance and all lawful orders, including judicial orders, rules and regulations issued thereunder.

20. **WAIVER.** No claim or right arising out of a breach of these Terms and Conditions and/or purchase order can be discharged in whole or in part by a waiver or renunciation unless supported by consideration and made in writing signed by the aggrieved party. Either party's failure to enforce any provisions hereof shall not be construed a waiver of a party's right thereafter to enforce each and every such provision.
21. **DISCLAIMER OF SERVICES.** Any technical assistance, recommendations or suggestions provided by Det-Tronics are provided for information purposes only and are dependent upon there having been full, complete and accurate information provided to Det-Tronics. The end user (owner) and the installer are the ultimate decision makers and are responsible to ensure that the actual installation is fully compliant with all local codes, is fully approved by the authority having jurisdiction, and achieves the desired performance. Det-Tronics' recommendations do not account for unreported or missing data and cannot account for the future changes to site conditions.
22. **SANCTIONS.** Either Party shall have the right to cancel the purchase order without penalty, in the event a Sanction is imposed by a governmental body or competent authority upon a third party directly or indirectly or that otherwise has the effect of prohibiting the invoking Party from performing its obligations under the purchase order, and Det-Tronics or Buyer is/are unable to obtain appropriate government authorization to proceed in light of such Sanction within thirty (30) days of the expected delivery date as agreed to within the purchase order. In no event shall Liquidated Damages or Consequential Damages apply due to such Sanction. For purposes of this Article 22, a "Sanction" is defined as: a trade or economic embargo; a blocking or freezing of funds or economic resources; prohibitions on dealing in such funds or economic resources; prohibitions on the export, reexport, or transfer of goods or technology, or the provision of services; prohibitions on transfers of funds; travel restrictions or prohibitions; or any other trade or financial restriction as imposed by the authorized governmental body or competent authority.
23. **TOXIC NOTIFICATION.** Pursuant to the notification requirements of 40 CFR 372.45, Det-Tronics distributes a toxic chemical subject to the reporting requirements of section 313 of Title III of the Superfund Amendments and Reauthorization Act of 1986 and 40 CFR part 372. The toxic chemical is Lead and its associated Chemical Abstracts Service registry number is 7439-92-1. The percentage (by weight) of Lead used in Det-Tronics' products is less than one percent (1%).
24. **NUCLEAR LIABILITY INDEMNIFICATION.** Buyer hereby releases and agrees to save and hold Det-Tronics and its subcontractors and vendors harmless from claims, liability, or exposure occasioned by injury to, or death of any person, or loss of, damage to or loss of use of property caused by, or arising, in any manner, out of a "nuclear incident", as defined in the Atomic Energy Act of 1954, as amended, whether alleged to arise out of breach of contract, tort (including negligence), warranty, strict liability, or otherwise. The Buyer shall, at its cost, secure and maintain in force insurance protection (in which Det-Tronics and its subcontractors and vendors by name or description are additional insured or beneficiaries of waivers of subrogation) against liability or loss arising out of or arising from a nuclear incident (as defined above), including the following:
- a. Nuclear property and liability insurance of the type issued by American Nuclear Insurers (ANI) or equivalent insurance, in the maximum obtainable amounts and in such form as shall meet the financial protection requirements of the Nuclear Regulatory Commission pursuant to Subsection 170(b) of the Atomic Energy Act of 1954, as amended.
  - b. A government indemnity agreement with the Nuclear Regulatory Commission pursuant to Subsection 170(c) of the Atomic Energy Act of 1954, as amended.

The insurance and indemnities required above shall be maintained in effect as to each unit on the site from the day nuclear fuel is first shipped to the site at which such unit shall be located, and shall continue in effect, to the extent the same is available, for so long as such unit is operated or there is any chance of a nuclear incident.

**By signing below, Buyer agrees to the stated terms and conditions for the associated project.**

**Company:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_