

# STANDARD CONDITIONS OF AGREEMENT

1. The customer agrees that (a) this agreement represents the entire agreement between the customer and ASSA ABLOY (T) LTD (hereafter called AA) and that no alterations or additions to this agreement may be effected unless agreed to by both parties, reduced to writing and signed by the customer and a duly authorized representative of AA; (b) this agreement will govern all future contractual relationships between parties; (c) this agreement is applicable to all existing debts between the parties; (d) this agreement is final and binding and is not subject to any suspensive or dissolutive conditions; (e) any conflicting conditions stipulated by the customer are expressly excluded; (f) these terms supersede all previous conditions without prejudice to any securities or guarantees held by AA and (g) these terms apply to all servants and subcontractors of AA.

2. This agreement only becomes final and binding on receipt of the acceptance by AA at its business address: Plot 37, Shop 2, P.O. Box 42166, Dar Es Salaam, Tanzania.

3. The signatory hereby binds himself / herself in his / her personal capacity as an authorized personnel acting on behalf of the Director (in the case of a company), Member (in the case of a close corporation) or Owner of Partner as co-principal debtor jointly and severally for the full amount due to AA and agrees that these Standard Terms and Conditions will apply in the exact same way to him / her.

4. The Customer acknowledges that it does not rely on any representations made by AA in regard to the goods and services or any of its qualities leading up to this Agreement other than those contained in this Agreement. All specifications, price lists, performance figures, advertisements, brochures and other technical data furnished by AA in respect of the goods and services orally or in writing will not form part of the Agreement in any way unless agreed to in writing by AA or unless defined in AA's official product catalogue.

5. The Customer agrees:

5.1 That neither AA nor any of its employees will be liable for any negligent or innocent misrepresentations made to the Customer.

5.2 That it is the sole responsibility of the Customer to determine that the goods or services ordered are suitable for the purposes of intended use.

5.3 To pay all costs resulting from any acts or omission of the Customer including suspension of work, modification of requirements, failure or delay in giving particular requisite to enable work to proceed on schedule or requirements that work be completed earlier than agreed.

5.4 AA reserves that right at its sole discretion to provide alternative products to those ordered by the customer should said equipment manufacture be superseded, replaced or terminated.

6. The Customer further agrees that:

6.1 All quotes will remain valid for a period of 30 days from the date of the quote or until the date of issue of a new price list, whichever occurs first.

6.2 All quotes are subject to the availability of the goods or services and subject to correction of good faith errors by AA; and the prices quoted are subject to any increase in the cost price, including currency fluctuations of AA before dispatch of goods or commencement of services.

6.3 The amount of the increase shall be dictated by AA and be final and binding on the Customer.

6.4 The goods and services on the Tax Invoice issued, duly represent the goods and services ordered by the Customer at the prices agreed to by the Customer and where deliverer performance has already taken place, that the goods or services were inspected and that the Customer is satisfied that these conform in all respects to the quality and quantity ordered and are free from any defects.

6.5 Notwithstanding the provisions of Section 1 above, all orders or variations on orders whether oral or in writing, shall be binding and subject to these standard Terms and Conditions of Agreement and may not be cancelled.

6.6 AA shall be entitled in its sole discretion to split the delivery / performance of the goods or services ordered in the quantities and on the dates it decides.

6.7 AA shall be entitled to invoice each delivery / performance actually made separately.

6.8 Any delivery note or waybill (copy or original) not signed by the Customer or a third party engaged to transport the goods and held by AA shall be conclusive proof that delivery was made to the customer.

6.9 The risk of damage to, destruction or theft of goods shall pass to the customer on conclusion of the Agreement of sale and the Customer undertakes to comprehensively insure the goods until paid for in full. AA may recover insurance premiums from the Customer for such insured goods.

6.10 Delivery, installation and performance times given are merely estimates and are not binding on AA.

6.11 If AA agrees to engage a third party to transport the goods, AA is hereby authorized to engage a third party on the Customer's behalf and on the terms deemed fit by AA.

6.12 The Customer indemnifies against any claims that may arise from such agreement in clause 6.11 against AA

6.13 Repair times and repair costs given are merely estimates and are not binding on AA.

6.14 Any item handed in for repair may be sold by AA to defray the cost of such repairs if the item remains uncollected within 30 days of the repairs being completed.

6.15 All goods taken on an evaluation, approval, demonstration or consignment basis by the Customer are deemed sold if not returned within 21 days of issue in a perfect condition, in the original packaging and with all accessories and manuals intact.

6.16 The Customer acknowledges all copyrights and shall not duplicate copyrighted material and that each attempt shall immediately render the full prevailing price payable to AA.

6.17 The Customer shall indemnify AA against any claims, costs and expenses arising out of the infringement or copyright, patent, trade mark or design.

7. The Customer further agrees that:

7.1 New goods are guaranteed according to the Manufacturer's product specific warranties only and all other guarantees including common law guarantees are hereby specifically excluded. Repairs and services carry no guarantee and that all sales are final.

7.2 Liability under Clause 7.1 is restricted to the cost of repair or replacement of faulty goods or services or granting of a credit at the sole discretion of AA.

7.3 No claim under this Agreement shall arise unless the Customer has, within 24 hours of the alleged breach or defect occurring, given AA 30 days written notice by prepaid registered post to rectify defect or breach of Agreement.

7.4 To be valid, claims must be supported by the original Tax invoice.

7.5 The Customer shall return any defective goods to the premises of AA at the Customer's own cost and packed in the original packaging of the goods and all risks for the duration of repair remain with the Customer.

7.6 All guarantees are immediately null and void (cease to exist) should any goods be tampered with or should the seals on goods be broken by anyone other than AA or should the goods be operated or stored outside the Manufacturer's specifications.

7.7 Any item delivered to AA shall serve as a pledge in favour of AA for present and past debts and AA shall be entitled to retain or realize such pledges as it deems expedient at the value as determined in 15.1. The sworn or realized value of pledged goods will be offset against the Customer's debts and any remaining balance will be paid to the Customer.

8. The Customer further agrees that:

8.1 Under no circumstances shall AA be liable for any consequential damages or for any delictual liability of any nature whatsoever.

8.2 Under no circumstances shall AA be liable for any damage arising from any misuse or abuse of the goods.

9 Delivery of the goods to the Customer shall take place at the place of business of AA. Where delivery is undertaken on the Customer's behalf, products will be offloaded at the curb line at the Customer's site. Where installation is performed on the Customers behalf, any physical impassibility to perform the Installation due to the nature of the site will deem the installation completed.

10.1 Customer agrees that the amount contained in a Tax Invoice issued by AA shall be due unconditionally (a) cash on order, or (b) if the Customer is a Credit Approved Customer, within 30 days from Tax Invoice date.

10.2 The Customer agrees to pay the amount on the Tax invoice at the offices of AA.

10.3 The risk of payment by cheque through the post rests with the Customer and any returned cheque will be billed to customer. All cheques must clear before any goods are supplied unless in written agreement with management.

11.1 The Customer has no right to withheld payment for any reason whatsoever and agrees that no extension of payment of any nature shall be extended to the Customer and any such extension will not be applicable or enforceable unless agreed to by AA, reduced to writing and signed by the Customer and a duly authorized representative of AA.

11.2 The Customer is not entitled to set off any amount due to the Customer by AA against this debt.

11.3 All discounts shall be forfeited if payment in full is not made on the due date.

12.1 The Customer agrees that the amount due and payable to AA may be determined and proven by a certificate issued and signed by any independent auditor. Such certificate shall be binding and shall be face value proof of the indebtedness of the Customer.

12.2 Any printout of computer evidence tendered by any party shall be admissible evidence and no party shall object to the admissibility of such evidence purely on grounds that such evidence is computer evidence or that the requirements of the Computer Evidence Act have not been met.

13.1 The Customer agrees that interest shall be payable on any moneys due to AA at the maximum legal Interest rate prescribed in terms of the Usury Act, from the date it falls due. In the case of late payment interest shall be calculated from the date of order.

13.2 The Customer expressly agrees that no debt owed to AA by the Customer shall become prescribed before the passing of a period of ten years from the date the debt falls due.

14.1 The Customer agrees that if an account is not settled in full (a) against order, or (b) within the period agreed in clause 10.1 above in the case of a Credit Approved Customer, AA is (i) entitled to immediately institute action against Customer at the sole expense of the Customer; or (ii) to cancel the agreement and take possession of any goods delivered to the Customer and claim damages. These remedies are without prejudice to any other right AA may be entitled to in terms of this agreement or in law

14.2 A Credit Approved Customer will forthwith lose this approval when payment is not made according to conditions of 10.1 (b).

15.1 In the event of cancellation, the Customer shall be liable to pay (a) the difference between the selling price and the value of goods at the time of repossession and (b) all other cost incurred in the repossession of the goods. The value of repossessed or retained pledged goods shall be deemed to be the value placed on them by any sworn valuator after such repossession, and such valuation shall be conclusive proof of the value. If the goods are not recovered for any reason whatsoever, the value shall be deemed to be nil.

15.2 The Customer irrevocably authorizes AA to enter its premises to repossess any goods delivered and indemnifies AA completely against any damage whatsoever relating to the removal of repossessed goods.

15.3 In the event of cancellation AA is entitled not to produce any unmade balance of a contract and to recover any loss sustained there by from the Customer.

16.1 All goods supplied by AA remain the property of AA until such goods have been fully paid for whether such goods are attached to their property or not;

16.2 The Customer is not entitled to sell or dispose of any goods unpaid for without the prior written consent of AA.

16.3 If any goods supplied to the Customer are of a generic nature and have become property of the Customer by operation Of law (Confusio or commixtio) the Customer shall be obliged on notice of cancellation of the agreement to retransfer the same quantity for goods in ownership to AA.

16.4 The Customer agrees to accept any bulk quantity that does not exceed or fall short of the quantity ordered by more than 10% as good and complete performance and may request AA to pay only the proportionate contract price for the actual quantity dispatched which request will not be unreasonable withheld.

17.1 Any document shall be deemed duly presented to the Customer within (i) 3 days of prepaid registered mail to any of the Customer's business or postal addresses or to the personal address of any director, member or owner of the Customer; or (ii) within 24 hours of being faxed to any of the Customer's fax numbers or any director, member's or owner's fax numbers; (iii) on being delivered by hand to the Customer or any director, member or owner of the Customer; (iv) within 48 hours if sent by overnight courier; or (v) within 24 hours of being telexed to the Customer's telex number.

17.2 The Customer chooses its address for legal execution as the business address or the physical addresses of any Director (in the case of a Company), Member (in the case of Close Corporations)) or the Owner(s) or Partners(s).

17.3 The Customer undertakes to inform AA in writing within 7 days of any change of Director, Member, Shareholder, Owner or Partner or address or 14 days prior to selling or alienating the Customer's business and failure to do so will constitute a material breach of this Agreement.

17.4 The Customer hereby consents to the storage and use by AA of the personal information that it has provided to AA for establishing credit rating and to AA disclosing such information to credit control companies, banks and institutions involved in rating credit. The Customer agrees that AA will not be held liable for the good faith disclosure of any of this information to such a third party and that no further specific consent need to be obtained for the transfer of such information to a specific third party.

18 The Customer agrees to the Standard Rates of AA for any goods or services rendered, which rates may be obtained on request.

19 The invalidity of any part of this Agreement shall not affect the validity of any other part.

20 Any order is subject to cancellation by AA due to Acts of God from any cause beyond the control of AA, including (without restricting this clause to these instances): inability to secure labour, power, materials or supplies, or by reason of an Act of God, war, civil disturbance, riot, state of emergency, strike, lockout, or other labour disputes, fire, flood, drought or legislation.

21 Any order is subject to cancellation if the Customer breaches any term of this agreement or makes any attempt of compromise, liquidation, sequestration, termination or judgement is recorded against the Customer or any of its principals.

22 The Customer agrees that AA will be immediately and irrevocably released from any contractual damages and penalty obligations Should any event in clause 20 or 21 occur.

23 This agreement and its interpretation is subject to Tanzanian law.