

## TERMS AND CONDITIONS OF SALE

### 1. DEFINITIONS: "Smiths" shall mean Smiths Detection (Thailand) Limited

"Customer" shall mean the person(s) or company that purchases Equipment/Services from Smiths pursuant to this Order.

"Equipment" means all components, spare parts, goods, equipment, or materials of any kind, which are supplied by Smiths under this Order.

"Operator" shall mean the operator or user of the Equipment/Services.

"Order" shall mean the agreement between Smiths and the Customer (individually "Party" and collectively "the Parties") for the sale and purchase of the Equipment/Services, including the Terms and Conditions of Sale herein and any contemporaneous writing, signed by both Parties, and firmly attached hereto.

"Services" means all services, including maintenance and installation services, provided under this Order.

**2. OFFER AND GOVERNING PROVISIONS:** Each quotation and Order acknowledgement issued by Smiths is an offer by Smiths to sell the goods and/or services described in it in accordance with these Terms and Conditions of Sale, is not an acceptance of any offer made by Customer, and is expressly conditioned upon the Customer's assent to these Terms and Conditions of Sale. Smiths objects to any additional or different terms contained in any purchase order or other communication previously or hereafter provided by Customer to Smiths. No such additional or different terms or conditions will be of any force or effect. The terms of the Order will be the entire agreement between Customer and Smiths on the subject of the transaction that it describes; and there are no conditions to that agreement that are not part of the Order.

**3. PURCHASE PRICE:** Prices shall be as specified by Smiths and shall apply for the period specified. If no period is specified, prices shall be valid for 30 days. Prices cited herein are based on current costs and are subject to reasonable adjustment on or after the date of acceptance of any purchase order to meet a rise or fall in such costs, as computed on the date of delivery.

**4. PAYMENT:** (A) Unless otherwise agreed to by Smiths in writing, payment shall be made in full by Customer in advance of shipment. Customer agrees to pay the entire amount of each invoice without set-off or deduction.

(B) Punctual payment as stipulated herein is of the essence for the Order. When any sum owed by Customer to Smiths under this Order is overdue, Smiths may, without notice to Customer, either:

(i) cease the supply of further Equipment/Services under this Order without liability for any loss (including loss of profit, consequential or indirect loss or other financial or economic loss) to Customer until such sum, together with such interest as may be due thereon, is paid; or

(ii) terminate the Order and any other agreements between Smiths and Customer, whether or not any sums are due for payment by Customer thereunder, without liability on the part of Smiths. Customer shall pay Smiths immediately all sums due and outstanding under all such agreements with respect to Equipment/Services, supplied or ordered in partial execution of the agreements, together with all overhead and other costs incurred by Smiths as a result of such termination.

(C) No defect in the Order of the Equipment/Services shall operate to interfere with the terms of payment. If payment is not made as provided above, Customer shall thereby be deemed to have waived the warranties provided in Section 10 hereunder. Smiths may demand different terms of payment from those specified on the face of this Order, whenever it reasonably appears that Customer's financial condition requires such changes, and may demand assurance of the Customer's ability to pay whenever it reasonably appears that such ability is in doubt. Such demand shall be in writing and Smiths may, upon making such demand, stop production and/or suspend shipments hereunder.

(D) If Customer is in default of any payment obligation, Smiths is, without reminder and prejudice to any other rights, entitled to charge interest at a rate of 3% per annum for any outstanding sum, beginning with any due date of payment.

**5. LIENS AND TITLE:** (A) Customer hereby grants to Smiths a security interest in any property owned by Customer (including Customer's beneficial rights to property leased by Customer) in the possession of Smiths or any of Smiths' affiliates, at any time, to secure all amounts owed by Customer to Smiths under this Order.

(B) In the case of repairs or overhauls performed pursuant to this Order, Customer agrees to grant Smiths a perfected security interest in all Equipment retained in possession of Smiths upon which any repair or overhaul services have been performed by Smiths. Customer further acknowledges and agrees that, in addition to the security interest and lien expressly granted by Customer to Smiths, Smiths shall have a lien on the Equipment retained in possession of Smiths to the extent otherwise provided by law. Customer acknowledges that the lien (whether granted by Customer or through the operation of law) for repairs or overhaul shall be for the full value of such work, and shall be superior to any lien or interest in favour of Customer, its parents, affiliates, or subsidiaries, or any other person who has knowledge of this Order. To the extent that Smiths maintains possession of Equipment under repair, Customer agrees that Smiths is a secured creditor of Customer and has all the rights of a secured creditor.

(C) With respect to Equipment sold pursuant to this Order, Customer agrees and acknowledges that Smiths shall retain a security interest in such Equipment, unless and until all payment for Equipment has been made and all other covenants and agreements of this Order have been performed in full. Accordingly, Customer agrees that it will not suffer or permit any lien or encumbrance to be established that affects the title to the Equipment sold by Smiths pursuant hereto until Smiths has been paid in full. Customer agrees that, in the event of Customer's insolvency, or in the event that any winding-up or bankruptcy petition is filed by or against Customer under any applicable law, Smiths may, at its discretion, recover all Equipment sold pursuant to this Order and/or seek damages or costs under applicable laws.

**6. DELIVERY:** (A) Unless otherwise agreed to in writing, all shipments of Equipment by Smiths shall be Ex Works Smiths' Designated Facility (INCOTERMS 2000). Notwithstanding the foregoing, for export-controlled Equipment, all shipments by Smiths shall be FCA Smiths' Designated Facility (INCOTERMS 2000). One attempt to deliver will be made. Should delivery need to be rescheduled, any additional costs incurred for redelivery and/or storage fees, will be charged to Customer. Customer acknowledges that delivery dates provided by Smiths are estimates only. Smiths shall use reasonable efforts to make timely delivery but shall be excused from any delays arising out of causes beyond its reasonable control. Smiths shall, under no circumstances, be liable for damages, incidental or consequential (hereinafter contemplated as including, but not limited to, damages for lost profits, lost sales and injury to person or property), for delays, or failure to give notice of delay, whether or not caused by or resulting from Smiths' negligence. Customer agrees not to make such claim on Smiths.

(B) If proper tender of the Equipment is made and completion of delivery is prevented through no fault of Smiths, Smiths may specify a reasonable alternative place of delivery. Customer agrees that all costs of storage and transport incurred following an initial attempt at delivery are hereby allocated to and imposed upon Customer, and shall be added by Smiths to the Purchase Price. Delivery may at any time be withheld by Smiths pending payment of any sum due from Customer to Smiths under this Order or any other agreement. Smiths will return Equipment via the incoming method unless an alternative method has been indicated on the purchase order or a change authorized by Customer's representative.

**7. ACCEPTANCE OF EQUIPMENT:** Customer shall conduct a thorough evaluation of the exterior of the system upon receipt of the Equipment. Customer is deemed to have accepted the Equipment unless written notice of rejection is received by Smiths within 3 days after delivery. Customer waives any right to revoke acceptance thereafter.

**8. RETURN OF EQUIPMENT:** No return of Equipment shall be accepted by Smiths without a Return Material Authorization ("RMA") number, which may be issued by Smiths in its sole discretion. Returned Equipment must be in its original shipping cartons complete with all packing materials. All Equipment for return shall be returned freight prepaid in the manner specified in the RMA. If returned Equipment is claimed to be defective, a complete description of the nature of the defect must be included with the returned Equipment. Equipment not eligible for return shall be returned to Customer, freight collect.

**9. STORAGE FEES:** A storage fee will be applied monthly up to the maximum allowed by law on all repaired and overhauled Equipment if delivery is not taken within 5 days of notification.

**10. WARRANTIES:** (A) Smiths warrants that the Equipment sold by Smiths, and that is manufactured by Smiths, for a period of 12 months (1) conforms to Smiths specifications, and (2) is free from defects in materials and workmanship (under normal usage and provided that Smiths' operation and maintenance instructions are followed by the Operator). Normal wear and tear shall not be considered a defect. The warranty period shall commence (1) 1 month from the date of shipment of the Equipment to the Customer; or (2) on the date on which the Customer takes possession of the Equipment, whether or not the Equipment has been installed or commissioned, whichever is the earlier. A written product specific warranty addendum may address consumable items or other parts that are not covered by this Warranty or contain alternate warranty terms that will supersede any similar terms in this warranty section.

(B) Smiths warrants that it shall use reasonable efforts to provide the Services ordered under the Order. Smiths does not represent or warrant that all Equipment problems will be corrected or if corrected, corrected to the full satisfaction of Customer. The express warranty set forth in the first sentence of this paragraph shall be the only warranty given by Smiths with respect to the Services provided.

(C) For Equipment that is not manufactured by Smiths, Smiths' only responsibility is to assign to its Customer any manufacturer's warranty that does not prohibit such assignment.

(D) Equipment and parts that are consumed in normal operation are not covered by this Warranty.

(E) If Customer or Operator, as the case may be, discovers a defect within the applicable warranty period, it must be reported to Smiths' service department immediately upon discovery.

(F) Within a reasonable time after proper notification, Smiths shall, during its normal business hours, Monday through Friday, correct any defect covered by this warranty with either new or used replacement parts, without charge. The original

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duration of this Warranty shall remain applicable to those parts not repaired or replaced. Any part repaired or replaced is warranted to conform to Smith's specifications and to be free from defects in materials or workmanship appearing within a period after repair or replacement equivalent to the warranty period originally applicable to the Equipment of which it is a part, subject to the other terms of this Warranty. The above remedies are the exclusive remedies of Customer and Operator, and the sole responsibility of Smiths, for breach of this Warranty.

(G) Smiths' Warranty ceases to be effective if Customer and/or Operator fail to operate and use the Equipment sold hereunder in a safe and reasonable manner in accordance with Smiths' written instructions.

(H) Neither Customer nor Operator shall be entitled to any remedy under this Warranty with respect to

(i) Equipment that has been subjected to any alteration, disassembly, tampering, modification, or repair without prior authorization by Smiths;

(ii) Equipment subjected to experimental running or any type of operation or use other than that for which the Equipment/Services is designed;

(iii) Equipment from which Smiths' and/or vendor's trademark or serial number has been altered, removed, or obliterated without Smiths' written permission, excluding any alteration, removal, or obliteration directly caused by accident or mishap;

(iv) Equipment that has been in storage or immobilized for 1 year or more after delivery.

**(I) SMITHS MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, AND SPECIFICALLY MAKES NO WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE IN RESPECT OF THE EQUIPMENT OR OTHERWISE; AND THE EXPRESS WARRANTY SET FORTH IN THIS ARTICLE IS IN LIEU OF ANY SUCH WARRANTY AND ANY OTHER OBLIGATION OR LIABILITY ON THE PART OF SMITHS.**

(J) For purposes of the exclusive remedies set forth in this Warranty, and the limitations of liability set forth in Section 12 of the Terms and Conditions of Sale into which it is incorporated, "Smiths" shall be deemed to include Smiths, its subsidiaries, and their affiliates, directors, officers, employees, agents, representatives, subcontractors, and suppliers of all of them.

(K) This Warranty is non-transferable and is applicable only to the original Customer or Operator.

(L) This Warranty shall not be extended, altered or varied except by written instrument executed by Smiths.

(M) Any official action or legal proceeding for breach of this Warranty must be commenced within 30 months after acceptance of the Equipment/Services.

**11. INTELLECTUAL PROPERTY:** Smiths makes no warranty that the Equipment/Services are free from, and shall not be liable to Customer for, infringement of the intellectual property rights (including patents, trademarks, copyrights, trade secrets and confidential information) of others, and Customer agrees to assume all risks associated therewith. Customer agrees to hold Smiths harmless against any claim for infringement arising out of compliance with Customer's drawings, specifications, requirements or instructions.

### 12. LIMITATIONS OF LIABILITY AND INDEMNITY:

(A) Customer and Operator understand and agree that:

(i) Equipment/Services are intended to be used as security screening equipment in order to assist in the detection of illegal and/or hazardous materials;

(ii) The level of success with which the Equipment will fulfill its intended use is dependant on numerous factors, including but not limited to the sophistication of efforts to conceal illegal and/or hazardous materials, the chemical identity and quantity of such materials, the skill, diligence and qualifications of the Operator (where applicable) and environmental conditions; and

(iii) No security screening equipment is capable of detecting every threat, and neither the Customer nor the Operator has any expectation that the Equipment is capable of detecting, or that it will detect, all illegal and/or hazardous materials (this being the case whether the Equipment is operated with or without Operator supervision, and regardless of the degree of diligence with which the Services are or have been performed).

Accordingly, neither Smiths nor any of its affiliates make any guaranty or warranty as to the results that will be achieved through the use of the Equipment and/or the Services; and it is agreed that the sole responsibility for such results shall be borne by Customer and/or the Operator.

**(B) AS PROVIDED IN THE WARRANTY IN SECTION 10 ABOVE, SMITHS' LIABILITY FOR BREACH OF WARRANTY SHALL BE LIMITED TO THE REMEDIES THEREIN PROVIDED. WITH RESPECT TO ALL OTHER LIABILITY, INCLUDING WITHOUT LIMITATION LIABILITY RESULTING DIRECTLY OR INDIRECTLY FROM BREACH OF CONTRACT, BREACH OF A DUTY OF CARE OR STATUTORY DUTY OR PRODUCT LIABILITY. THE AGGREGATE CUMULATIVE LIABILITY OF SMITHS AND ITS AFFILIATES TAKEN TOGETHER SHALL IN NO EVENT EXCEED THE AMOUNT OF THIS ORDER OR**

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US\$500,000, WHICHEVER IS THE LOWER. IN NO EVENT SHALL SMITHS OR ANY OF ITS AFFILIATES BE LIABLE FOR ANY LOSS OF PROFITS OR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, INDIRECT, EXEMPLARY, OR OTHER DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY DAMAGES RESULTING FROM COST OF SUBSTITUTE PROCUREMENT, LOSS OF USE, LOSS OF DATA, LOSS OF SAVINGS, LOSS OF REVENUES. LOSS OF BUSINESS, OR FAILURE OR DELAY IN PERFORMANCE, WHETHER BASED ON BREACH OF WARRANTY OR OTHER CONTRACT BREACH, NEGLIGENCE OR OTHER TORT OR ON ANY STRICT LIABILITY THEORY, EVEN IF SMITHS HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH DAMAGES. NOR SHALL SMITHS OR ANY OF ITS AFFILIATES BE RESPONSIBLE FOR ANY CLAIM AGAINST CUSTOMER BY A THIRD PARTY.

(C) To the fullest extent permitted by applicable law, Customer shall defend, indemnify, and hold harmless Smiths and its affiliates and their respective officers, partners, directors, employees, agents, successors, and assigns ("Smiths Parties") from and against any and all losses, claims, damages, liabilities, expenses (including, without limitation, fees and disbursements of legal counsel and expenses of litigation) or other obligations (collectively "Losses") and threatened Losses to the extent they arise from or in connection with the purchase, use and/or operation of the Equipment/Services by Customer or Operator, including but not limited to any of the following: (i) the death or bodily injury of any agent, employee, customer, business invitee, or business visitor or other person, and the damage, loss, or destruction of any real or tangible personal property; (ii) any action taken by or on behalf of Customer or Operator in the performance of this Order that causes Smiths or any of its affiliates to be obligated to indemnify, defend, and/or hold harmless any third party; (iii) any claim, demand, charge, action, cause of action, or other proceeding resulting from an act or omission of Customer, its employees, agents, or subcontractors acting in its or their capacity as an employer or potential employer with respect to the claimant; and (iv) any claim by Customer or Operator, whether based on warranty or other contract breach, negligence or other tort or on any strict liability theory, for matters disclaimed in subsection (B) above. Customer shall fully indemnify and completely hold harmless the Smiths Parties as provided above, whether or not negligence or other fault of any of the Smiths Parties contributed to, or is claimed or alleged to have contributed to, the claim, action, damage, loss, cost, liability or expense. Nothing in subsection (B) and this subsection (C) above shall exclude or limit the liability of Smiths or its affiliates, or require Customer to defend, indemnify or hold harmless Smiths or its affiliates, in circumstances where the Losses claimed are alleged to have resulted from (i) willful misconduct or gross negligence Smiths or its affiliates, (ii) any fraud or fraudulent conduct on the part of Smiths or its affiliates, or (iii) any other liability that cannot be excluded by law, and where (in each case) such fault or liability on the part of the Smiths and/or its affiliates is adjudicated to be the cause of the Losses.

(D) Smiths shall not be liable for failure to deliver, for delay in delivery, or for any losses or damage to Customer, or to the Equipment/Services occasioned by delays, in the performance of Smiths' obligations, due to: (i) any cause beyond Smiths' reasonable control or the control of Smiths' suppliers or subcontractors; (ii) an act of God, act or omission of Customer, act of civil or military authority, fire, terrorism, strike or other labor difficulty, riot or other civil disturbance, insolvency or other inability to perform by the manufacturer, delay in transportation; or (iii) any other commercial impracticability.

(E) The conditions to performance specifically stated in this provision and elsewhere in this Order shall be the only conditions precedent or subsequent to an absolute duty of performance on the part of Customer and Smiths. In no event of breach or repudiation of this Order by Smiths shall Smiths be liable for indirect, special, third party, incidental, or consequential damages, including without limitation lost profits, data, or goodwill, and Customer hereby agrees not to make any such claim on Smiths. Customer agrees to defend, indemnify and hold harmless Smiths from and against any claim, loss, liability, expense or damage (including liens or legal fees) incurred by Smiths with respect to any of Customers export or re-export activities contrary to Section 18 – Export & Import Controls.

(F) Smiths shall not be liable to Customer nor Operator for any losses or damage as a result of Equipment that has been subjected to any alteration, disassembly, tampering, modification, or repair without prior authorization by Smiths.

**13. TAXES:** Sales, goods and services and use taxes, payable by Customer, which are presently or may hereafter be imposed by any taxing authority, are not included in the Purchase Price. Any direct or excise tax or import or customs exaction payable by Smiths, which may hereafter be imposed by any taxing authority, wheresoever located, upon the manufacture, sale or delivery of products covered by this Order, or any increase in rate of any such tax or import or customs exaction now in force, shall be added to the Purchase Price. If such charge is not collected at the time of payment of Purchase Price, Customer will indemnify and hold Smiths harmless against any such charge.

**14. CHANGES AND TERMINATION:** (A) Smiths shall have the right, in its sole discretion, to terminate this Order if Customer: (i) is unable to pay its debts generally as and when they become due; (ii) is the subject of a legal process declaring it insolvent; (iii) ceases or threatens to cease carrying on its business; or (iv) commits a breach of this Order which is (a) incapable of remedy (as reasonably determined by Smiths); or (b) not remedied within 14 calendar days of the date of the breach.

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(B) Customer may make a written request for amendment, modification, or termination. If a request for amendment or modification is accepted by Smiths, and any changes cause an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this Order, an equitable adjustment shall be made in the price or delivery schedule, or both, and the Order shall be modified in writing accordingly. Wherever the cost of property made obsolete as a result of the change is included in the price adjustment, Customer shall have the right to prescribe the manner of disposition of such property. If request for termination is accepted by Smiths, equitable provision shall be made to Smiths for a recoupment of all costs incurred under the Order and for reasonable profit based on time and costs expended. The Order shall continue in effect until such time as payment is received. A written request as specified herein shall give Smiths adequate reason to demand written assurance of Customer's ability and intent to carry out the Order.

**15. SEVERABILITY:** If any provision of this Order shall be determined by a court of competent jurisdiction to be invalid or unenforceable, such determination shall not effect the remaining provisions of this Order, all of which shall remain in full force and effect.

**16. DISPUTE RESOLUTION, GOVERNING LAW, AND FORUM:** (A) This Order shall be governed by, and construed in accordance with, the laws of the Kingdom of Thailand, without the application of conflict of laws principles. This Order shall not be governed by the 1980 U.N. Convention on Contracts for the International Sale of Goods.

(B) In the event a dispute arises under or relates to this Order, the Parties shall diligently attempt to resolve the dispute within 30 days from the date either Party gives written notice to the other of its intent to invoke this provision, during which period neither Party may commence legal action to assert its rights against the other. In the event the Parties do not resolve the dispute within the 30-day period referenced above, either Party may institute legal action to pursue any right or remedy it may have against the other Party. The parties hereby submit to the non-exclusive jurisdiction of the courts of Thailand; provided, however, that Smiths shall be entitled at any time to seek injunctive or any other equitable relief upon any breach or threatened breach by Customer in any court of competent jurisdiction.

(C) Customer further irrevocably consents to the service of process out of any of the aforementioned courts in any such action or proceeding if such process shall be in writing and either shall be delivered in person or sent by registered or certified mail (return receipt requested), postage pre-paid, and addressed to Customer at the address of Customer for notices under this Order. Nothing herein shall affect the right of Smiths to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against Customer in any other jurisdiction.

(D) Smiths shall have the right to collect from Customer its reasonable expenses, including attorneys' fees, incurred in enforcing this Order.

(E) The rights and obligations herein shall survive completion of the final payment under this Order.

**17. CONFIDENTIALITY:** The Parties agree that, in the course of performance of this Order, it may be necessary and desirable for them to exchange confidential information. For example, all updates, repairs, replacements, fixes, modifications, and other changes to the Equipment/Services shall be considered Smiths' proprietary information. To accomplish this confidentiality, the Parties agree as follows: Customer shall not disclose confidential information of Smiths to any person outside its employ, except when authorized by Smiths. Customer shall use the same level of care in preserving the confidential nature of the confidential information as it uses to protect its own confidential information but not less than reasonable care. Customer shall use the Equipment only for the purpose contemplated by the parties at the time of sale, and for no other purpose. Customer shall not: (a) reverse engineer, disassemble (except to the extent applicable laws specifically prohibit such restriction), or decompile the Equipment or any portion thereof; (b) engage in activities to develop improvements to the Equipment; (c) modify the Equipment or integrate the Equipment with any other products, systems, devices or other items other than as contemplated at the time of sale; or (d) allow or assist any third party to perform any of the foregoing.

**18. EXPORT AND IMPORT CONTROLS:** The sale, resale or other disposition of Equipment and any related technology or documentation are subject to the export control laws, regulations and orders of the United States, Canada and/or the United Kingdom as applicable and may be subject to the export and/or import control laws and regulations of other countries. Customer agrees to comply with such laws, regulations and orders and shall not authorize or permit its employees, distributors, customers, brokers, freight forwarders, and/or agents to export or re-export any of the Order Equipment/Services or any technology covered by this Order to any foreign person without complying with applicable import and export laws and regulations of Thailand, the United Kingdom, the Customer's country and of the United States, including the International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations (EAR). Customer agrees to obtain and properly utilize U.S. Government or any necessary export authorizations prior to exporting or re-exporting the Order Equipment/Services, either in their original form or after being incorporated into other end-items.

**19. LICENSE AND OWNERSHIP:** To the extent that the Order Equipment/Services contain or are software, Smiths hereby grants to Customer a

non-exclusive, non-transferable, personal license to use the software and related documentation. Customer's use of the Order Equipment/Services conclusively evidences its acceptance of this license and this Order, including this Section 19. Title to the software shall at all times remain with Smiths. Customer agrees that the software, all enhancements, related documentation, and derivative works are, and will remain, the sole property of Smiths and includes valuable trade secrets. Customer agrees to treat the software and related documentation as confidential and to not copy, reproduce, sub-license, or otherwise disclose the software and related documentation to third parties. Customer agrees to not disassemble, decompile, reverse engineer, create derivative works from, attempt to derive the source code or otherwise translate, customize, localize, modify, add to, or in any way alter, rent, or loan the software or related documentation.

**20. ASSIGNMENT:** Customer shall not assign or transfer or purport to assign or transfer any contract to which these Conditions apply or the benefit thereof to any other person whatsoever without the consent of Smiths.

**21. WAIVER:** The waiver of any provision or of any breach or default shall not be deemed a waiver of any other provision, breach or default.

**22. INSTALLATION:** (A) Where Smiths has agreed to install the Equipment, Customer shall at its own cost prepare the site on which the Equipment are to be installed in accordance with the specifications furnished by Smiths for this purpose and, in accordance with such specifications, provide such equipment and carry out such works to the site as may be necessary to enable Smiths to install the Equipment and if it shall fail so to prepare the site and provide such equipment and carry out such works before the agreed delivery date, Customer shall indemnify Smiths against all costs and charges incurred by Smiths (including storage and transportation costs) as a result of such failure.

(B) When the Equipment shall have been installed at the site, tested and shown to be operating to the satisfaction of Smiths, Customer shall be deemed to have accepted the Equipment unless Smiths has been notified to the contrary in writing by Customer within 3 days of completion of such testing (the "Notice"). Customer shall not give and shall be deemed not to have given the Notice unless Customer has found a substantial defect in the Equipment. If Smiths is so notified, Smiths shall use its reasonable endeavours to remedy any such defect within a reasonable time and Customer shall be deemed to have accepted the Equipment within 3 days of such defect being remedied.

**23. CEIA METAL DETECTORS:** If the Equipment sold under this Order includes metal detectors manufactured by CEIA the following additional provision applies: To ensure proper operation of the unit, CEIA recommends that the unit be firmly anchored to the floor using screws or silicone. If the unit is not firmly anchored to the floor, it may fall and pose a safety risk and/or its detection capability may be compromised. If Customer requests that Smiths not install the unit in accordance with CEIA's recommendations, SMITHS SHALL HAVE NO LIABILITY FOR ANY CLAIMS, COSTS, LOSSES, LIABILITIES AND DAMAGES OF ANY SORT (WHETHER DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL, PUNITIVE OR OTHERWISE, AND WHETHER ARISING IN TORT, CONTRACT, WARRANTY, STRICT LIABILITY, RELIANCE OR UNDER ANY OTHER THEORY) RELATING TO THE LACK OF FIRM FIXATION OF THE CEIA UNIT TO THE FLOOR. To the fullest extent permitted by applicable law, Customer shall indemnify and hold the Smiths Parties harmless from and against any and all losses resulting from the lack of firm fixation of the CEIA unit to the floor.

**24. HAZARDOUS EQUIPMENT WARNING:** Customer is hereby notified that the Equipment/Services contained in this quotation are intended for uses which may create extreme hazards to persons and property unless the highest degree of care is exercised in such use and unless the appropriate safety procedures, as either set forth in the operations manual provided with the Equipment/Services or otherwise communicated to Customer, are followed. Moreover, the length of the safe, useful life of the Equipment/Services bears a direct relationship to the type of use to which they are subjected and the Equipment/Services may be unavoidably weakened as a result of certain types of use as either set forth in the operations manual or otherwise communicated to Customer. Customer undertakes to exercise such care and to adopt and follow such procedures in the use of such Equipment/Services as may be necessary to eliminate or minimize the hazards referred to in this section or in the operations manual. WITHOUT OTHERWISE LIMITING ANY OF THE PROVISIONS CONTAINED IN THESE SALES TERMS, SMITHS SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE RESULTING FROM CUSTOMER'S FAILURE TO FOLLOW STRICTLY ANY OF THE SAFETY PROCEDURES SET FORTH IN THE OPERATIONS MANUAL OR OTHERWISE COMMUNICATED TO CUSTOMER.

**25. X-RAY BASED BODY SCANNER:** (A) Customer is hereby notified that the exposure of human beings to x-ray radiation may be harmful. Customer acknowledges that the safe operation of the Equipment is entirely the Customer's responsibility and that Smiths shall have no liability relating to the use or operation of the Equipment by Customer or anybody acting on the Customer's behalf. Customer undertakes to exercise such care and to adopt and follow such procedures in the use and operation of the Equipment as may be necessary to eliminate or minimize the hazards referred to in this section. Without limiting the generality of the foregoing, Customer undertakes to use the Equipment in full compliance with Smiths' maintenance procedures and operator manuals, to comply with the requirements of all applicable environmental or occupational health and safety laws, radiation safety laws and industry standards relating to radiation safety

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for personnel security screening systems using x-rays, and to operate the Equipment within the radiation dose limits established by such laws and standards.

(B) Customer is further notified that the use of x-ray Equipment on human beings for non-medical purposes may be prohibited in some states or require registration with governmental authorities. Customer undertakes to comply with all such prohibitions and registration requirements.

(C) Customer covenants that the use and operation of the Equipment by or on behalf of the Customer shall comply with all applicable privacy and data protection laws.

(D) To the fullest extent permitted by applicable law, Customer shall defend, indemnify, and hold harmless Smiths and its affiliates and their respective officers, partners, directors, employees, agents, successors, and assigns from and against any and all actual or threatened losses, claims, damages, liabilities, expenses (including, without limitation, fees and disbursements of legal counsel and expenses of litigation) or other obligations to the extent they arise from any non-compliance with the undertakings in paragraphs (A) to (C).