

VANDERBILT

General Terms and Conditions

Vanderbilt International (SWE) AB, Security Products, Englundavägen 7, SE-171 41 Solna, Sweden

1. Introduction

The following General Terms and Conditions are valid for all security products that have been purchased from Vanderbilt International (SWE) AB ("Vanderbilt") directly. Due to the fact that these General Terms and Conditions may change over time, please contact us to make sure you have the latest version in any case of warranty requests. If you have any questions, please refer to the Sales Office where you purchased the product. Any changes or amendments regarding these General Terms and Conditions must be agreed upon in writing in order to be valid between the parties.

Effective Date: 1. August 2015

2. Limitation of liability

Vanderbilt shall in no case be liable for any indirect and consequential damage, loss of profit, loss of production, interruption of operations, contractual claims of third parties, loss of information and data, loss of use or financing expenditure. Vanderbilt's overall liability for damage, liquidated damages/penalties, claims for compensation and indemnities, regardless of the legal basis of the claims and with reference to all incidents of damage in the contract shall in no case exceed 15 per cent of the respective contract value per occurrence and in the aggregate.

In any event Vanderbilt's overall liability under the contract (as set out in this clause) shall expire at the end of the applicable warranty period for the product sold.

Excluded from warranty and liability is all damage of which it cannot be proved that it is due to faulty material or construction, or imperfection in the execution, such as depreciation due to ordinary wear and tear, damage resulting from insufficient maintenance, non-compliance with operating instructions, excessive strain, inadequate means of operation, chemical effects, construction or assembly work not executed by Vanderbilt, or due to causes beyond our control.

3. Drawings and descriptions

All products are delivered with standard documentation; no further documentation is supplied unless so specified in writing between Vanderbilt and the customer.

4. Offers, prices and payment

Subject to the second paragraph of this clause, Vanderbilt's offers shall be valid for one (1) month from the date of the offer unless otherwise stated. No representations outside the offer or these General Terms and Conditions shall be binding unless confirmed in writing.

The prices are exclusive of VAT, other taxes and/or official duties unless otherwise stated. Vanderbilt reserves the right to at any time modify the price list in effect, by giving prior notice to the customer, if there is any increase in the cost of raw materials, labour or any other production factors which affect the production costs.

The invoice will be issued upon dispatch of the product. Payment shall be made within 30 days from the invoice date. Vanderbilt may at its sole discretion differ payment terms depending on the credit rating of the customer.

If the customer fails to pay by the stipulated date, Vanderbilt shall be entitled to interest from the day on which payment was due. The rate of interest shall be 8 percentage points above the rate of the main refinancing facility of the European Central Bank in force on the due date of payment. In case of late payment Vanderbilt may, after having notified the customer, suspend its performance of the contract until receipt of payment or terminate the contract and claim compensation for the loss Vanderbilt has incurred.

The customer may not, based on a claim that it has against Vanderbilt, retain all or a portion of the amount due, nor offset any of that payment, without Vanderbilt's prior approval.

5. Retention of title

The product shall remain the property of Vanderbilt until paid for in full.

The customer shall at the request of Vanderbilt assist in taking any measures necessary to protect Vanderbilt's title to the product in the country concerned.

The retention of title shall not affect the passing of risk under clause 6.

6. Delivery. Passing of risk.

If no trade term is specifically agreed, the delivery shall be Ex Works (Incoterms, 2010). If, in the case of delivery Ex Works, Vanderbilt undertakes to send the product to its destination, the risk will pass not later than when the product is handed over to the first carrier. Partial shipments shall be permitted unless otherwise agreed.

7. Delay in delivery

If delay in delivery is caused by an act or omission on the part of the customer, the time for delivery shall be extended by a period which Vanderbilt deems reasonable. The aforementioned shall apply regardless of whether the reason for the delay occurs before or after the agreed time for delivery.

If the product is not delivered at the time for delivery, the customer is entitled to liquidated damages from the date on which delivery should have taken place. The liquidated damages due to a delay in delivery shall be payable at a rate of 0.3 per cent of the purchase price for each completed week of delay. The liquidated damages shall not exceed three (3) per cent of the purchase price.

If only part of the product is delayed, the liquidated damages shall be calculated on that part of the purchase price which is attributable to such delayed part.

The liquidated damages become due at the customer's demand in writing but not before delivery has been completed.

The customer shall forfeit its right to liquidated damages if the customer has not lodged a claim in writing for such damages within three (3) months after the time when delivery should have taken place.

Liquidated damages are the sole and exclusive remedy for delay in delivery. All other claims against Vanderbilt based on such delay shall be excluded.

8. Returning products

Before returning any products to Vanderbilt, you must obtain a Return Material Authorization (RMA). Obtaining this RMA number is necessary for all kinds of product returns including warranty repair/ exchange, non-warranty repairs, credit returns and advance exchanges. To receive a RMA number, please contact your Sales Office where you purchased the concerned product. If you want to receive technical support, please contact our Technical Competence Center.

For the request for an RMA number and/or technical support, please have the following information at hand:

- Original purchase order number, original delivery note invoice
- SKU/part number
- Quantity
- Serial number
- Your contact information
- Reason for return

The RMA number and also an RMA acknowledgement form which confirms your request will be provided by your Sales Office and has to be attached when returning the product to Vanderbilt. For repair or non-warranty repair of large products, metal cabinets, plastic outer cabinets or brackets are not necessary to be returned.

Send the package including the product and the RMA acknowledgement to the location which was provided to you by our specific Sales Office.

In case your defective product is no longer part of our portfolio or contains parts that are no longer available or repairable we will contact you promptly in order to discuss a solution to your request and the return of material.

Unauthorized returns will be returned or disposed at the customer's cost, after contact with the customer.

The determination on warranty coverage of your product will be made by the Service Center after evaluation of all returned equipment.

In case the warranty has expired or is invalidated for your products, we will contact you to discuss the further options of the handling of your concern. We can either treat your product as a non-warranty repair (see clause 11) or have the defective product shipped back to you. If your product is out of warranty, no replacement or repair will be completed by Vanderbilt without your authorization.

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9. Warranty repair / replacements

Subject to the terms of the limited warranty in effect at the time of purchase, Vanderbilt will repair a product that fails to meet the terms provided, within the product's warranty period (subject to country specific legal rights). Vanderbilt reserves the right to replace any product under warranty with a new, refurbished, remanufactured or an equivalent substitute product, should a repair not be possible.

The customer shall without undue delay notify Vanderbilt of any defect which appears in accordance with clause 8. Such notice shall under no circumstance be given later than two (2) weeks after the expiry of the warranty period. If the customer fails to notify Vanderbilt within the aforementioned time limits, the customer loses its rights under the warranty.

In case of warranty repairs, Vanderbilt will take the costs for parts and internal Vanderbilt costs (labour). Equipment or replacement equipment will be returned to you via the delivery method used for the original delivery, free of charge. For other delivery methods, Vanderbilt will charge you for the full delivery costs (e.g. express shipping costs).

Third party costs or consequential damages are excluded.

In the case of an 'invalidated warranty', Vanderbilt will offer the option of a non-warranty repair if possible, subject to prior agreement and a purchase order. Alternatively, Vanderbilt can arrange for the return or disposal of the product at the customer's cost.

Save as stipulated in these General Terms and Conditions, Vanderbilt shall not be liable for defects.

10. Advance replacement

In some circumstances Vanderbilt may agree to advance replace a warranty item. In such cases an advance replacement agreement must be signed, agreeing to pay for the item should the returned item be non-faulty or warranty invalid.

11. Non-warranty repair

If your product is not covered by warranty, Vanderbilt may provide you with a repair estimate including costs for parts, labour (in half-hour increments), delivery costs and expenses.

In order to confirm this possibility, Vanderbilt will require full product details and fault descriptions for consideration. Following this Vanderbilt will respond within five (5) working days to determine whether a repair may be possible and issue an RMA where applicable.

Furthermore, if the product is not covered by warranty a purchase order number for a replacement unit and for repair orders is required.

In some cases a product from an exchange pool might be offered. For further clarification please contact your Sales Office via phone.

In case of a non-warranty repair, the customer is responsible and shall take all risk and costs for transports, insurance and handling of charges.

For warranty and non-warranty returns, the customer must attach a detailed description of the failure of the product. Please also describe under which condition the failure occurred, so that Vanderbilt can find the origin of the malfunction as fast as possible.

12. Credit returns

No returns for credit will be accepted unless the customer has obtained an RMA as described in clause 7.

Within 28 days from the original date of delivery, Vanderbilt will refund or credit new, unused, standard production items that have been returned in the original unopened shipping cartons subject to a minimum restocking charge of 20 per cent (subject to any specific legal contractual rights).

Upon return of products that were purchased as part of a kit, the entire kit has to be returned. Separate parts will not be accepted in order to receive refund or credit.

Refund or credit claims do not apply to products that were produced specially to the wishes of a customer, customized or non-standards products. Additionally sale or clearance items, large quantities or project discounted items may be excluded. All returns will be inspected and approved by Vanderbilt.

13. Refurbished B-stock (exchange stock) products

From time to time Vanderbilt offers products for sale as B-stock (exchange stock). These are used products that have been returned and refurbished.

B-stock and advance exchange products – though they may come from the same pool of products – are covered by different warranty conditions and durations. Refurbished products are generally covered by a 90-day limited warranty unless otherwise stipulated. Please contact your Sales Office for information regarding warranty conditions and durations.

14. Packaging of shipment

The customer is responsible for the correct packaging and shipping of the returning goods in order to prevent the products from further damage. If the returning products are not packed appropriately we reserve the right to deny warranty claims. Without limitation, the following requirements have to be fulfilled:

- All electronic components must be taped and/or contained in the original electrostatic protective packaging or an equivalent substitute (this is particularly important when polystyrene packaging is used.)
- The returning products have to be packed securely inside the external shipping carton in order to prevent mechanical damage.
- External packaging must be sufficient to protect the contents from the usual hazards of shipping.

15. Product warranty periods

Subject to clause 13, Vanderbilt provides a three (3) year warranty period on all own products starting at the date of delivery.

(Exceptions: Hard drives and batteries are warranted for one (1) year, commodities are excluded from warranty.)

Third party products branded as third party have a limited warranty period of one (1) year starting at the date of delivery.

A warranty repair or replacement during the warranty period shall not have the effect of extending the warranty period for the products.

16. Disclaimer

The warranty does not cover and shall be void for defects or damages resulting from materials provided, or a design stipulated or specified by the customer, accident, misuse or abuse, neglect, alterations, service or repair by other than Vanderbilt or its approved agents, improper installation, operation or maintenance, improper connections with peripherals or other causes not arising out of defects in materials or workmanship.

Without limitation, the following defects are excluded from warranty:

- Ordinary wear and tear
- Damage by mishandling
- Operation or storage outside of environmental specification
- Lightning strike

17. Allocation of liability for damage caused by the product

Vanderbilt shall not be liable for any damage to property caused by the product after it has been delivered and whilst it is in the possession of the customer. Nor shall Vanderbilt be liable for any damage to products manufactured by the customer, or to products of which the customer's products form a part.

If Vanderbilt incurs liability towards any third party for such damage to property as described in the preceding paragraph, the customer shall indemnify, defend and hold Vanderbilt harmless.

18. Intellectual property, infringement and confidentiality

Each party shall retain ownership of all industrial and intellectual property it had prior to the contract. Vanderbilt shall in particular remain the exclusive owner to work resulting from any design, analysis, research, development etc., including but not limited to cost estimates, drawings and other sales documents, which may only be made accessible to third parties with Vanderbilt's prior written permission. Upon Vanderbilt's request, the customer shall return all documents and/or items that have been handed over or transmitted to the customer. If the order is not ultimately placed with Vanderbilt, such documentation shall be immediately returned to Vanderbilt without any request being necessary. The customer's documentation may be made accessible to third

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parties that have been duly requested by Vanderbilt to deliver goods or services.

In the event that the products delivered by Vanderbilt incorporate software of any kind, derived from industrial and intellectual property belonging to Vanderbilt or a third party, the customer shall benefit from a non-exclusive license to use the software on a personal basis, without the option to sub-license or assign it. Notwithstanding the aforementioned, these General Terms and Conditions shall not be construed as granting, by implication or otherwise, any license or right to use any trademark, logo or service mark of Vanderbilt without Vanderbilt's prior written permission.

In the case of a legal action brought by a third party, the cause of which is to be found in the transmission by the customer to Vanderbilt of information, documents or know-how or in the modification of the products by the customer after they have been delivered or in their use with products or services supplied by other third parties, Vanderbilt refuses to accept any liability, and the customer shall indemnify and hold Vanderbilt harmless, at its own expense.

The customer shall immediately inform Vanderbilt of any claim asserting that Vanderbilt's products infringe the industrial and intellectual property rights of a third party. In such case and provided that Vanderbilt has had a reasonable opportunity to present its case, Vanderbilt shall in its sole discretion obtain for the customer the right to use the product, modify the product in such a way that the infringement is eliminated, replace the product with another item of corresponding quality and efficiency or take back the product and refund its purchase price minus a reasonable deduction for the interim use.

The customer undertakes to treat all information and commercial and technical documents, as well as any items entrusted to it by Vanderbilt as confidential, and as such ineligible to be communicated and/or transmitted in any way to third parties, unless Vanderbilt's prior written consent has been obtained.

19. Environmental regulations

Pursuant to the European Union's Directive on Waste Electrical and Electronic Equipment (WEEE) and the European Union's Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (RoHS), the organisational and financial responsibility for the removal and processing of waste originating from any electrical and electronic equipment shall, unless otherwise agreed, be transferred to the customer upon delivery. The customer undertakes to assume responsibility, on the one hand, for the collection and removal of waste originating from the electrical and electronic equipment subject to the contract and, on the other hand, for its processing and recycling.

20. Export controls

Any delivery under this contract is subject to the assumption that its performance does not conflict with any national or international export control regulations, e.g. embargoes or other sanctions. The customer undertakes to provide Vanderbilt with all information and documents required for the export or transfer. In case the delivery of the product is restricted or forbidden due to export control laws, Vanderbilt may, at its own discretion, forthwith suspend the rights and obligations of the customer until further notice and/or terminate the contract (wholly or in part) without prior notice.

Vanderbilt shall in no event be liable for any expenses or damages resulting from export control related issues. Accordingly, delay in delivery caused by any export control related issue shall not entitle the customer to liquidated damages under clause 7.

The customer agrees that it will not export, re-export, or otherwise distribute the product in violation of any national or international export control regulations.

The customer shall indemnify Vanderbilt for any claims, losses, costs, liability and charges, including reasonable legal fees incurred by Vanderbilt as a result of the customer's breach of any export control regulations.

21. Anti-bribery and anti-corruption

The customer shall (i) comply with all applicable laws, regulations, codes and sanctions relating to anti-bribery and anti-corruption including but not limited to the UK Bribery Act and the US Foreign and Corrupt Practice Act ("Relevant Requirements")

(ii) have in place and maintain its own policies and procedures relating to anti-bribery and anti-corruption (iii) promptly report to Vanderbilt any request or demand for any undue financial or other advantage of any kind received by customer in connection with this contract (iv) immediately notify Vanderbilt if a foreign public official becomes an officer or employee of the customer or acquires a direct or indirect interest in the customer (and the customer warrants that it has no foreign public officials as officers, employees or direct or indirect owners) and (v) not engage in any activity, practice or conduct which would constitute an offence under the Relevant Requirements. The customer shall provide such supporting evidence of compliance as Vanderbilt may reasonably request. Breach of this clause shall be deemed a material breach which entitles Vanderbilt to immediately terminate the contract and claim compensation for any loss Vanderbilt has incurred.

22. Force majeure

Vanderbilt shall be entitled to forthwith suspend performance of its obligations under the contract to the extent that such performance is impeded or made unreasonably onerous by any of the following circumstances: industrial disputes and any other circumstance beyond the control of Vanderbilt such as fire, war, extensive military mobilization, insurrection, requisition, seizure, embargo, restrictions in the use of power and defects or delays in deliveries by sub-contractors caused by any such circumstance referred to in this clause.

23. Disputes and applicable law

The contract is governed by Swedish law, without regard to its conflict of law provisions. The United Nations Convention on Contracts for the International Sale of Goods shall not apply.

Any dispute, controversy or claim arising out of or in connection with the contract, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The arbitral tribunal shall be composed of three arbitrators. The seat of arbitration shall be Stockholm. The language to be used in the arbitral proceedings shall be English.

The parties undertake, indefinitely, not to disclose the existence or contents of any judgment or decision related to or in connection with the contract or any information regarding negotiations, arbitral proceedings or mediation in connection therewith. This confidentiality undertaking shall not apply in relation to information which a party is required to disclose by law, pursuant to an order of a governmental authority, pursuant to applicable stock exchange rules, or which may be required for the enforcement of a judgment or an award.

Notwithstanding the above, Vanderbilt shall be entitled to turn to the district court of Stockholm as first instance as regards claims for due payment.