

General Terms and Conditions of Sale

HID Global SpA

These general sales conditions apply to all orders for HID GLOBAL SpA products, unless expressly agreed otherwise in advance at the time of placing an order and prior agreed in writing by the parties. Therefore, the placing of an order by a client entails the client's unconditional acceptance of these general sales conditions which take precedence over any other document of the purchaser and most particularly, over any general purchasing conditions, unless prior expressly agreed otherwise in writing by HID GLOBAL. Should a provision of these conditions conflict with a public order law, this conflict shall only entail the non-application of the conflicting provision without affecting the rest of these conditions.

The terms "vendor" or "HID GLOBAL" mean HID GLOBAL SpA (registration number 12845840151) which registered office are at Viale Remo de Feo n°1, Arzano (NA), 80022, Italy, and the term "purchaser" designates the entity which orders a HID GLOBAL product.

I. Order Confirmation

Orders from stock by telephone do not require confirmation in writing from the vendor. However, they are binding on the purchaser as from the time the telephone call is received. In such cases, receipt of goods is counted as notification of order. Manufacturing orders require an order confirmation which is binding on the parties. Any dispute regarding a confirmation must be made by registered letter to the vendor within three (3) business days from the date of issue of this confirmation for sales in ITALY. This time is extended to fifteen (15) business days for other countries.

II. Delivery

1. Delivery times

Unless the delivery time or date in the order confirmation is expressly specified as a vital requirement, these are given for guidance only. The starting point for delivery times is the date of the order confirmation.

2. Transfer of risks

Deliveries are executed at the risk of the purchaser.

(A) For goods that the vendor has undertaken to dispatch, the transfer of risks takes place from the loading at the vendor's establishments on the means of transport of its choice on behalf of the purchaser. For goods dispatched outside ITALY, the transfer of risks shall take place in accordance with the incoterm appearing on the order confirmation. Should the purchaser, when the goods arrive, find items missing or damaged, he must immediately record his reservations with the carrier on the delivery documents. These reservations must be confirmed to the carrier by registered letter with acknowledgment of receipt, no later than three (3) working days as from reception in ITALY and seven (7) working days for other countries.

A copy of this letter is to be sent to the vendor.

- (B) For goods to be collected from the vendor by the purchaser, the transfer of risks takes place as of the date agreed for handover in the warehouses of the vendor.

3. (Total, temporary or partial) inability to deliver

The vendor is relieved of his obligations in cases of force majeure, unforeseeable circumstances or external factors. For the purposes of these conditions cases of force majeure, unforeseeable circumstances or external factors mean any events beyond the vendor's control which prevent or delay the delivery of the goods and which cannot be attributed to an intentional or grave fault on his part. The vendor must notify the purchaser of the existence and the reasons for the temporary situation preventing or rendering delivery impossible unless circumstances render such notification impossible. If the situation preventing delivery is temporary, the fulfilment of the contract is suspended while this situation prevails. However, should it last for over thirty (30) working days, each of the parties have the right to terminate the contract without compensation. However, if the situation preventing delivery relates to a delivery that is due and part of a contract involving staggered deliveries, termination shall only be possible for such delivery and not for future deliveries. If at the time of the situation preventing delivery, the vendor has already manufactured part of the order, the purchaser has the obligation to take delivery of the quantity manufactured in accordance with the conditions laid down

4. Failure to collect goods or refusal to take delivery

Should the purchaser fail to collect from the vendor or refuse to take delivery, when delivery is due, the vendor shall be entitled to warehouse the goods at the expense of the purchaser and claim from him repayment of transport costs. Should collection of the goods from the warehouses of the vendor be delayed for more than two (2) weeks beyond the handover date or should the purchaser refuse to take delivery thereof, the vendor shall be entitled to terminate the contract, resell the goods and claim the difference between the price agreed at the outset and the resale compensation price.

III. Payment

1. Prices

Goods are invoiced at the list price on the day of delivery or handover, unless otherwise provided. Should there be a discount for cash payment, this shall be deducted from the VAT tax base, and only the net cash figure for the goods is to be subject to VAT. Correspondingly, only the VAT on the actual price paid shall be deductible for the client. Pursuant to prevailing policy adopted by the authorities, no corrected invoice will be sent to the client, who must limit the amount of tax deductible on the basis of the provisions set out above, where a discount is given. Any price reductions will be specified on the invoice.

2. Terms of payment

The invoice date is the starting point for payment. Unless otherwise stipulated on the invoice, the purchaser shall pay the undisputed portions of the vendor's invoice within thirty (30) days from the date on the invoice. Any bills of exchange that are attached to invoices for

acceptance must be returned to the vendor within forty-eight (48) hours. Failing this, the provisions laid down in Article III paragraph 3 below (Late payments) apply automatically. The vendor reserves himself the right to adapt the credit term to the situation of the purchaser. The vendor may also make fulfilment of orders subject to the providing of guarantees or payment for the goods in advance. Insolvency proceedings taken against the purchaser or modification of its legal status shall automatically, unless provided otherwise by public order legislation, lead to the immediate payability of all claims regarding any good delivered but not paid yet.

3. Late payments

Undisputed amounts which remain unpaid within the deadline specified in Article III paragraph 2 above (terms of payment) are overdue. In addition to any other available remedy, the vendor reserves the right to suspend shipment(s), terminate pending orders or any offer to make sales to purchaser, and charge interest at a monthly interest rate of 1.5% on the undisputed amounts remaining overdue.

4. Retention of title clause

The vendor reserves the ownership of goods delivered until all monies owed to them by the purchaser are paid in full. Goods delivered, in storage with the purchaser, should consequently be treated by the purchaser as being deposited on their premises and are to be properly insured by them; these goods shall remain the property of the vendor in the amount of the debts, due for payment or otherwise, of the purchaser to the vendor. Should there be any difficulty regarding identification, any goods having the same specifications and not themselves identified shall be deemed to be the goods of the vendor and this shall be the case in the amount of the debts owing to the vendor. However, to facilitate identification, it is forbidden to remove the distinguishing marks of the goods prior to their use.

Furthermore, resale and processing of goods is forbidden in the event of insolvency proceedings. The vendor may retake possession of all goods processed or otherwise that come under the retention of title, either if an invoice due is not paid, or if the purchaser's credit status should worsen. If the vendor retakes possession of goods after processing by the purchaser and sells them to a third party, the vendor shall take the proceeds of this sale in the exact amount of the value of their goods, the interest related thereto as from the invoice date and the date of costs; any surplus shall be reserved for the purchaser. If the goods have been resold by the purchaser, the vendor shall have a direct action on the sales price of these goods held by the subsequent purchaser or any agent of the original purchaser. They shall therefore be required to obtain discharge from the vendor for any monies they might still owe to the original purchaser and arising from the sale of the goods covered by this retention of title clause. The application of this clause shall in no event alter the provisions concerning transfer of risks. It does not exclude possible legal action to rescind the sale and/or for damages by the vendor with a view to compensation for loss of profit or harm suffered. Finally, this clause applies whatever the legal situation of the purchaser may be. In the event of insolvency proceedings, it shall be limited if necessary in its effects by the application of the law.

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