

# **GENERAL TERMS AND CONDITIONS**

## **1. Introduction**

These General Terms and Conditions (“**Terms**”) shall apply to any and all agreements for delivery of goods and/or services by Mul-T-Lock Ltd. and/or by any of its subsidiaries including without limitation Mul-T-Lock Technologies Ltd. and/or Yale Security Products Ltd. (each an “**MTL Supplier**” and collectively, the “**MTL Group**”) to any customer (“**Customer**”) unless a specific written agreement was entered into between parties, in which case these Terms will apply to the extent they do not contradict such other agreement between the parties.

## **2. Purchase, Prices, Payment Terms and Delivery**

(a) The Customer shall purchase MTL Group's products (“**Product(s)**”) directly from an MTL Supplier, unless otherwise instructed in writing by the MTL Group.

(b) All sales of Products shall be subject to the Terms in effect at the time of placing an order. Customer hereby acknowledges that the Terms constitute an integral part of the Sale Agreement and/or Purchase Order, as applicable. MTL Group reserves the right to modify the Terms from time to time.

(c) Prices are subject to changes and will be indicated on each order confirmation/proforma invoice. MTL Group's price lists are for general information only, and do not constitute a binding open offer by the MTL Supplier for the sale of Products. The MTL Group reserves the right to make modifications, or changes at any time without prior notice.

(d) Unless otherwise agreed in writing, payment shall be made at the time of the Order. If payments are not made when due, Customer shall pay, in addition to the overdue payment a late charge equal to the lesser of 1.5% per month or the highest applicable rate allowed by law on such overdue amounts.

(e) Written orders of the Customer (“**Order(s)**”) may be accepted by the MTL Supplier, at its sole discretion, by issuing written order confirmation, provided however, and subject to receipt of full cash payment or other satisfactory letter of credit or pre-agreed payment means for the entire purchase price.

(f) The MTL Supplier shall supply Orders, **Ex-Works** (Incoterms 2010) (“**Delivery Terms**”). Delivery dates will be coordinated in advance on a case by case basis. Customer expressly releases the MTL Supplier from any liability, loss or damage arising from failure of MTL Supplier to timely deliver any Order.

(f) The parties hereby agree that to the extent permitted by law, MTL Supplier will retain ownership of the Products until receipt of full payment. Risk of loss or damage will pass to the Customer upon delivery in accordance with the Delivery Terms.

## **3. Territory, No Exclusivity, Marketing and Ancillary Services**

(a) Customer will ensure that the Products it purchases from the MTL Supplier are not sold directly or indirectly anywhere outside the territory agreed upon with the MTL Supplier (“**Territory**”).

(b) Customer hereby acknowledges and agrees that unless otherwise agreed in writing the MTL Group has **not** granted the Customer with any exclusive rights of any kind, and the MTL Group, at its sole and absolute discretion may appoint other distributors or reseller of Products and/or any part of them the Territory.

(c) Customer will make its best efforts to promote and resell Products in the Territory. Customer will coordinate all marketing activities with the MTL Supplier.

(d) The Customer shall maintain adequate inventory of spare parts for Products to satisfy all demand for the maintenance of Products.

(e) The Customer shall ensure that the installation and after-sales services that it provides, directly or through third parties, are performed by trained individuals and in accordance with MTL's service instructions and the highest professional standards to the full and complete satisfaction of the end-users.

## **4. Trade Relations**

Relations under these Terms are those of a seller and a buyer for each sale and shall not be construed as an undertaking for continuing sales. The Customer has no right to create any obligation or responsibility whatsoever on behalf or in the name of the MTL Group.

## 5. Restricted Key Cutting Procedures

The Customer acknowledges the importance of the MTL Group's **Restricted Key Cutting Procedures** (“**Procedures**”) which are intended to provide the end-users with better protection against unauthorized key-duplication. Furthermore, the Customer acknowledges that its representations, warranties and undertakings hereunder are the basis of MTL Group's engagement with Customer. Accordingly, the Customer hereby undertakes to strictly adhere to and comply with the Procedures, including without limitation, as follows: (i) the Customer shall sell only cylinders packed in their original packaging together with their original duplication card (to the extent one was provided with the cylinder (“**Duplication Card**”)); (ii) the Customer shall not retain any personal information of the end-user (including without limitation the cylinder/key combination) unless it has received the express written permission of the end-user; (iii) if a Duplication Card is supplied with such products, the Customer shall not duplicate any key, unless an original Duplication Card was presented to him at the time of duplication, (iv) the Customer shall neither resell nor otherwise allow the sale of key blanks sold to it by MTL Group, (v) the Customer shall comply with all such procedures, rules and measure, determined by the MTL Group, from time to time, and (v) the Customer shall ensure that all dealers (if and to the extent that Customer is allowed to resell to dealers) to whom it sells Products comply with the Procedures.

## 6. Intellectual Property

(a) The Customer hereby acknowledges that Mul-T-Lock®, Interactive®, ClassicPro®, MT5®, ENTR®, the Muscleman Logo (in the field of locking products), and all such other trademarks, service marks, trade names, logos, and domain names, whether or not registered, and any patent, copyright, design, utility model, or other industrial or intellectual property right, or application therefor (collectively, “**MTL IP**”) are the exclusive property of the MTL Group.

(b) Nothing in these Terms shall confer to Customer any rights in or to the MTL IP, other than the right to use the MTL IP to the benefit of the MTL Group in connection with the resale of the Products subject to the provisions hereunder.

(c) Any and all use of the MTL Group's trademarks shall require its written prior approval and shall be done in accordance with MTL Group's **Brand Manual** and **Muscleman Logo Use Guidelines**, as in effect from time to time, which the Customer is required to obtain from the MTL Supplier separately.

(d) The Customer shall neither remove, modify nor obscure the MTL Group's trademarks or any other marking, notice or designation applied to the Products, and/or appearing thereon.

(d) The Customer shall promptly bring to the attention of the MTL Supplier, any acts or omissions within the Territory constituting a possible breach of the MTL IP or affecting its validity, and shall assist the MTL Group in maintaining and enforcing its rights in and to the MTL IP in the Territory.

(e) The Customer shall neither, directly or indirectly, take and/or allow any third party to take any action that would or potentially infringe or otherwise be harmful to the MTL IP, including without limitation, by disputing the validity of the MTL IP and/or the MTL Group's right in or to the MTL IP and/or by filing of any application for patents, designs, trademarks, and/or any other kind of intellectual property rights that might infringe the MTL IP.

(f) Upon termination of commercial relations between the parties hereunder for any reason, the Customer shall immediately abandon and cease any use of the name "Mul-T-Lock®", or any other confusing or similar name, the MTL Group's trademarks, and all other MTL IP.

## 7. Limited Warranty, Limitation of Liability

(a) MTL Supplier warrants the Products in accordance with the terms of the MTL Group's **Limited Warranty** in the form attached herewith and/or any other specific warranty pertaining to a specific product and/or group of products as issued and/or published by the MTL Group (“**Warranty**”). The MTL Group reserves the right to amend, change or otherwise modify, from time to time, the terms and conditions of the Warranty at its sole discretion from time to time. Customer shall ensure that all Products it sells, directly or through dealers, are provided with the Warranty. It is hereby clarified that Customer shall have no authority to amend, change or otherwise modify the Warranty in any way.

(b) THE MTL GROUP EXPRESSLY DISCLAIMS ANY AND ALL OTHER WARRANTIES AND REPRESENTATIONS OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS OF PURPOSE. THE MTL GROUP (INCLUDING ITS AFFILIATES AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND REPRESENTATIVES) SHALL IN NO EVENT BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OR

FOR LOSS, DAMAGE OR EXPENSE, INCURRED BY CUSTOMER AND/OR DEALERS AND/OR END-USER CUSTOMERS FOR ANY REASON WHATSOEVER INCLUDING LOSS OF USE, PROFITS, REVENUE, OR GOODWILL, DIRECTLY OR INDIRECTLY ARISING FROM USE OR INABILITY TO SELL OR USE THE PRODUCTS, OR FOR LOSS OR DESTRUCTION OF OTHER PROPERTY OR FROM ANY OTHER CAUSE, EVEN IF THE MTL GROUP HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. MTL GROUP'S LIABILITY SHALL IN NO EVENT EXCEED AN AMOUNT EQUIVALENT TO THE PURCHASE PRICE PAID BY THE CUSTOMER FOR A PRODUCT.

(c) The Customer shall be solely responsible for the quality of any installation and/or after-sales service that it provides, directly or through dealers. The Customer shall hold the MTL Group (including its affiliates and their respective officers, directors, employees, agents and representatives) harmless and to indemnify them for any and all claims, liability, loss, damage and expense, including reasonable attorney's fees, arising from or related to the installation and or any after sales service performed by it or its dealers in connection with the Products, or for the provision of any other service.

## **8. Compliance**

(a) The Customer hereby represents, warrants and undertakes that: (i) the Customer and its affiliates and agents shall comply with the [ASSA ABLOY Business Partner Code of Conduct](#) and all applicable laws and regulations, including anti-corruption laws, sanctions and export control laws, (ii) none of the Customer, its affiliates or any of its officers or directors, is or is owned or controlled by any person targeted under the sanctions or export controls of the UN, US, EU or any other relevant government, (iii) the Customer will not engage in any business involving any such listed person, and (iv) the Customer will immediately inform the MTL Supplier of any breach of the foregoing. Following any breach, MTL Group may refuse further performance, or terminate any purchase order or agreement with the Customer and MTL Group's relationship with the Customer, without liability to the MTL Group and/or any person on its behalf.

(c) The Customer shall hold the MTL Group (including its affiliates and their respective officers, directors, employees, agents and representatives) harmless and to indemnify them for any and all claims, liability, loss, damage and expense, including reasonable attorney's fees, arising from or related to any misrepresentation, default or breach of the representations, warranties and undertaking included in this clause (*Compliance*) above.

## **9. Data Protection, Privacy**

(a) Notwithstanding anything to the contrary, it is hereby clarified that neither the MTL Group nor its affiliates or any person on their behalf is or shall be deemed as a controller or a processor or a holder of the personal information collected, stored or processed by the Customer that and neither of them shall have any responsibility or liability in this respect.

(b) To the extent the Customer is processing personal data on behalf of the MTL Group the Customer shall enter into a data processing agreement, any data processing shall be subject to entering into such an agreement and the provisions thereunder.

(c) The Customer hereby acknowledges, consents and agrees that any and all information provided by the Customer and/or collected by the MTL Group as part of the business relation with respect to the Customer and/or the Customer personnel, will be stored in the MTL Group's data base, and will be used by the MTL Group for fulfilment of agreements, communication relating to agreements, development of co-operations, Customer communications, deliveries, commercial offers, orders and logistics, invoicing, debt collection, Customer service requests, etc., in accordance with the [MTL Group Privacy Policy](#).

## **10. Confidentiality**

Customer hereby agrees that it shall not disclose any Confidential Information of the MTL Group nor use any such information other than for purposes of performing its obligations and exercising its rights under the terms of engagement between the parties. "Confidential Information" means all non-public or proprietary information treated as confidential by the MTL Group, including, without limitation, any and all financial, technical, marketing, commercial, legal or other information of whatever nature, irrespective of whether such information has been or will be disclosed in writing, verbally or in any other form, disclosed to the Customer. Regardless of the above, the term Confidential Information shall not include any information which the Customer can clearly establish by documented evidence was at the time of disclosure to it, in the public domain or was after disclosure of it, published or otherwise becomes part of the public domain through no fault or breach of the Customer.

The Customer shall ensure that any employee of Customer to whom its gives access to Confidential Information of the MTL Group will comply with the confidentiality requirements set out in these Terms. The Customer shall be responsible for any breach of such confidentiality requirements by such employees.

The Customer shall upon termination of engagement between the parties, or upon written request from the MTL Supplier, immediately cease to use and return to the MTL Supplier or destroy, all documents and data containing Confidential Information. The obligations in this clause (*Confidentiality*) shall apply for the duration of the engagement between the parties and for a period of ten (10) years thereafter.

#### **11. Termination**

(a) Unless otherwise set forth in these Terms and/or in any other agreement between the MTL Supplier and the Customer, the engagement between the parties may be terminated (in whole or in part) by either party, at any time, for any reason or for no reason, by giving a 30-day notice to the other party. Any accepted and outstanding Orders shall remain unaffected by the termination.

(b) The MTL Supplier may terminate the engagement between the parties (including any accepted and outstanding Orders), and the MTL Supplier may terminate an Order, with immediate effect if: (i) the Customer commits a breach of a material obligation or performance under these Terms, and/or any other agreement between the parties or any Order, which, if capable of remedy, is not remedied within 7 (seven) days of the MTL Supplier notifying Customer of said breach; or (ii) the Customer fails to pay any outstanding debt in timely manner; or (iii) the Customer ceases to carry on its business or substantially the whole of its business; or (iv) the Customer files, or has filed against it, a petition for voluntary or involuntary bankruptcy, is generally unable to pay, or fails to pay, its debts as they become due, makes or seeks to make a general assignment for the benefit of its creditors, applies for, or consents to, the appointment of a trustee, receiver or custodian for a substantial part of its property or business or becomes insolvent; or (v) the Customer is in breach of the ASSA ABLOY Business Partner Code of Conduct and/or the ASSA ABLOY Information Security Policy and Requirements and/or the Data Processor Agreement; or (vi) the Customer or its owner(s), directors or officers becomes listed in any sanctions or export control rules imposed by the UN, the EU or its member states, the US or any other relevant authority, or if the Customer breaches any applicable sanctions or export control rules, or if a party's ability to fulfill any obligation under these Terms and/or any agreement between the parties or any Order is materially affected by the imposition of sanctions or export control rules; or (vii) there is a change of control of the Customer, whereby fifty percent (50%) or more of the equity ownership or voting power of the Customer becomes owned or otherwise controlled by any one person or group of persons acting in concert (not being the persons holding such shares or exercising such control at the date of the engagement between the parties).

#### **12. Force Majeure**

The MTL Supplier shall not be liable to the Customer for any delay or failure in performance due to an event of circumstances or occurrences which cannot reasonably be averted or controlled by the MTL Supplier ("**Force Majeure**") and which substantially affects the performance of the obligations under the terms of engagement between the parties.

If an event of Force Majeure occurs, MTL Supplier's contractual obligations affected by the Force Majeure and the period for performing such obligations shall be extended, without penalty, for a period corresponding to the period the MTL Supplier is restricted by the Force Majeure event, provided that the MTL Supplier has informed the Customer about the Force Majeure event.

#### **13. Remedies**

(a) MTL Supplier and/or any other member of the MTL Group shall be entitled to any and all remedies available under the law, these Terms and/or any other agreement, including without limitation, injunctive relief, damages and recovery of the full amount of expenses, including reasonable attorney fees, incurred in litigation.

(b) Without derogating from the aforementioned, in the event that Customer is in default of payment or in breach of these Terms, the MTL Supplier may withhold delivery, cancel and terminate any Order, and hold Customer liable for any damage and expenses incurred by or to the MTL Supplier. In addition to the above, the MTL Supplier entitled to repossess and resell, without prejudice, any Products whose titled it has retained.

#### 14. **Miscellaneous**

(a) **Assignment.** The Customer may not assign its rights or obligations hereunder and/or under agreement with the MTL Group to any third party without the prior written consent of the MTL Supplier. The MTL Supplier is entitled to assign and/or subcontract any and all of its rights or obligations hereunder and/or under agreement with the Customer to any third party.

(b) **Public announcements.** All press releases, public announcements or public relations activities by the Customer with respect to the engagement between the parties or the transactions contemplated by it shall be approved by the MTL Supplier in advance of such release or announcement.

(c) **Set-off.** The Customer shall not be entitled to set off any amount owing at any time from the Customer to the MTL Group.

(d) **Survival.** Expiry or termination of the engagement between the parties does not affect a party's accrued rights and obligations at the time of expiry or termination.

(e) **Severability.** If any provision of these Terms is held by any court or other competent authority to be void or unenforceable in whole or in part, the other provisions of these Terms and the remainder of the effective provisions shall continue to be valid. The parties agree to replace such a void or unenforceable provision by a provision that is valid and enforceable and that comes as close as possible to the common intention of the parties underlying the void or unenforceable provision.

(f) **Amendments.** Changes of, or amendments to, these Terms and/or other agreement shall be made only in writing. Such changes or amendments shall be duly signed by the authorized representatives of the parties.

(g) **Waivers.** The failure of the MTL Supplier to enforce any of the provisions of these Terms and/or any other agreement shall not be construed as a waiver of such provisions, nor shall it prevent the subsequent enforcement of the provision. MTL Supplier's waiver of any of its rights under these Terms and/or any other agreement must be in writing and duly executed by it. No single or partial waiver of any such right or remedy shall preclude any other or further exercise of that or any other such right or remedy.

(h) **Notices.** Any notice permitted or required to be given to a party under these Terms shall be in writing and sent to its address as set forth in engagement agreement or to such other address as such party has provided the other in writing for such purpose. Notices may be sent by post, courier, e-mail or fax. Notices shall be deemed to have been duly given (i) on the day of delivery when delivered in person, by courier, email or fax and (ii) three (3) business days after the day when the notice was sent when sent by post. In each instance, however, excluding Friday, Saturday and public holidays.

(i) **Governing law.** These Terms shall be governed by, and construed in accordance with, the substantive laws of State of Israel without regard to conflicts of law's provisions.

(j) **Jurisdiction.** Any dispute, controversy or claim arising out of or in connection with these Terms, or the breach, termination or invalidity thereof, shall be finally resolved only by the competent court of Tel Aviv-Jaffa and the Parties hereby irrevocably submit to the exclusive jurisdiction of such court.