

GENERAL TERMS AND CONDITIONS FOR SALE OF GOODS (LOGGING)

1. Application – Variation

- 1.1 These Allegion general terms and conditions for sale of goods (the 'Terms') apply to and shall govern any and all proposal, quotations, agreements and/or contracts issued or entered into by any Allegion entity ("ALLEGION"), including CISA SpA, and the person, firm or company to or with whom any and all such proposals, quotations, agreements and /or contracts are issued or entered into (the 'Customer') with regard to any and all sales of Allegion products, equipment, S/W, auxiliary services and/or any and all parts relating thereto (the 'Products'). These terms do not apply to any sales and/or subsequent sales to consumers as defined by article 3, 1., a) of the Italian Consumer Code.
- 1.2 By placing a purchase order with ALLEGION for any Products described in a quotation or other description of Products delivered herewith, Customer acknowledges acceptance of these Terms and waives any applicability of its own terms and conditions.
- 1.3 ALLEGION has the right to impose additional terms and conditions, in particular general licensing terms and conditions for the use of its S/W or Cloud.
- 1.4 These Terms and additional terms and conditions imposed by ALLEGION shall prevail over any other terms and conditions, in particular those which are referred to in any of the Customer's documents. These Terms also serve as notice of ALLEGION's objection to and rejection of any terms and conditions of purchase or sale included in Customer's purchase order or other writing that are different from or additional to these Terms.

2. Formation of contract

Any and all purchase orders of Products placed by Customer shall be subject to written acceptance of ALLEGION and shall not take effect or be final and binding as a contract or an agreement unless and until ALLEGION issues a written order acknowledgement to Customer or, if sooner, upon the execution of the purchase order which will be in accordance with these Terms ("Contract").

3. Pricing

- 3.1 Unless agreed otherwise in written, prices are quoted EXW (Incoterms 2010), inclusive of standard domestic packaging for truck transport and shall be exclusive of any cost of special packaging, insurance, VAT or any other applicable (domestic and/or foreign) tax or duty or any other charges which may be applicable to the export or import of the Products which the Customer will pay in addition to the prices. Unless otherwise stated, quoted prices shall be effective only for the period up to the quote expiration date as specified in the quotation. Prices shall be subject to correction for clerical errors. ALLEGION may at any time increase its prices by giving written notice to the Customer prior to the delivery of Products to reflect any increase in ALLEGION's cost in performing the Contract due to any factor beyond reasonable ALLEGION's control.
- 3.2 The travel expenses of our staff, in particular the cost of driving and accommodations as well as per diem shall be invoiced separately to the Customer.
- 3.3 The Customer shall have the right to set off any counterclaim against our entitlements to payment only if the Customer's counterclaim has not been disputed by ALLEGION or has been declared final by a court of law. The Customer shall have the right to assert any rights of retention only to the extent that the Customer's counter entitlement is based on the same contractual relation as our entitlement to payment.

4. Payment

- 4.1 The currency shall be specified in the quotation and, unless otherwise agreed by ALLEGION, all payments shall be due within the term stated in the invoice. No payment shall be deemed to have been received until ALLEGION has received cleared funds. The Customer shall make all payments due without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise.
- 4.2 ALLEGION reserves the right to collect Products, withhold any deliveries of Products or suspend performance of any auxiliary services to the Products (if any) under any Contract with the Customer in the event of late or non-payment. ALLEGION may cancel the Contract at any time in the event of non- or late payment.
- 4.3 Where amounts are not duly paid and without prejudice to any other right or remedy, ALLEGION will automatically and without any formal notification be entitled to levy interest at a rate of 1.5 % per month. In the event of default in payment, Customer shall pay all costs included its reasonable attorney's fees in order to enforce payment or collection of past due sums from Customer.

5. Delivery

- 5.1 Unless agreed otherwise in written by parties, Products are delivered EXW ALLEGION factory (Incoterms 2010) with standard domestic packaging for truck transport. Any special packaging agreed upon between the parties will be charged at cost.
- 5.2 Delivery dates are estimates only and ALLEGION shall not be liable for any damages attributable to any delay or failure to deliver. In the event delivery is delayed beyond the acknowledged delivery date for any reason and at any time, ALLEGION shall advise the Customer thereof as soon as practicable. In the context of the deliverance of Products, the date or dates of performance of services auxiliary to those Products, shall be as specified in the Contract or such other date or dates as agreed upon in written by parties.
- 5.3 If ALLEGION is unable to deliver the Products and/or perform auxiliary services to the Products to the Customer for any reason attributable to the Customer, the Products and auxiliary services thereto (if any) will be deemed to have been delivered and/or performed. ALLEGION may invoice and store the Products until actual delivery and the Customer will be liable for all related costs and expenses.

6. Deferral and cancellation

Except with ALLEGION's prior written agreement, the Customer may not defer delivery or cancel, amend, alter in whole or part, any Contract. Such agreement shall be subject to the Customer indemnifying ALLEGION in full against any loss (including loss of profit), costs, charges and other expenses incurred as a result of the deferral, alteration, amendment or cancellation.

7. Transfer of title and risk

- 7.1 Risk in the Products and all liability to third parties and Customer in respect thereof shall pass to the Customer upon delivery in accordance with Article 5.1 or storage in accordance with Article 5.3 (if earlier).
- 7.2 Ownership of the Products shall not pass to the Customer until ALLEGION has received in full all sums due to it in respect of the Products. While the ownership of the Products remains with ALLEGION, it may, subject to the Customer not having fulfilled its payment obligations, take repossession of the Products.
- 7.3 Until ownership has passed pursuant to Article 7.2, the Customer shall not, unless otherwise agreed in writing, transfer ownership to a third party nor charge or encumber the Products in any way and maintain the Products in satisfactory condition insured on ALLEGION's behalf for their full price at any risks. Furthermore, until ownership has passed pursuant to Article 7.2, the Customer must store the Products (at no cost to ALLEGION) separately from all other products of the Customer or any third party in such a way that they remain readily identifiable

as ALLEGION's property.

8. Acceptance of Work Performance

- 8.1 In the event that the object of our contractual service is a work performance and services, acceptance shall be carried out after the agreed upon service has been rendered. Unless otherwise agreed, our performance and services do not depend on any obligation to transfer and/or provide hardware or software.
 - 8.2 The Customer shall undertake to accept performance and services as soon as the former has been notified of their completion. Acceptance is to be confirmed and documented in an acceptance report and signed by both parties.
 - 8.3 Acceptance may not be denied due to insignificant defects. ALLEGION reserve the right to set a reasonable deadline for acceptance by the Customer; upon its expiration our service shall be deemed accepted.
- ### 9. Retention of Title, Assignment of Claim
- 9.1 ALLEGION reserve the right to retain title to any and all Products delivered by ALLEGION until all claims, including conditional and future claims, including secondary claims that ALLEGION has vis-a-vis the Customer as a result of our business relationship, are paid and any bills of exchange and checks submitted for payment have been cashed. In case of an account current, the retained title serves as a security for our respective balance claims.
 - 9.2 The Customer is obliged to handle the delivered product with all due care for the duration of the retention of title and is required at our request to adequately insure the goods at replacement value against damage for the duration of the retention of title. At ALLEGION's request the Customer must provide proof that it has taken out insurance. The Customer hereby reassigns to ALLEGION any claims it has against the insurance up to the amount of ALLEGION's claims. ALLEGION hereby accept the assignment. If the assignment is not permissible, the Customer shall hereby instruct the insurance company to make the relevant payments only to us. This in no way affects any more extensive claims ALLEGION may have.
 - 9.3 The Customer is not entitled to pledge our product subject to retention of title or assign it to a third party by way of security nor assign claims arising in connection with the sale to a third party or offset such nor agree to a prohibition of assignment with its consumers in regard to these claims. In case of a blanket assignment by the Customer, the claims assigned to ALLEGION are to be expressly exempted.
 - 9.4 In the event of behaviour or conduct violating the contract (e.g. default on payments, unsatisfactory credit report pertaining to the solvency or assets of the Customer, notes drawn upon the Customer are protested, insolvency proceedings have been initiated against the Customer's assets, etc.), ALLEGION shall have the right to seize the delivered product. The Customer is obligated to return the product. All costs incurred due to the recovery and the utilization of the product are to be paid by the Customer.
 - 9.5 In case of distraint or other third-party actions, the Customer must promptly inform ALLEGION in writing and to provide ALLEGION with all necessary information so that ALLEGION is able to assert its property rights. Moreover, the Customer must inform third parties about ALLEGION's property rights and shall participate in measures ALLEGION undertakes to protect the products subject to our right of retention.

10. Warranty

- 10.1 Subject to the conditions set forth herein, ALLEGION warrants that the Products, when properly installed, used and maintained, will conform to the description and specifications (in the case of software the respective program description) in the Contract under which they are delivered and will be free from defects of materials and workmanship.
- 10.2 Moreover, ALLEGION warrant within the scope of statutory requirements that objects and services rendered by ALLEGION are free of third-party rights that would be in conflict with the Customer's contractual use of the objects. If a third party should assert such rights, the Customer shall immediately notify ALLEGION in this respect and shall grant ALLEGION any and all powers of attorney and authorizations required to defend the Customer against such asserted third-party rights. If there is a defect in title, ALLEGION is entitled to choose (a) to eliminate the third-party rights that encumber the contractual use of the object of delivery or service result or eliminate the allegation that such third party rights exist by taking appropriate measures, or (b) shall alter or replace the object of delivery or the service result in such a manner that they no longer violate on any third-party rights, provided the agreed upon functionality is not adversely affected as a result. In the event that ALLEGION should fail to eliminate the defect in title within a reasonable period set by the Customer, even after a second attempt, the Customer shall be entitled, at its discretion, to demand reduction (decrease in the agreed upon remuneration) without prejudice to possible claims for damages or for reimbursement of expenses in accordance with article 9 of the Terms or to withdraw from the contract if the defect in title is not insignificant.
- 10.3 The warranties provided above are for a period of one (1) year from the date of delivery to the Customer.
- 10.4 For repaired or replacement Products (or parts) the warranty period shall be the remainder of the warranty period pursuant to Article 10.3.
- 10.5 The warranty provided in article 10.1. of the Terms will not apply to: (i) Products which are not installed, stored or used correctly in accordance with ALLEGION's instructions (e.g. in the case of software errors resulting from incorrect use of software that could have been voided by carefully consulting program documentation or from using the software in different system environment than the one approved by ALLEGION or when the software or system environment had been altered by the Customer or a third party without authorization, or in the case of non-existent or inadequate backup measures,) or which are damaged by a third party or Customer itself during the installation or commissioning; (ii) normal wear and tear damage such as but not limited to: corrosion and erosion; (iii) misuse, abuse, improper or careless handling; (iv) Products which are modified without ALLEGION's written approval or damaged by any act beyond Allegion's control e.g. in virus infections or use of third party software); (v) Products which are not subject of an ALLEGION maintenance agreement or not maintained by qualified engineers in accordance with ALLEGION instructions.
- 10.6 The Customer will inform ALLEGION in writing of any defect or deficiency in the Products within eight (8) days of the time such defect or deficiency becomes apparent, in absence of which the Customer forfeits its rights under the warranty. In the event that software errors should occur, the Customer shall undertake to provide ALLEGION with all information required to perform an error analysis and take remedial action and to give ALLEGION or any persons commissioned by ALLEGION unrestricted access to the software and system of the Customer, on which it is installed. An error report must contain information about the type of error, the application in which the error has occurred as well as the work that was performed to eliminate the error. The error shall be described in such a way that it can be reproduced. If ALLEGION carries out an error analysis at the Customer's request and no error is noted or identified within the meaning of article 10.4 ALLEGION is entitled to demand the Customer to provide compensation for the expenses incurred during troubleshooting and error analysis.

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- 10.7 In the event of a warranty claim, ALLEGION has the right to inspect the Products. ALLEGION at its discretion can call back the product to inspect in its factory or shall have reasonable access to inspect any allegedly non-conforming Products.
- 10.8 If any of such Products do not conform to this warranty, ALLEGION shall at its sole option repair or replace such Products (or parts of it), or if the Products cannot be repaired or replaced for any reason, refund the price of such Products, provided that upon ALLEGION's request Customer returns the Products to ALLEGION at Customer's costs. When Products (or any parts relating thereto such as for example auxiliary services to the Products) are repaired on site, labour costs, as well as travel and residence expenses incurred by ALLEGION are borne by the Customer.
- 10.9 Once complied with this Article 10, ALLEGION shall have no further liability for a breach of warranty in respect of such Products (for sake of clarity this includes as well for, if any, the auxiliary services to the Products).
- 10.10 Except as specifically stated in these Terms ALLEGION makes no representation or warranty, express or implied, in law or in fact, including, without limitation, any implied warranties of merchantability and fitness for any particular purpose. ALLEGION provides no additional warranty and accepts no liability for third party products and/or services which are integrated or included in Products.
- 11. Limitation of liability**
- 11.1 Unless otherwise provided for by mandatory provisions of applicable law, ALLEGION's total liability for any direct damages, if and when established by the competent courts, shall be limited to the price of such Products as paid by Customer. ALLEGION shall in no event, be liable for any indirect damages of any nature whatsoever, such as but not limited to loss of profit, lost savings, revenue or client.
- 11.2 If ALLEGION's liability is excluded pursuant to these Terms, this exclusion shall also pertain to the liability of ALLEGION's organs, representatives and agents, in particular ALLEGION's employees.
- 11.3 The Customer shall not change the objects of delivery, it will in particular not change nor remove any existing warnings relating to hazards or risks due to improper use of the objects of delivery. In case of violation of this obligation, the Customer indemnifies ALLEGION inter partes from any third party product liability claims, unless the Customer is not responsible for the deficiency resulting in the liability event.
- 11.4 If ALLEGION is forced to recall the Product or issue a product warning due to a defect in the objects of delivery, the Customer agrees to cooperate to the best of its ability in measures that ALLEGION deems necessary and appropriate and to support ALLEGION, especially, in identifying the necessary customer data. The Customer is obliged to pay the costs of the product recall or warning, unless the Customer is not responsible for the product deficiency and the damage incurred under the principles of the product liability law. This in no way affects any more extensive claims ALLEGION may have.
- 11.5 The Customer shall inform ALLEGION immediately about any risks that it becomes aware of during the use of the objects of delivery and any possible product deficiencies.
- 12. Force majeure**
- ALLEGION reserves the right to defer the delivery date or to cancel the Contract in whole or in part, if it is prevented from or delayed in the carrying on of its business due to circumstances beyond its reasonable control, including (without limitation) acts of God, accidents, compliance with any law, regulation or other government order (whether or not valid), war or national emergency, riots, fire, industrial action, shortages of labour, restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials. If the force majeure event continues for a continuous period in excess of 6 months, either party shall be entitled to terminate the Contract with immediate effect. In no event shall ALLEGION be liable for any incidental or consequential damages or for any expense or damage in connection with such failure or delay in delivery of Products and/or performance of auxiliary services to the Products (if applicable).
- 13. Intellectual and industrial property rights - confidentiality**
- 13.1 Customer acknowledges that it will acquire no intellectual or industrial property rights in any patent, trademark, trade name, software, source codes, or any other related right owned, used or developed by ALLEGION prior to or during the execution or performance of the Contract and/or related to any of ALLEGION Products. Customer agrees not to do or permit to be done anything which might in any way adversely affect the validity, value or goodwill of ALLEGION's intellectual or industrial property rights.
- 13.2 The Customer receives a non-exclusive, non-sub-licensable and non-transferrable right of use for the software. The license entitles the Customer to use the software for his/her own operational purposes according to the description in the program documentation provided: a) The Customer may install and use the software on the number of computers indicated by ALLEGION, whereas only the number of installations is of importance, not the number of actual active users is important ("single user license"); or b) the Customer may install the software on the number of central data processing units (servers) indicated by ALLEGION and use the maximum number of single work stations (clients) indicated by ALLEGION to access the software simultaneously ("concurrent user" license). Use refers to loading, displaying, running, transferring, and storing the software for the purpose of processing the data stored on the Customer's system on which the software is installed. The Customer has the right to make one backup copy of the software, which is to be marked with a copy of the original identification (including the copyright notice). The use of the backup copy or the copies installed on the computers or central data processing units of the customer is only permitted if the original storage medium provided by ALLEGION should fail, be lost, or damaged. With regard to the use of the backup copy, the Customer is also bound by these this article. Apart from that, the Customer is not permitted to duplicate any portion of the software or program documentation without prior written consent from ALLEGION. Without ALLEGION's prior written consent, Customer may not: a.) adapt, modify, or translate the software; b.) connect the software to other programs via any other way than via the defined interfaces; c.) retranslate (decompile) the software into any other computer language; d.) remove, circumvent, or change any copy protection technology, program elements that serve Digital Right Management (DRM) technologies, security codes, or characteristics used for the identification of the software; e.) remove information in the software or the program documentation regarding the capacity as producer, copyright, or any other protected right of ALLEGION. ALLEGION has the right to verify compliance with the provisions herein, in particular with regard to the installation of the software on only one central data processing unit and the use of the software by the contracted number of authorized users only, by the use of technical means. The Customer is obliged to inform Allegion immediately about changes regarding the scope of use. In case of infringement, ALLEGION has the right to take technical measures to the point of blocking the program to ensure compliance with these terms.
- 13.3 Customer's right to use the software ends upon expiration of the license, regardless of the legal grounds. The Customer is obliged to return all original data storage media containing the software, including backup copies and any other copies of the software stored on separate data media as well as the program documentation, to ALLEGION and to remove the installed copies of the software from his/her system. The complete return and final deletion is to be confirmed in writing and submitted to ALLEGION in appropriate form, if requested by ALLEGION.
- 13.4 Unless otherwise agreed upon in writing, the Customer shall receive a non-exclusive license to the respective work product in the event that an individual software is produced based on the Customer's purchase order or if individual program adaptations are carried out (custom software). The Customer is not entitled to the disclosure of the source code or release of the development documentation. Moreover, the use of such custom software shall be subject to article 13.2 of the Terms. The Customer is solely responsible for the conservation and use of passwords and user-id.
- 13.5 All information in whatsoever form provided to Customer in connection with the quotation or with the sale, installation, service or repair of Products shall be kept strictly confidential and shall not be disclosed by Customer. Customer shall retain such information in confidence except to the extent Customer can establish that it previously received such information lawfully from a third party or that such information is generally available in the public domain, without breach of Customer's obligations under the Contract.
- 13.6 Customer shall ensure by way of forming appropriate contractual agreements with its employees, representatives and other agents that the latter are subject to the corresponding confidentiality obligations.
- 13.7 The confidentiality obligation according to article 13.5 shall continue to apply and remain valid after the respective contract elapses.
- 14. Data Privacy Notice**
- 14.1 Job-related contact details and data are collected, processed and used within the scope of the statutory provisions within the Allegion Group, to which CISA belongs. Typically, such person-related data are used for communication (by phone, in writing or by e-mail) within the framework of order processing or regarding information about new updates and products by CISA and Allegion as well as for voluntary customer satisfaction surveys and similar. Data are only transferred to countries outside the EU /EEA that provide for an adequate level of data protection and only to companies belonging to the Group or service providers stipulated by contract. Appropriate measures are taken to ensure that data privacy regulations are complied with by all persons concerned.
- 14.2 Upon request, ALLEGION will provide information about data relating to the Customer and stored by ALLEGION at any time. Contact our Contact Person for any further questions you have about data privacy protection at CISA and ALLEGION. The relevant e-mail address is dataprivacy@allegion.com.
- 15. Product Modification**
- ALLEGION reserves the right to modify the characteristics of the Products and / or to discontinue the Products" without notice.
- 16. Non assignment**
- Customer's rights and obligations hereunder may not be assigned without prior written consent of ALLEGION.
- 17. Final Provisions**
- 17.1 These Terms and any Contract between ALLEGION and Customer regarding the sale of Allegion Products shall be governed by the laws of Italy. The application of the provisions of the Vienna Convention on Sales of Good (CISG) is specifically excluded by the parties. Any disputes arising between the parties shall be submitted to the exclusive jurisdiction of the Courts of Bologna. If a provision or part thereof of these Terms would be invalid or unenforceable under law, then such invalid or unenforceable provision shall have no impact on any other terms herein.
- 17.2 Should any individual provision or any part of any provision of the Terms be or become void or unenforceable or if a loophole is determined herein, the validity of the remaining provisions is in no way affected. The parties agree to replace the void and/or unenforceable provision with an effective or enforceable provision coming as close as possible to the sense, spirit and purpose of the void and/or unenforceable provision. In case of a loophole, such provision is deemed as agreed upon that comes as close as possible to the sense, spirit and purpose of the Terms as desired or would have been desired, if the contracting parties had considered the matter in the beginning.

June 2020