

TERMS & CONDITIONS OF SALE

These terms and conditions of sale ("Terms and Conditions") shall govern all sales by Honeywell made between Honeywell and its respective contractual partners (including distribution agreements) and are effective January 1st 2019 and supersede all previous publications covering the sale of Honeywell products or services (hereinafter referred to as "Products"). References to "Honeywell", "Seller", "we", "us", or "our", are to the seller of the Products and shall differ based upon the entity to which the Buyer has issued in its purchase order. References to "Buyer", "you", or "your" are to the purchasers of our Products being a commercial business customer in the meaning of Section 14 German Civil Code ("*Bürgerliches Gesetzbuch*" - or "BGB"). Certain country, line of business and product-specific exceptions to these Terms and Conditions ("Exceptions") are set forth in Schedule A and B hereto. Unless otherwise noted in the Exceptions, each Exception shall be read together with the corresponding section of these Terms and Conditions. These Terms and Conditions (and if applicable any separate agreement between us and you that specifically reference these Terms and Conditions) (collectively, the "Agreement") contain the entire agreement between the parties with respect to the subject matter of the Agreement and supersedes any prior representations or agreements, oral or written, and all other communications between the parties relating to the subject matter of the Agreement. The Agreement may not be varied except in a writing signed by an authorized representative of each party. Any conflict in the provisions of the Agreement shall be resolved by giving precedence in the following order: (i) the separate agreement between Seller and Buyer (if any); (ii) the Exceptions; and (iii) the Terms and Conditions. Before submission of a purchase order by the Buyer, prices, terms, conditions, and Product specifications are subject to change without notice.

1. PURCHASE ORDERS.

Purchase orders are in general non-cancelable except as expressly set forth herein, including any revised and follow-on orders, and will be governed by the terms of the Agreement. Purchase orders shall specify: (a) order number; (b) Seller's Product part number or quotation number, as applicable, including a general description of the Product; (c) requested delivery dates; (d) applicable price; (e) quantity; (f) location to which the Product is to be shipped; and (g) location to which invoice is to be sent for payment. Purchase orders are subject to acceptance or rejection by Seller. No purchase order is accepted by Seller unless Seller has issued a written order confirmation.

Seller's sale of Products is expressly limited to the terms herein. Any conflicting, additional, and/or different terms or conditions on Buyer's purchase order or any other instrument, agreement, or understanding are deemed to be material alterations and are rejected and not binding upon Seller. Seller's acceptance of Buyer's purchase order is expressly conditioned upon Buyer's assent to the terms and conditions contained herein in their entirety. Notwithstanding, supplemental terms expressly referring to these Terms and Conditions and set out in a written contract are permitted.

2. PRICING.

The prices applicable to the Products shall be quoted by Seller to Buyer. Buyer may rely on Seller's quotation only if Buyer enters a purchase order within the period of time specified on the quotation or, if no duration is specified, then thirty (30) calendar days from the date of the quotation. After such time period, prices are subject to change without prior notice including those specified on any quotation, or part thereof, which has not resulted in an purchase order.

Unless stated otherwise in the Seller's order confirmation, prices are CIP (Incoterms 2010) and the Buyer is additionally liable to pay the transport, packaging and insurance costs of delivery. Prices are exclusive of any applicable value added tax for which the Buyer is additionally liable.

3. ORDER MODIFICATIONS.

Buyer may request add-ons or changes to quantities in a purchase order within twenty-four (24) hours of purchase order placement (or later in Seller's sole discretion), provided that the purchase order is open and not in a shipping status or closed, and subject in full to (i) Seller's right to accept or reject such request in its sole discretion, and (ii) any price or schedule modification that may be required by the change request, as determined by Seller in its sole discretion.

4. DELIVERY/SHIPPING TERMS.

Unless otherwise agreed in writing and insofar as it is reasonably possible to do so, Seller shall be entitled to make partial shipments. If Seller makes a partial shipment, Seller shall bear any additional costs resulting from the partial shipment.

Delivery dates are estimates. Delivery terms for Products are CIP (Incoterms 2010) Seller's designated facility, except that Seller is responsible for obtaining any export license. Risk of loss or damage to goods passes to Buyer upon delivery. Seller shall invoice Buyer for all shipping, handling, customs, insurance, and similar charges incurred by Seller in shipping Products to Buyer, and Buyer shall pay such charges pursuant to the agreed-upon payment terms, if and to the extent that this has been agreed by the Parties. Seller also reserves the right to ship Products to Buyer freight collect. Buyer shall be liable for delays or increased costs incurred by Seller caused by or related to Buyer's acts or omissions. Title to goods passes to Buyer upon full payment.

Seller will schedule delivery (and use commercially reasonable efforts to ship) in accordance with its standard lead time unless Buyer's order requests a later delivery date, or Seller agrees in writing to an earlier delivery date. Seller reserves the right to ship orders earlier than scheduled delivery dates. Early shipments will be processed using the same method and carrier identified in the order confirmation.

5. ACKNOWLEDGEMENTS.

Delivery dates, whether specified by Seller or Buyer, are, in principle, non-binding until confirmed in writing by Seller as binding. Seller will attempt to meet requested delivery dates. However, if Seller cannot meet Buyer's delivery date, Seller will notify Buyer via phone, fax, email, postal mail or order confirmation. If a binding delivery date has been agreed, the delivery shall be deemed timely if the Product is provided by Seller to the carrier on the agreed date. If Seller fails to meet the agreed delivery date, other than due to a Buyer failure to fulfill its obligations or otherwise as a result of "force majeure" events, the occurrence of a delay in delivery (*Verzugsseintritt*) by Seller is determined in accordance with the statutory provisions. In any case, the Buyer shall provide Seller with a reasonable cure period (*Fristsetzung nach Mahnung*) during which Seller can deliver the Product, unless extraordinary circumstances affecting Seller (such as impossibility of fulfilling its obligations) make such cure period dispensable or inapplicable.

6. INSPECTION AND ACCEPTANCE.

(a) Buyer will inspect Products immediately after delivery by Seller (pursuant to Section 377 of the German Commercial Code (*Handelsgesetzbuch* - HGB)). Buyer must notify Seller in writing or via e-mail of any obvious defects within two (2) calendar days from receipt of the Product. When hidden defects (i.e. defects that do not become apparent during an inspection) appear, such hidden defects shall be notified in writing or via e-mail by Buyer to Seller within five (5) calendar days after their discovery. The notice must include a description of the defects and evidence in the form of hard copies or other documents demonstrating the defects. Products will be presumed free from defects unless Seller receives written notice or a notice via e-mail of any recognizable defects explaining the defects within that period.

(b) Rejection shall be based solely upon the failure of the Products (i) to comply with Seller's published specifications or such specifications which are mutually agreed to by the parties, or (ii) to be suitable for the use intended under the Agreement, or the customary use and quality which is usual in similar products and which a buyer may expect. Subject to applicable laws, Seller shall not be liable for any defect which does not significantly reduce or limit the value or usability of the Product (being minor or immaterial deviations from the agreed or assumed characteristics, or slight impairment of use), unless separately agreed in writing.

Furthermore, Seller will not warrant, guarantee or be held liable for achieving the Buyer's individual intended results of the suitability of the Product. If a Product's condition or a contractually required use has not been agreed, it is Buyer's sole responsibility to determine the suitability of the Products for use in Buyer's application(s).

7. PRODUCT CHANGES.

Seller may, without notice to Buyer, incorporate changes to Products that do not alter form, fit, or function (e.g. replacement of parts with components of equal performance). Such changes shall only be reasonable and made for good cause, in particular due to technical progress or further product development. Seller may, at its sole discretion, also make such changes to Products previously delivered to Buyer.

8. CANCELLATIONS.

No purchase order may be canceled by Buyer without the prior express written consent of the Seller which consent shall be in Seller's sole discretion and subject to payment of reasonable and proper termination charges as determined by Seller from time to time. Seller does not accept cancellations for custom or specially manufactured products, or for non-stocked, extended lead-time products after the Buyer receives order confirmation.

9. TERMS OF PAYMENT.

Seller will invoice Buyer for Products sold to Buyer upon shipment. Partial shipments will be invoiced as they are shipped. Payment is due thirty (30) calendar days from receipt date of invoice by Buyer. Payments must be made in Euro unless agreed otherwise in writing. If Buyer is delinquent in its payment obligation to Seller, Seller may withhold performance until all delinquent amounts under this Agreement, and interest that are due are paid. Additionally, Seller may, at its option: (a) withdraw (*zurücktreten*) from the Agreement according to statutory law and demand the return of the Products for which payment has not been made; (b) charge interest on delinquent amounts at the maximum rate permitted by law or as specified in Schedule A, for each full or partial month in which payment is overdue; (c) recover all costs of collection, including but not limited to reasonable attorneys' fees, as claim for compensation (*Schadensersatz*) against Buyer; (d) withhold from Buyer any rebate payments which have been granted subject to the due payment by Buyer; (e) combine any of the above rights and remedies as may be permitted by applicable law; (f) suspend production, shipment, or delivery; modify or withdraw credit terms, including but not limited to requiring advance payment or guarantees, or other security; or terminate any program or other voluntary benefits granted by Seller. These remedies are in addition to all other remedies available at law or in equity. This section will survive expiration or any termination of the Agreement. Seller may re-evaluate Buyer's credit standing at all times. Buyer may only set off invoiced amounts which are owing by Buyer to Seller against Buyer's counterclaims that have been legally ascertained, are uncontested or have been accepted by Seller.

It has been expressly agreed that, except in case of extension solicited at the latest ten (10) calendar days before the due date and expressly granted by Seller, invoices remaining unpaid after their due date mentioned on the invoice may, at Seller's sole discretion, give rise to:

- The application of a late payment penalty to Buyer, equal to 0,2% of the individual contract value (*Auftragssumme*) for each business day of non-payment, not to exceed an aggregate of two percent (2%) of the individual contract value. This shall only apply for invoices remaining unpaid for a period of thirty (30) calendar days after their due date mentioned on the invoice and if Buyer is responsible for the delay in payment; or
- The application of a fixed sum for recovery costs as administrative expense of 40 € (in words: forty Euro). Further claims for compensation (*Schadensersatzanspruch*) of Seller remain unaffected by this, whereby such penalties paid by Buyer shall be credited against such claims for compensation.

10. TAXES.

Seller's pricing excludes all taxes (including but not limited to value-added, and other similar taxes), duties (including import and export duties), and charges (collectively "Taxes"). Buyer will pay all Taxes resulting from the Agreement or Seller's performance under the Agreement, whether imposed, levied, collected, withheld, or assessed now or later. If Seller is required to impose, levy, collect, withhold, or assess any Taxes on any transaction under the Agreement, then in addition to the purchase price, Seller will invoice Buyer for Taxes unless Buyer furnishes Seller with a valid exemption certificate or other documentation sufficient to verify exemption from the Taxes. Such exemption certificate will be provided by Buyer to Seller at the time of order placement or to the next possible point in time. If any Taxes are required to be withheld from amounts paid or payable to Seller under this Agreement, (i) the amount to be invoiced to Buyer will be increased so that the amount Seller receives by Buyer, net of the Taxes withheld, equals the amount Seller would have received had no Taxes been required to be withheld, (ii) Buyer will withhold the required amount of Taxes and pay such Taxes on behalf of Seller to the relevant taxing authority in accordance with applicable law, and (iii) Buyer will forward proof of such withholding sufficient to establish the withholding amount and recipient to Seller within sixty (60) calendar days of payment. Subject to Section 24, in no event will Seller be liable for Taxes paid or payable by Buyer. This section will survive expiration or termination of the Agreement.

11. PACKING.

If Seller is responsible for packing any items for shipment, Seller will pack such items in accordance with Seller's general packing instructions, suitable for airfreight.

12. BUYER CAUSED DELAY.

Seller's compliance with any agreed delivery date (see Section 4) shall be subject to the timely and proper fulfillment by Buyer of its obligations. Seller is not liable for any delays or increased costs caused by delays in obtaining required products or services from Buyer or Buyer-designated suppliers. If Buyer or Buyer-designated supplier causes any delay, Seller is entitled to adjust schedule, and other affected terms. If delivery of products, services, or other information necessary for performance of the Agreement is delayed due to conduct of Buyer or Buyer-designated supplier, then Seller may store products at Buyer's risk and expense and may charge Buyer for the delay. Further claims for compensation (*Schadensersatzanspruch*) of Seller remain unaffected by this.

13. FORCE MAJEURE.

Except for payment obligations, neither party will be liable to the other for any failure to meet its obligations due to a "force majeure" event. Force majeure is an event unforeseeable and /or beyond the non-performing party's reasonable control and may include but is not limited to: (a) delays or refusals to grant an export license or the suspension or revocation thereof for which the non-performing party is not responsible, (b) embargoes, blockages, seizure or freeze of assets, or any other acts of any government that would limit a party's ability to perform under this Agreement for which the non-performing party is not responsible, (c) fires, earthquakes, floods, tropical storms, hurricanes, tornadoes, severe weather conditions, or any other acts of God, (d) quarantines or regional medical crises, (e) labor strikes or lockouts, and (f) riots, strife, insurrection, civil disobedience, landowner disturbances, armed conflict, terrorism or war, declared or not (or impending threat of any of the foregoing, if such threat might reasonably be expected to cause injury to people or property). This also applies to the occurrence of any force majeure affecting a supplier or sub-supplier of Seller. If a force majeure event causes a delay, then the date of performance will be extended by the period of time of occurrence of force majeure or for any other period as the parties may agree in writing. If there already exists a delay in performance at the time of the occurrence of any Force Majeure, the non-performing party's responsibility for delay, if any, does not continue to have effect during the occurrence of any Force Majeure.

14. MANUFACTURING HARDSHIP.

If for any reason Seller's production or purchase costs for the Product (including without limitation costs of energy, equipment, labor, regulation, transportation, raw material, feedstocks, or Product) increases by more than five (5) % over Seller's production or purchase costs for the Product on the date of entering into this Agreement, then Seller may, by written notice or notice via e-mail to Buyer of such increased costs, request a renegotiation of the price of the Product under this Agreement.

15. WITHDRAWAL/TERMINATION/SUSPENSION.

Either party may withdraw (*zurücktreten*) from the Agreement as far as set out in these Terms and Conditions and according to statutory provisions by giving written notice to the other party. In the event of a continuous obligation (*Dauerschuldverhältnis*), either party may terminate the Agreement with three (3) months' notice or immediately for good cause. Good cause shall be considered to exist in particular, in the case of any major breach under any terms or conditions of the Agreement, and if the breaching or defaulting party does not cure or commence to cure any such breach or default within thirty (30) calendar days after receipt of written notice by the non-breaching or non-defaulting party. In the event of withdrawal (*Rücktritt*) or other termination of the Agreement, Buyer is obliged to return the Product and all copies thereof to Seller. In such event, Buyer shall permanently delete and/or destroy any copies of documents and of any software provided by Seller, if any. Upon Seller's request, Buyer shall confirm in writing such permanent deletion and/or destruction and that no documents, software or copies thereof were retained. In the event that the Product is returned, the costs of shipping, shipping insurance, packaging and/or customs duties shall be initially borne by Buyer. If the Product is returned in case of withdrawal due to a defect (not being a minor defect, Section 6(b)), the costs of shipping, completed shipping insurance, packaging material and/or customs duties will be borne by Seller. Damage to the Product, which is attributable solely to improper packaging during the return of the Product, shall be borne by Buyer. Any previous damages and defects in the Product shall also be taken into account in assessing damages to be borne by Buyer. The rights of withdrawal are not exclusive of other remedies that a party may be entitled to under this Agreement or in law or equity.

Seller may suspend performance under this Agreement at Buyer's expense if Seller determines that performance may cause a serious safety, security, or health risk. In such case, Seller and Buyer shall search for and discuss solutions.

16. COMPLIANCE WITH APPLICABLE LAW AND CODE OF BUSINESS CONDUCT.

Buyer shall, at its sole cost and expense, comply with all applicable laws, rules, regulations, decrees, and other requirements relating to or affecting the Agreement, the Products (including their sale, transfer, handling, storage, use, disposal, export, re-export, and transshipment), the activities to be performed by Buyer, or the facilities and other assets used by Buyer in performing its obligations under the Agreement. Without limiting the foregoing, Buyer is responsible for the recycling and disposal of goods as required by WEEE Directive 2012/19/EU or similar directives. In addition, Buyer certifies it has read, understands, and agrees to abide by the provisions of the Honeywell Code of Business Conduct (the "Code of Conduct"), available at <https://www.honeywell.com/who-we-are/integrity-and-compliance>.

17. EXPORT AND IMPORT COMPLIANCE.

Buyer will comply at all times with all applicable United States (US), United Nations (UN), European (EU), German and other international or national laws or regulations concerning (i) prohibition against commercial bribery or giving anything of value to any governmental official or candidate for political office in exchange for commercial advantage of any kind; (ii) prohibition against exporting or facilitating the export, directly or indirectly, of Products to certain countries which are embargoed by such applicable international or national sanctions; (iii) prohibition against complying with the boycott of certain countries covered by such applicable international or national boycott legislation; and (iv) transferring any technology, know how or specialized technical information to countries where the transfer is regulated by licensing laws and permitting requirements with respect to such transfers according to which e.g. compulsory licenses are being granted to such country. Buyer shall obtain all necessary import/export licenses in connection with any subsequent import, export, re-export, transfer, and use of all goods, technology, and software purchased, licensed, and received from Seller. Unless otherwise mutually agreed in writing, Buyer shall not sell, transfer, export or re-export any Products or software for use in activities which involve the design, development, production, use or stockpiling of nuclear, chemical or biological weapons or missiles, nor use the Products or software in any facility which engages in activities relating to such weapons or missiles. In addition, the Products or software may not be used in connection with any activity involving nuclear fission or fusion, or any use or handling of any nuclear material, or any nuclear, chemical, or biological weapons.

Buyer will retain documentation evidencing compliance with export/import control laws. If and to the extent Buyer is liable and Seller has a claim to it, Buyer will indemnify, defend, and hold Seller harmless from any and all losses suffered by Seller as a direct result of Buyer's or its customers' non-compliance with export/import control laws. Further claims for compensation (*Schadensersatzanspruch*) of Seller remain unaffected by this. Buyer shall include provisions in its agreements with its customers that require compliance by such customers with the terms of the Agreement. If Buyer designates a freight forwarder for export shipments, then Buyer's freight forwarder will export on Buyer's behalf, and Buyer will be responsible for any failure of Buyer's freight forwarder to comply with export/import control laws.

Subject to Section 24, Seller will not be liable to Buyer for failure to provide Products, services, transfers, or technical data as a result of any government actions that impact Seller's ability to perform, including: (1) the failure to provide or the cancellation of export or re-export licenses; (2) any subsequent interpretation of applicable import, transfer, export, or re-export law or regulation after the date of any order or commitment that has a material adverse effect on Seller's performance; or (3) delays due to Buyer's failure to comply with applicable import, transfer, export, or re-export laws or regulations.

18. ANTI-CORRUPTION LAWS.

Buyer acknowledges and agrees that it will comply with all applicable anti-bribery and anti-corruption legislation ("Anti-Corruption Law"), as far as applicable. Without limiting the foregoing, Buyer hereby certifies:

- That it will not, for the purposes of securing an unfair business advantage, directly or indirectly, offer, pay, give, promise to pay or give, or authorize the payment or giving of any money, gift, or anything of value to:
 - any "Restricted Person" defined as: (A) any officer, employee, or person acting in an official capacity for any government, any government department, agency, or instrumentality, any government - controlled entity, or public international organization; (B) any political party or party official; (C) any candidate for public office; (D) any officer, director, shareholder holding more than ten percent (10%) of the issued shares, employee, or agent of any private customer; or
 - any Person that the Buyer knows or has reason to know that all or a portion of such money or thing of value will be offered, given, or promised, directly or indirectly, to any Restricted Person.
- That neither the Buyer nor any of its shareholders, directors, officers, employees, or agents has performed any act which would constitute a violation of, or which would cause Seller to be in violation of, Anti-Corruption Law.
- That it will maintain accurately such books and records as Seller may reasonably require from time to time. Seller, at its expense, may audit Buyer two-times in a year to determine Buyer's compliance with Anti-Corruption Law and with the export and import control laws and regulations applicable by virtue of the Agreement, and, in cases of justified suspicion of a breach of such law. Buyer will be advised of such audit not less than thirty (30) calendar days in advance. Buyer shall prepare for and assist in any such audit.
- That, in the event, after execution of this Agreement, Buyer becomes, or proposes to become a Restricted Person, Buyer shall immediately notify Seller, and Seller shall have the unilateral right, without provision for any compensation whatsoever, to modify, withdraw from or terminate this Agreement if required to comply with all applicable laws, regulations, or policies of the United States, the European Union, Germany or other jurisdiction.
- That no Restricted Person has a right to share either directly or indirectly in the commissions of any contract obtained pursuant to this Agreement or in any commission payable hereunder.

(f) That it will immediately provide written notice to Seller if, at any time during the performance of this Agreement, Buyer finds out that current or former employees or officials of the government of the United States, the European Union, Germany or other jurisdiction have been or are being employed or compensated by Buyer if such employment or compensation violates any applicable law, regulation, or policy in the United States, the European Union, Germany or any other jurisdiction.

(g) That it shall immediately notify Seller and cease representation activities with regard to the sale in question if Buyer knows or has a reasonable suspicion of a violation of Anti-Corruption Law, or the Code of Conduct.

(h) That, upon request by Seller, it shall attest to the accuracy and truthfulness of the foregoing representations and warranties.

(i) That, in the event of any investigation by Seller or any governmental entity with respect to potential violations of Anti-Corruption Law, or the Code of Conduct, Buyer agrees to cooperate with Seller in the course of any such investigation or reasonably anticipated investigation.

Buyer acknowledges that, in the event of a breach of these certifications by Buyer, Seller may suffer damage to its reputation and loss of business which is incapable of accurate estimation. As a result, if and to the extent Buyer is liable and Seller has a claim to it, Buyer agrees to defend, indemnify, and hold harmless Seller for all claims, demands, causes of action, damages, losses, fines, penalties, or costs, including attorneys' fees, that Seller may suffer by reason of the violation by Buyer of Anti-Corruption Law, or investigation of Seller or Buyer by a governmental agency for such a violation, and further agrees to refund to Seller any funds paid in contravention of such laws.

Buyer shall immediately provide written notice to Seller if, at any time during the performance of this Agreement, Buyer or any of Buyer's shareholders, directors, officers, employees, agents, or consultants (if any) becomes the subject of a suspension or debarment proceeding before any agency or instrumentality of the United States, the European Union, Germany or the government having jurisdiction over the Buyer.

19. DATA COLLECTION, TRANSMISSION AND USE.

Buyer understands that certain Products may include software to collect information about how, and under what conditions, the Product is used and functions, including, without limitation, information describing use of operator inputs such as touch panel, buttons, and voice/audio input; power status and management, such as battery levels; device location; ambient conditions such as pressure, temperature, and/or humidity levels. The information collected by such software may be used by Seller for purposes including, but not limited to, assistance with Product repairs, diagnostics, research and analytics to improve functionality or optimize customer usage, development, and quality control/improvement of such Products. Buyer acknowledges that personal data of Buyer collected by the device may be used and processed by Seller, inter alia for the purposes of performing the Agreement, or stored with third parties and shared with Honeywell affiliates located outside of European Union, as in USA, India or Mexico, in accordance with the applicable data protection laws and the Seller's privacy statement on www.honeywell.com. The required data protection regulations will be complied with by Seller and its affiliates. No end-user identifiable data will be provided to any third party. Buyer shall notify all resellers that Seller is collecting this information and shall contractually bind all resellers to notify their end-user customers that such information may be collected and used by Seller as described above.

20. CONFIDENTIALITY AND PERSONAL DATA.

The parties may exchange confidential information during the performance or fulfillment of the Agreement. All confidential information shall remain the property of the disclosing party and shall be kept confidential by the receiving party for a period of three (3) years following the date of disclosure, unless a longer period applies according to statutory law (e.g. Law against unfair competition (*Gesetz gegen den unlauteren Wettbewerb*) or Trade Secrets Act (*Geschäftsgeheimnisgesetz*), when in effect). These obligations shall not apply to information which the receiving party can show is: (a) publicly known at the time of disclosure or becomes publicly known through no fault of receiving party, (b) known to receiving party at the time of disclosure through no wrongful act of receiving party, (c) received by receiving party from a third party without restrictions similar to those in this section, or (d) independently developed by receiving party. Each party shall retain ownership of its confidential information, including without limitation all rights in patents, copyrights, trademarks, and trade secrets. A receiving party of confidential information may not disclose such confidential information without the prior written consent of the disclosing party, provided that Seller may disclose confidential information to its affiliated companies, employees, officers, consultants, agents, and contractors.

The parties undertake to comply with the applicable data protection regulations and to process data exclusively in accordance with the applicable data protection regulations. In particular, Seller ("Data Processor") will solely process personal data of the Buyer ("Data Controller") and Buyer's customers ("end-user") for the purpose of fulfilling services stipulated in the Agreement. Any inquiries from Buyer, the end-user or the data protection authority related to data processing by the Seller will be responded promptly and fully. Shall Buyer require additional documentation and standards provided to Buyers which are not already part of a contract (including secondary contractual duty), Seller will provide it at Buyer's costs. Shall the Buyer move the burden on handling data access rights to Seller, Seller will ensure these are being handled properly and at Seller's costs. Buyer has the right to audit Seller's compliance with data privacy laws and cyber security standards. Such audit can be executed only (i) after at least thirty (30) calendar days prior notice; (ii) occur during normal working hours and (iii) shall not significantly interfere with regular course of business. Any costs related to the audit will be born only by the Buyer. Upon termination of this Agreement, Seller shall erase or anonymize the personal data of the Buyer or the end user, in accordance with the applicable data protection regulations.

21. WARRANTY TERMS.

(a) Claims for defects (including but not limited to defects in the Product and the invoice; *Gewährleistungsansprüche*) shall become barred one (1) year after the date of delivery of the defective Product, save for defects which are fraudulently concealed or caused by willful intent or gross negligence. Sections 478, 479 BGB remain unaffected.

(b) Warranty Claims. If, during the applicable Warranty Period for a Product sold by Seller hereunder, and in the event of a defect for which notification according to Section 6 has been timely provided, and which not only insignificantly reduces or limits the value or usability of the Product, such Product shall be returned to Seller.

Upon receipt of any such Product during the applicable Warranty Period, Seller shall, at its expense, (1) in Seller's sole discretion, repair or replace such Product, and (2) ship such Product to return it to its original location. Seller's obligations hereunder shall arise only if that the claimed defect or nonconformity actually exists and was not caused by any improper use as described in Section 21 (f).

If Seller reasonably determines that Product was free from defects in line with Section 6 ans 23 (i.e. improper rejection) was improper, Buyer will be responsible for all expenses caused by the improper rejection, unless the lack of defectiveness was not recognizable for Buyer. If not otherwise agreed in this Agreement, in all other respects the statutory warranty law shall apply.

If the defect is caused by a defective product of Seller's supplier (or sub-supplier), whereby the supplier (or sub-supplier) is not engaged by Seller to assist with the performance of the Agreement (kein Erfüllungsgehilfe), and Seller is merely passing on such third party product to Buyer, Buyer shall, in the first instance, be entitled to require Seller to assign its rights against the supplier (or sub-supplier) to Buyer, such that Buyer can bring a claim against the supplier (or sub-supplier). This shall not apply if the defect is caused by improper handling of the supplier's product (or sub-supplier's product) for which Seller is responsible. In the event that Buyer is unable to claim against the supplier (or sub-supplier) for the defect, Seller shall be liable to Buyer.

Repair or replacement of a Product (or any part thereof) does not extend the Warranty Period for such Product. Products which have been repaired or replaced during the Warranty Period are warranted for the remainder of the unexpired portion of the Warranty Period.

Seller may refuse to remedy defects or deliver replacements, until Buyer has paid the full invoiced price of the ordered Product to Seller. Buyer shall be entitled to retain a reasonable amount which corresponds to the economic value of the defect on the Product.

(c) **Services Warranty.** Services shall be performed in a good workmanlike manner consistent with industry practices. Seller's obligation and Buyer's sole remedy under this warranty is that Seller will correct or re-perform defective services or refund fees paid for the services, at Seller's sole election, if Buyer notifies Seller in writing or via e-mail of defective services within thirty (30) calendar days of the date the service was performed. All services corrected or re-performed are warranted for the remainder of the original warranty period. Subject to the limitations set forth in Section 24. below, Buyer shall not be entitled to damages arising out or in connection with the services performed under service agreement. Buyer's right of withdrawal from the service agreement or price reduction in the event that the defect is not remedied by Seller by means of correction or re-performance shall remain unaffected.

(d) **OTHER LIMITATIONS. THE EXPRESS WARRANTIES OF SELLER STATED IN SECTION 21 DO NOT APPLY TO PRODUCTS NOT SOLD BY SELLER. IN ADDITION, THE EXPRESS WARRANTIES OF SELLER STATED IN SECTION 21 DO NOT APPLY TO ANY SOFTWARE COMPONENT OF A PRODUCT WHICH IS SOLD OR LICENSED SUBJECT TO A SEPARATE LICENSE AGREEMENT OR OTHER DOCUMENT RELATING TO SUCH SOFTWARE COMPONENT (INCLUDING WITHOUT LIMITATION A "SHRINK WRAP" LICENSE AGREEMENT). THE WARRANTIES, IF ANY, APPLICABLE TO ANY SUCH SOFTWARE COMPONENT SHALL BE SOLELY AS STATED IN SUCH OTHER LICENSE AGREEMENT OR DOCUMENT. SELLER MAKES NO WARRANTIES THAT THE SOFTWARE COMPONENTS OF ANY PRODUCT WILL OPERATE IN CONJUNCTION WITH ANY OTHER SOFTWARE OR WITH ANY EQUIPMENT OTHER THAN THE PRODUCTS.**

(e) **DISCLAIMER. THE EXPRESS WARRANTIES OF SELLER STATED IN SECTION 21 AND AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE. NO EXTENSION OF THIS WARRANTY WILL BE BINDING UPON SELLER UNLESS SET FORTH IN WRITING AND SIGNED BY A SELLER AUTHORIZED REPRESENTATIVE.**

(f) **Miscellaneous Provisions.** Without limitation of the foregoing, the following additional provisions apply to this limited warranty:

(1) In order for this limited warranty to be effective, notwithstanding Section 6, you must notify us within twenty (20) calendar days and within the Warranty Period of discovery of a defect. You must return the defective Product to us, properly packaged, and with insurance and transportation costs prepaid. Unless otherwise set forth in the applicable Product warranty, prior to return shipment, contact Honeywell Customer Service to obtain a return goods authorization (RGA) or Returned Materials Authorization (RMA) number. Returns shall be accompanied with approved, written authorization and clearly be marked with the RGA/RMA number on the shipping container(s).

(2) Honeywell will reship the Product to you at our expense in Germany. If applicable, Buyer, acting on its own behalf only, shall extend a warranty to its customers no broader in scope than the limited warranty extended to it by Seller. Buyer shall perform and fulfill at its sole expense all of the terms and conditions of each warranty, including providing reasonable assistance with respect to product recall or other warranty actions by Seller, subject to the obligations of Seller set forth herein.

(3) Seller will not be liable under this limited warranty if the Product has been exposed or subjected to any: (a) maintenance, repair, installation, servicing, handling, packaging, transportation, storage, operation, or use which is improper or otherwise not in compliance with Seller's explicit instructions; (b) accident, alteration, modification, contamination, foreign object damage, abuse, misuse, failure to perform adequate maintenance, neglect, or negligence after shipment to Buyer; (c) damage caused by non replacement or repair of defective important parts; (d) usage of unsuitable means of operation (including but not limited to be charged to a faulty electrical connection); (e) usage beyond the normal use of the Product (f) Product which is normally consumed in operation or which has a normal life inherently shorter than the foregoing warranty period, including, but not limited to, consumables (e.g., flashtubes, lamps, batteries, storage capacitors). This limited warranty does not cover defects which are caused by normal wear and tear.

(4) This limited warranty does not extend: (1) to any Product determined by Seller to have been used after having arrested a fall which has caused the damage; (2) to Products subjected to temperature or humidity in excess of explicit specific storage and shipping conditions.

(5) Seller does not represent that the Product is compatible with any specific third-party hardware or software other than as expressly specified by Seller. Buyer is responsible for providing and maintaining a standard operating environment. Buyer understands and warrants that Buyer has an obligation to implement and maintain reasonable and appropriate security measures relating to the Product, the information used therein, and the network environment. This obligation includes complying with applicable cybersecurity standards and best practices. If a Cybersecurity Event occurs, Buyer shall promptly notify Seller of the Cybersecurity Event, in any case no longer than in twenty-four (24) hours from discovery. "Cybersecurity Event" shall mean actions leading to the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, personal data transmitted, stored or otherwise processed. Buyer shall take reasonable steps to immediately remedy any Cybersecurity Event and prevent any further Cybersecurity Event at Buyer's expense in accordance with applicable laws, regulations, and standards. Seller shall not be liable for damages caused by a Cybersecurity Event resulting from Buyer's failure to comply with the Agreement or Buyer's failure to maintain reasonable and appropriate security measures. Buyer is responsible for all such damages. Where Buyer is not the end-user of the Product, Buyer represents and warrants that it will require its customers to comply with the above Cybersecurity Event provisions.

22. INDEMNIFICATION AGAINST PATENT AND COPYRIGHT INFRINGEMENT; THIRD PARTY CLAIMS.

Seller will defend any suit against the Buyer based on a claim that the Product as delivered by Seller directly infringes a valid patent or copyright, and indemnify for any final judgment assessed against Buyer resulting from the suit provided that Buyer notifies Seller at the time it is apprised of the third-party claim, promptly provides any and all materials related to the claim it receives to Seller, and agrees to give sole and complete authority, information, and assistance (at Seller's expense) for the defense and disposition of the claim using counsel of Seller's choice. Seller will not be responsible for any compromise or settlement made without Seller's consent. Because Seller has exclusive control of resolving claims under this provision, subject to Section 24, in no event will Seller be liable for any defense fees or costs incurred by Buyer without the Seller's prior, written consent. Buyer shall not incur any expenses on Seller's behalf without Seller's prior, written consent, and Seller shall not be liable for any damages, fees, or costs incurred by Buyer for any settlement without Seller's prior, written consent thereto.

Seller will have no obligation or liability to the extent the third party claim arises as a result of: (a) Buyer's designs, drawings, or specifications; (b) Products used other than for their ordinary purpose; (c) combining any Product furnished under the Agreement with any article not furnished or authorized by Seller; (d) use of other than the latest version of the Product if the Product is software or, if not, of software provided with the Product released by Seller, provided that the claim is due to the fact that no update was performed; or (e) any alteration, customization, or other modification of the Product other than by Seller or requested to Seller by Buyer. Further,

if and to the extent Buyer is liable and Seller has a claim to it, Buyer agrees to indemnify and defend Seller to the same extent and subject to the same restrictions as set forth above in Seller's obligations to Buyer for any suit against Seller based upon a claim of infringement resulting from Section 21.

If a claim of infringement is made or if Seller believes that such a claim is likely, Seller may, at its option, and at its expense, procure for Buyer the right to continue using the Product; replace or modify the Product so that it becomes non-infringing; or accept return of the Product or terminate Buyer's license to use the Product and grant Buyer a credit for the purchase price or license fee paid for the Product, less a reasonable depreciation for use, damage, and obsolescence. Further, Seller may cease shipping Products it believes may be subject to a claim of infringement without being in breach of the Agreement.

THIS PROVISION STATES THE PARTIES' ENTIRE LIABILITY, SOLE RECOURSE, AND THEIR EXCLUSIVE REMEDIES WITH RESPECT TO CLAIMS OF INFRINGEMENT OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS. ALL OTHER WARRANTIES AGAINST INFRINGEMENT OF ANY THIRD PARTY INTELLECTUAL PROPERTY RIGHTS, STATUTORY, EXPRESS, IMPLIED, OR OTHER, ARE HEREBY DISCLAIMED.

23. INDEMNIFICATION.

If and to the extent Buyer is liable and Seller has a claim to it, Buyer shall indemnify Seller for all costs and damages, including attorneys' fees, suffered by Seller as a result of Buyer's actual or threatened breach of these terms and conditions. Further claims for compensation (*Schadensersatzanspruch*) of Seller remain unaffected by this.

24. LIMITATION OF LIABILITY; LIMITATION ON ACTIONS.

Notwithstanding anything to the contrary contained in this Agreement: (i) In connection with this Agreement and the sale of Products (including the delivery of Products) and provisions of services to Buyer, regardless of the form of action giving rise to such liability, and including any liability under Sections 6, 21 and 22 above, Seller shall only be liable for damages that Seller has caused by gross negligence and/or willful misconduct. (ii) In the case of violation of the essential duties described in the Agreement (*wesentliche Vertragspflichten*), Seller shall also be liable for negligence, whereby this liability is limited to the contractual typical damage to the amount of an average damage customary in the relevant industry, which would have been reasonably foreseeable on the date the Agreement is concluded or on the date when the breach of duty was committed. Such reasonable amount depends on the concrete case, but regularly is the aggregate purchase price for the Products or services in question. Essential obligations are those whose fulfillment is essential for the proper execution of the Agreement by Seller (i.e. primary contractual obligations) and on whose compliance Buyer can regularly rely and trust. (iii) Seller shall be liable for losses arising from the lack of any characteristics of the Products which are explicitly guaranteed (i.e. assured), if any, up to the amount which is covered by the purpose of the guaranty and which was foreseeable for Seller at the time the guaranty was given. (iv) Seller shall not be liable for damages resulting from improper handling or improper use of the delivered Products. (v) Claims for damages under the German Product Liability Act (*Produkthaftungsgesetz*) and all other applicable mandatory law as well as claims for the injury and damage to life, body and health shall remain unaffected by any limitation of liability. (vi) Seller is responsible for fault on the part of its (third party) suppliers and sub-suppliers to the same extent as for fault on his own part (subject to the limitation set forth under this Section 24), if and to the extent such (third party) suppliers and sub-suppliers are acting as vicarious agent of Seller. (vii) The exclusions and limitations concerning the liability for damages by Seller according to these Terms and Conditions shall also apply to liability for damages of Seller's employees, executive employees, representatives and vicarious agents. **THE LIMITATIONS OF LIABILITY CONTAINED IN THE INDEMNIFICATION PROVISIONS OF THE AGREEMENT (SECTIONS 22 AND 23 OF THESE TERMS AND CONDITIONS) AND THIS SECTION 24 ARE A FUNDAMENTAL PART OF THE BASIS OF SELLER'S BARGAIN HEREUNDER, AND SELLER WOULD NOT ENTER INTO THIS AGREEMENT ABSENT SUCH LIMITATIONS. TO THE EXTENT PERMITTED BY APPLICABLE LAW AND IF NOT OTHERWISE STIPULATED HEREIN, THE LIMITATIONS AND EXCLUSIONS OF THIS SECTION 24 WILL APPLY WHETHER LIABILITY ARISES FROM BREACH OF CONTRACT, INDEMNITY, WARRANTY, TORT (INCLUDING BUT NOT LIMITED TO NEGLIGENCE), OPERATION OF LAW, OR OTHERWISE. BUYER WILL NOT BRING A LEGAL OR EQUITABLE ACTION MORE THAN ONE YEAR AFTER THE FIRST EVENT GIVING RISE TO A CAUSE OF ACTION, UNLESS IN CASE OF CLAIMS DUE TO INJURY TO LIFE, BODY, HEALTH AND/OR CLAIMS DUE TO GROSSLY NEGLIGENT OR INTENTIONAL CONDUCT. IN THIS RESPECT, THE STATUTORY LIMITATION PERIODS SHALL APPLY.**

25. NOTICES. If not otherwise agreed herein, every notice between the parties relating to the performance or administration of the Agreement shall be made in writing and, if to Buyer, to Buyer's authorized representative or, if to Seller, to Seller's authorized representative at the addresses set forth in this Agreement between the parties to which these Terms and Conditions apply. All notices required under the Agreement will be deemed received when delivered either (a) two (2) calendar days after mailing by mail; or (b) one (1) business day after deposit for next day delivery with a commercial overnight carrier provided the carrier obtains a written verification of receipt from the receiving party. Notices may be made via e-mail if expressly allowed in the provisions of this Agreement.

26. SEVERABILITY. In the event any provision or portion of a provision herein is determined to be illegal, invalid, or unenforceable, the validity and enforceability of the remaining provisions shall not be affected and, in lieu of such provision, a provision as similar in terms as may be legal, valid, and enforceable shall be added hereto.

27. WAIVER. All waivers must be in writing. The failure of either party to insist upon strict performance of any provision of the Agreement, or to exercise any right provided for herein, shall not be deemed to be a waiver for the future of such provision or right, and no waiver of any provision or right shall affect the right of the waiving party to enforce any provision or right herein.

28. APPLICABLE LAW AND FORUM. The Agreement will be governed by and interpreted in accordance with the laws of Germany. Seller and Buyer expressly agree to exclude from the Agreement the United Nations Convention on Contracts for the International Sale of Goods, 1980, and any successor thereto. Any potential dispute relating to the Agreement will fall under the exclusive jurisdiction of the courts of Germany.

29. DISPUTE RESOLUTION (EXECUTIVE ESCALATION). Before the parties initiate any dispute resolution process other than injunctive relief, the parties must schedule a mandatory executive resolution conference to be held within thirty (30) calendar days of receipt of the other party's written request. The conference must be attended by at least one executive from each party. At the conference, each party will present its view of the dispute in detail and the executives will enter into good faith negotiations in an attempt to resolve the dispute. If the dispute is not resolved within fifteen (15) calendar days of the end of the conference, then either party may pursue resolution of the dispute consistent with the other terms of the Agreement.

30. PUBLICITY. The parties will cooperate in preparing press releases and white papers as they deem appropriate regarding the subject matter of the Agreement. Any such press release or white paper will be subject to the parties' mutual written approval, which approval will not be unreasonably withheld.

31. INDEPENDENT CONTRACTOR. The parties acknowledge that they are independent contractors and nothing contained in this Agreement shall be construed to constitute either party hereto as the partner, joint venturer, employee, agent, servant, franchisee, or other representative of the other party hereto, and neither party has the right to bind or obligate the other, except as otherwise provided herein. Furthermore, nothing contained in this Agreement shall be construed to constitute Buyer as an exclusive purchaser of the Products in any respect.

32. HEADINGS AND SECTIONS. The various headings in this Agreement are inserted for convenience only and will not affect the meaning or interpretation of this Agreement or any paragraph or section thereof.

33. INSURANCE. Unless agreed otherwise, Buyer shall, at all times that the Agreement is in force and effect, provide and maintain, at a minimum, insurance with the following limits: (i) A Comprehensive General Liability policy with a single limit of EUR 1,000,000 per occurrence and EUR 2,000,000 in the aggregate for bodily injury and property damages; Buyer shall deliver certificates to Seller, containing therein provisions requiring the insurance carrier to notify Seller at least thirty (30) calendar days prior to any expiration or termination of, or material change to the policy. All certificates shall be delivered to the Seller prior to placement of any orders hereunder.

34. ASSIGNMENT; SUBCONTRACTING. Neither party will assign any rights or obligations under the Agreement without the advance written consent of the other party, which consent will not be unreasonably withheld, conditioned, or delayed, except that either party may assign this Agreement in connection with the sale or transfer of all or substantially all of the assets of the product line or business to which it pertains. Any attempt to assign or delegate in violation of this section will be void, except that Seller may assign this Agreement to any subsidiary or affiliate. Notwithstanding anything to the contrary herein, Seller may engage subcontractors to perform any of its obligations under this Agreement. Use of a subcontractor will not release Seller from liability under the Agreement for performance of the subcontracted obligations.

35. SURVIVAL. Sections 9, 10, 16 to 35 by their nature should continue in force after the completion or termination of the Agreement will remain in force.