

> Conditions of Purchase

> TERMS AND CONDITIONS

Honeywell Standard PO Terms and Conditions for Goods and Services

ACS Revision 03/17/2014

Honeywell Standard Purchase Order Terms and Conditions for Goods and Services

1. Acceptance – Order of Precedence - Modification
This Purchase Order is for the purchase of goods, services, or both as described on the face of this document (collectively, "Goods") and is issued by the member of the Honeywell International Inc. group of companies identified on the face of this document ("Honeywell"). This Purchase Order is deemed accepted when Supplier returns the acknowledgment copy of this Purchase Order or begins performing, whichever is earlier. Honeywell rejects any additional or inconsistent terms and conditions offered by Supplier at any time. Any reference to Supplier's quotation, bid, or proposal does not imply acceptance of any term, condition, or instruction contained in that document. No course of prior dealing or usage of the trade may modify, supplement, or explain any terms used in this Purchase Order. These terms and conditions together with any previously executed non disclosure agreement (the obligations of which remain in effect) and with the exhibits, schedules, specifications, drawings, or other documents referred to on the face of the Purchase Order, or attached, or any documents incorporated by reference, supersede any prior or contemporaneous communications, representations, promises, or negotiations, whether oral or written, respecting the subject matter of this Purchase Order. All contract documents related to this Purchase Order are interpreted together as one agreement; provided, however, that in the event of any conflict among the provisions of one or more of such contract documents as are validly in effect at the time of such conflict, the following order of precedence applies: (a) any consignment, stocking or other replenishment agreement; then (b) any supply agreement; then (c) any contract for labor services; then (d) the face of the Purchase Order and any supplemental terms included or incorporated by reference; then (e) these general Purchase Order provisions; and finally (f) other contract documents agreed to in writing by the parties. No change to or modification of this Purchase Order will be binding upon Honeywell unless in writing, specifically identifying that it amends this Purchase Order, and signed by an authorized procurement representative of Honeywell. If Supplier becomes aware of any ambiguities, issues, or discrepancies between this Purchase Order and any specification, design, or other technical requirement applicable to this Purchase Order, Supplier will immediately submit the matter to Honeywell for resolution. No course of dealing, prior dealings, usage of trade or course of performance will be used to modify, supplement or explain any terms used in, or incorporated by reference into, this Purchase Order.

2. Delivery, Shipment and Packaging

2.1. Supplier will deliver Goods in the quantities and on the date(s) specified on the Purchase Order or Purchase Order schedule releases.

If delivery dates are not stated, Supplier will offer its best delivery date(s), which will be subject to acceptance or rejection by Honeywell. Unless otherwise directed, all Goods shipped in one day from and to a single location must be consolidated on one bill of lading or air waybill, as appropriate. TIME IS OF THE ESSENCE.

2.2. If the delivery schedule is endangered for any reason other than Honeywell's fault then Supplier will, at its expense, deliver Goods by the most expeditious shipping method required to fulfill the Purchase Order delivery requirements. Honeywell reserves the right to reject, at no expense to Honeywell, all or any part of any delivery that varies from the quantity authorized by Honeywell for shipment. Honeywell reserves the right to pursue additional remedies caused by late delivery, including but not limited to: (a) incremental freight expenses incurred by Honeywell for shipments of Goods to Honeywell and for shipments of Goods or finished product containing or incorporating the Goods from Honeywell to any customer of Honeywell, and (b) all liquidated damages payable by Honeywell as a result of any such late delivery. Supplier will not make any substitutions without Honeywell's prior written approval. All items will be packaged according to Honeywell's instructions or, if none, according to good commercial practice in a manner sufficient to ensure receipt in an undamaged condition. Honeywell will not be liable for any discharge, spill or other environmental incident or condition (including clean-up costs) involving any Goods shipped under the Purchase Order unless caused by Honeywell and in no event until delivery to the destination designated by Honeywell. All containers will be properly marked for identification as instructed on Honeywell's Purchase Order and contain a packing slip that details, at a minimum, the Honeywell Purchase Order number(s), product part number, detailed product description, country of origin, total number of boxes in shipment, quantity of product shipped, and final delivery address. Items shipped in advance of Honeywell's delivery schedule may be returned at Supplier's expense. For domestic shipments, if requested by Honeywell, and for all international shipments, Supplier will give notice of shipment to Honeywell when the Goods are delivered to a carrier for transportation. The Purchase Order number(s) must appear on all correspondence, shipping labels, and shipping documents, including all packing sheets, bills of lading, and air waybills.

2.3. All Goods, unless specifically exempted by the destination country's governing authorities, must be marked with the country of origin (manufacture) of the Goods in a conspicuous place as legibly, indelibly, and permanently as the nature of the article or container permits.

2.4. Supplier will provide Honeywell with (a) the Harmonized Tariff Schedule number, country of origin information or certificates, manufacturer's affidavits, applicable free trade agreement ("FTA") certificates, and any other documents or information Honeywell may require to comply with international trade regulations or to lawfully minimize duties, taxes, and fees, and (b) FTA certificates for all Goods that qualify under one or more FTAs. Supplier will provide Honeywell all documents, records, and other supporting information necessary to substantiate the Goods' qualification under an FTA. Supplier will exert reasonable efforts to qualify the Goods under FTAs.

2.5. Within one business day after Supplier delivers the Goods to the carrier or at such earlier time as Honeywell may request, Supplier will send Honeywell a complete set of shipping documents including but not limited to the commercial invoice, packing list, and air waybill, or three original parts of the combined through-bill of lading, clean

without notation, necessary to release the Goods to Honeywell's custody.

3. Notice of Delay. Supplier must immediately notify Honeywell in writing with all relevant information relating to any delay or threatened delay of the timely performance of this PO.

4. Excusable Delay (Force Majeure)

Neither party will be in default for any delay or failure to perform due to causes beyond its control and without its fault or negligence, but any delay or failure to perform caused by the default of a sub tier supplier of Supplier will be excused only if (a) it is beyond the control of both Supplier and its sub-tier supplier(s) and without the fault or negligence of any of them, and (b) the Goods to be furnished cannot be obtained from other sources in sufficient time to permit Supplier to meet the delivery schedule. Supplier's ability to sell Goods at a more advantageous price or Supplier's economic hardship in buying materials or processing necessary for manufacture of the Goods will not constitute an excusable delay event. The party affected by an excusable delay will promptly provide written notice to the other, explaining in detail the full particulars and expected duration of the excusable delay, and will use its best efforts to remedy the delay if it can be remedied. If Supplier's delivery is delayed, Honeywell may cancel deliveries scheduled during the excusable delay period or elect to extend the period of performance to cover the period of delay caused by the excusable delay. If an excusable delay occurs that affects delivery of Goods to Honeywell, Supplier will allocate its available supply of Goods in a manner that assures Honeywell of at least the same proportion of Supplier's total output of Goods as was allocated to Honeywell before the excusable delay event. If delivery of any Goods is delayed for more than 30 days, Honeywell may, without liability, cancel all or any part of this Purchase Order.

5. Performance Assurance Plan

If Honeywell, in its sole discretion, determines there is a significant risk that Supplier will fail to meet its performance or delivery requirements under this Purchase Order, Honeywell may require Supplier to perform under a Honeywell Performance Assurance Plan. The Performance Assurance Plan may include specific reporting and performance requirements reasonably tailored to ensure Supplier's adequate performance under identified provisions of this Purchase Order. Any failure by Supplier to satisfy the terms of the Performance Assurance Plan is a material breach of this Purchase Order.

6. Shipping Terms, Title and Risk of Loss

6.1. If the Goods will be transported from Supplier's location in the U.S. to Honeywell's designated delivery location in the U.S., unless otherwise specified on the face of the Purchase Order or in a separate signed agreement, the F.O.B. point is Honeywell's designated delivery location. When the F.O.B. point is Supplier's location, Supplier bears all risk of loss or damage to the Goods and title passes to Honeywell upon delivery of the Goods by Supplier to the carrier designated or approved by Honeywell. When the F.O.B. point is Honeywell's location, Supplier bears all risk of loss or damage to the Goods and title passes to Honeywell upon delivery of the Goods by Supplier at Honeywell's designated delivery location.

6.2. In all other cases, unless otherwise specified on the face of the Purchase Order or in a separate signed agreement, (a) Supplier will



KAC

KAC Alarm Company Ltd
KAC House, Thornhill Road
North Moors Moss, Redkitch,
B98 9ND, United Kingdom
Tel: +44 (0) 1527 406655
Fax: +44 (0) 1527 406677
e-mail: marketing@kac.co.uk

deliver the Goods DAP (INCOTERMS 2010) at Honeywell's designated delivery location, and (b) title to Goods passes to Honeywell upon receipt at Honeywell's designated delivery location.

6.3. The foregoing does not relieve Supplier of any responsibility for hidden damages discovered after acceptance of the Goods. Notwithstanding the foregoing, title and risk of loss to Goods subject to a consignment, stocking or other replenishment agreement pass upon release of the Goods from consigned inventory or at such other time set forth in such consignment, stocking or other replenishment agreement. Honeywell may direct Supplier to ship the Goods to Honeywell or to any third party designated by Honeywell.

7. Import/Customs Compliance

Supplier assumes all responsibility and liability for any shipments covered by this Purchase Order requiring any government import clearance. If government authorities declare or otherwise impose countervailing duties, antidumping duties, or retaliatory duties on the Goods imported under this Purchase Order, Honeywell reserves the right to terminate this Purchase Order under the Termination provisions of this Purchase Order. Supplier will be debited for any duties, fees, or freight incurred by Honeywell due to Supplier's failure to comply with the terms and conditions of this Purchase Order.

8. Drawback

To the extent applicable to any shipment of Goods to Honeywell or Honeywell's designee, all drawback of duties, and rights thereto, related to duties paid by Supplier or Honeywell when the Goods are imported or any materials or components used in manufacturing of the Goods will accrue to the exclusive benefit of Honeywell. Duty drawback rights include rights developed by substitution and duty drawback rights obtained from sub-tier suppliers related to the Goods. Supplier will provide Honeywell with all documents, records, and other supporting information necessary to obtain any duty drawback, and will reasonably cooperate with Honeywell to obtain payment.

9. Offset

If Supplier is a non-U.S. entity, Supplier will assist Honeywell in obtaining credit from Supplier's government for the value of relevant Goods purchased to meet any present or future contractual offer or industrial benefit requirements imposed upon Honeywell or its subsidiaries or affiliates. Assistance includes, but is not limited to, providing upon Honeywell's request evidence of the existence, value, content, and other pertinent information relating to the purchases. Honeywell reserves the right to claim these credits for itself or third parties. If Supplier is a U.S. entity that awards any portion of the work under this Purchase Order to any lower tier non-U.S. supplier, Supplier will assign to Honeywell any credits obtained from the lower tier non-U.S. supplier's government relating to this transaction and assist Honeywell in obtaining the earned credits.

10. Honeywell-Supplied Materials, Tooling, Equipment and Technical Data

10.1. Title to any material, components, tooling, equipment, or technical data that Honeywell pays for or provides to Supplier or is responsible for providing to Supplier, including replacements ("Honeywell Property"), will remain or vest with Honeywell. Supplier will conspicuously label Honeywell Property as such, maintain it in good condition, keep written records of the Honeywell Property in its possession and the location of the property, not allow any liens to be placed upon it, and not change its location without prior written approval from Honeywell. Supplier is responsible for inspecting and determining that the Honeywell Property is in useable and acceptable condition.

10.2. Supplier will use Honeywell Property exclusively to fulfill Honeywell Purchase Orders unless otherwise authorized in writing by Honeywell's procurement representative. Honeywell Property is intended for use at the Supplier's site only or as otherwise authorized in writing by Honeywell's procurement representative and, to the extent applicable, is subject to U.S. and other government export or

re-export requirements. Supplier is responsible for any loss, damage, or destruction of Honeywell Property and any loss, bodily injury, damage or destruction resulting from Supplier's use of Honeywell Property. Supplier will not include the cost of any insurance for Honeywell Property in the prices charged under this Purchase Order and, to the extent that any Goods contain any Honeywell Property, will not include in the price of any such Good any mark-up or fee with respect to such Honeywell Property. Supplier will return Honeywell Property or dispose of it as Honeywell directs in writing. Honeywell makes no representations and disclaims all warranties (express or implied) with respect to Honeywell Property.

11. Price

Supplier will furnish the Goods at the prices stated on the face of the Purchase Order. If prices are not stated on the face of the Purchase Order, Supplier will offer its lowest prices subject to written acceptance by Honeywell. Unless otherwise provided on the face of the Purchase Order, the prices include all packaging and freight to the specified delivery point; applicable taxes and other government charges including, but not limited to, all sales, use, or excise taxes; and all customs duties, fees, or charges. To the extent that value added tax (or any equivalent tax) is properly chargeable on the supply to Honeywell of any Goods, Honeywell will pay the tax as an addition to payments otherwise due Supplier under this Purchase Order, if Supplier provides to Honeywell a value-added tax (or equivalent tax) invoice. To the extent Honeywell has not received from Supplier all applicable forms regarding compliance with applicable tax law, Honeywell reserves the right to deduct from any payment to Supplier pursuant to this Purchase Order those amounts that Honeywell, in its sole discretion, deems to be required to be withheld in order to comply with the tax laws of any applicable jurisdiction. Upon the agreement of the parties to reduced pricing for the Goods, such pricing shall immediately apply to all Goods in consignment, stocking or replenishment arrangement with Supplier, all undelivered Goods, all open and unfilled Purchase Orders, all future Purchase Orders and all unconsumed inventory owned by Honeywell.

12. Price: Most Favored Customer and Meet or Release

Supplier warrants that the prices charged for the Goods delivered under this Purchase Order are the lowest prices charged by Supplier for similar goods. If Supplier charges a lower price for similar goods, Supplier must notify Honeywell and apply that price to all Goods ordered under this Purchase Order by immediately paying Honeywell the price difference and applying the lower price to all Purchase Orders. If at any time before full performance of this Purchase Order Honeywell notifies Supplier in writing that Honeywell has received a written offer from another supplier for similar goods at a price lower than the price set forth in this Purchase Order, Supplier must immediately meet the lower price for any undelivered Goods. If Supplier fails to meet the lower price, in addition to other rights or remedies, Honeywell, at its option, may immediately terminate the balance of the Purchase Order without liability. As directed by Honeywell, Supplier will provide the Goods at the prices listed on the face of this Purchase Order, subject to these terms and conditions, to other Honeywell divisions and affiliates and any third-party Honeywell sub-supplier or designee.

13. Invoicing and Payment

After each shipment made or service provided, Supplier will submit to the address indicated on the Purchase Order an invoice listing a description of the Goods provided and, as applicable, part numbers, quantity, unit of measure, hours, and the unit and total prices. This invoice must match the corresponding Purchase Order pricing, quantities, and terms, and must be sent to the invoice address listed on the Purchase Order. All applicable taxes and other Government charges including, but not limited to, sales, use, or excise taxes; value added tax, customs duties, fees and all incidental charges including but not limited to royalties, selling commissions, nonrecurring engineering, or other incidental charges must be

separately itemized and identified on the invoice. The invoice must also include the following information in English, or in the destination country's official language if required: (a) name and address of Supplier and the Honeywell entity purchasing the Goods; (b) name of shipper (if different from Supplier); (c) Honeywell's Purchase Order number(s); (d) country of export; (e) detailed description of the Goods; (f) Harmonized Tariff Schedule number; (g) country of origin (manufacture) of the Goods, or if multiple countries of origin, the country of origin of each part shipped; (h) weights of the Goods shipped; (i) currency in which the sale was made; (j) payment terms; (k) shipment terms used; and (l) all rebates or discounts. The invoice will be accompanied (if applicable) by a signed bill of lading or express receipt evidencing shipment. Payment of an invoice does not constitute acceptance of the Goods and is subject to appropriate adjustment should Supplier fail to meet the requirements of the Purchase Order. Payment terms are net 120 days from receipt of a Honeywell-approved compliant invoice unless otherwise stated on the face of the Purchase Order or other written agreement executed by both parties; provided, however, that in the event that applicable law requires a payment terms period of shorter duration, payment terms shall be the maximum period allowed by applicable law. Invoices will not be approved unless they accurately reference conforming Goods received by Honeywell or services satisfactorily performed for Honeywell, as well as a valid Purchase Order number, supplier name and address, line description, quantity at line level, price at line level, withholding rates and/or amounts for applicable taxes. Payment will be scheduled for the next payment cycle following the net terms for the Purchase Order.

14. Set Off. Honeywell may deduct any amount owing from Supplier to Honeywell as a set off against any amount owing to Supplier under this Purchase Order.

15. Inspection

15.1. All Goods may be inspected and tested by Honeywell, its customers, higher-tier contractors, and end users at all reasonable times and places. If inspection or testing is made on Supplier's premises, Supplier will provide, without charge, all reasonable facilities and assistance required for the inspection and tests. Supplier's standard inspection and testing system must be approved by Honeywell in writing. All inspection and testing records, including sub-tier supplier records relating to the Goods, will be maintained by Supplier and made available to Honeywell during the performance of this Purchase Order, and for such longer periods if specified by Honeywell.

15.2. Final inspection and acceptance by Honeywell will be at destination unless otherwise specified in this Purchase Order. Honeywell may inspect all or a sample of Goods, at its option, and may reject all or any portion of the Goods if Honeywell determines them to be defective or nonconforming within 90 days of delivery. If Honeywell performs any inspection (other than the standard inspection) after discovering defective or nonconforming Goods, any additional inspection costs will be paid by Supplier. No inspection, tests, approval, design approval, or acceptance of the Goods relieves Supplier from responsibility for warranty or any latent or patent defects, fraud, or negligence. Honeywell reserves the absolute right to refuse acceptance of, or reject and return to Supplier at Supplier's sole cost and expense any material, Goods or Services that fail to conform to any applicable laws or regulations, or for which Supplier fails to package, ship, label or provide proper notice to Honeywell as required by any applicable law or regulation. If Goods are defective or nonconforming, Honeywell may, by written notice to Supplier: (a) rescind this Purchase Order as to the Goods; (b) accept the Goods at an equitable reduction in price; or (c) reject the Goods and require the delivery of replacements. Delivery of replacements will be accompanied by a written notice specifying that the Goods are replacements. If Supplier fails to deliver required replacements promptly, Honeywell may correct any retained defective or nonconforming Goods at Supplier's expense; replace them with



KAC Alarm Company Ltd
KAC House, Thornhill Road,
North Moors Moor, Redditch,
B98 9ND, United Kingdom
Tel: +44 (0) 1827 406655
Fax: +44 (0) 1827 406677
e-mail: marketing@kac.co.uk

Goods from another supplier and charge the Supplier the cost thereof, including cover, and any incidental costs; or terminate this Purchase Order for cause.

16. Warranty

16.1. Supplier warrants to Honeywell, its successors, assigns, customers, and end users that during the entire Warranty Period specified below, all Goods furnished (including all replacement or corrected Goods or components and regardless of whether all or any part of such furnished Goods or any replacement or corrected Goods was manufactured, distributed or otherwise commercialized by a third party prior to delivery by or on behalf of Supplier to Honeywell) will (a) be free from defects in material, workmanship, and design, even if the design has been approved by Honeywell, (b) conform to applicable drawings, designs, quality control plans, specifications and samples and other descriptions furnished or specified by Honeywell, (c) be merchantable, (d) be fit for the intended purposes and operate as intended, (e) comply with all laws and regulations, (f) be free and clear of any and all liens or other encumbrances, and (g) not infringe any patent, published patent application, or other intellectual property rights of any third party and not utilize misappropriated third party trade secret information. Goods that fail to meet the preceding standards are collectively called "non-conforming Goods." Supplier must obtain third party warranties consistent with Section 16 for all raw materials, components, and services required by Supplier to perform under this Agreement ("Components") and Supplier is solely responsible for ensuring that all Components meet these requirements. Any Component that fails to meet these requirements will be deemed to be a non-conforming Good.

16.2. As to services, in addition to any express or implied warranties, Supplier warrants that (a) it possesses the requisite expertise, facilities and equipment necessary and appropriate to perform the services, (b) the services will be performed in a safe and workmanlike manner, and (c) the services will be performed in accordance with the highest standards in the industry.

16.3. The Warranty Period is 36 months from the date of delivery to the end user or such longer period of time mandated by any longer government requirement covering the Goods. In addition to the warranties described above, Supplier also warrants all Goods to the same extent and for the same time period (if extending beyond 36 months) as the warranties provided by Honeywell to Honeywell's customers relating to such Goods. These warranties are for the benefit of Honeywell, Honeywell's customers, and any other person claiming by or through Honeywell. These warranties will survive any delivery, inspection, acceptance, or payment by Honeywell. Claims for breach of warranty do not accrue until discovery of nonconformance, even if the Goods were previously inspected. Any applicable statute of limitations runs from the date of discovery. If conforming Goods are not furnished within the time specified by Honeywell then Honeywell may, at its election, have the nonconforming Goods repaired, replaced, or corrected at Supplier's expense or credited to Honeywell. Supplier is responsible for the costs of repairing, replacing or correcting nonconforming Goods or crediting them to Honeywell, and for all related costs, expenses and damages including, but not limited to, the costs of removal, disassembly, failure analysis, fault isolation, reinstallation, re-inspection, and retrofit of the nonconforming Goods or of Honeywell's affected end-product; all freight charges, including but not limited to incremental freight expenses incurred by Honeywell for shipments of repaired, replaced, or corrected Goods to Honeywell and for shipments of repaired, replaced, or corrected Goods or finished product containing or incorporating repaired, replaced, or corrected Goods from Honeywell to any customer of Honeywell; all customer charges; and all corrective action costs. Unless set off by Honeywell, Supplier will reimburse Honeywell for all such costs upon receipt of Honeywell's invoice. Any replacement Goods are warranted for the same period as the original Goods. Additionally, if any services are found not to be performed as warranted within a period of 36 months after the conclusion of the performance of the services by Supplier, Honeywell may direct Supplier to either refund to Honeywell the amount paid for the services, or perform the services again in a

proper manner to the extent necessary to provide Honeywell with the result originally contemplated by Honeywell. The warranties and rights provided are cumulative and in addition to any warranty provided by law or equity.

16.4. If, following delivery, Goods exhibit a substantially similar repetitive root cause, failure mode or defect indicating a common or systemic failure ("Epidemic Failure"), then, without prejudice to Honeywell's rights under Section 22: (a) the party discovering the failure will promptly notify the other and Supplier will provide to Honeywell a preliminary plan for problem diagnosis within one business day of such notification, which plan Supplier will revise at Honeywell's request; (b) Supplier and Honeywell will diagnose the problem, plan an initial work-around and effect a permanent solution; (c) Supplier and Honeywell will agree on a plan for customer notification, replacement scheduling and remediation, including identification of suspect population, field removal, return and reinstallation, work in process ("WIP"), inventory replacement, and repair, or retrofitting, regardless of location or status of WIP completion; and (d) Supplier is responsible for all costs and damages associated with any Epidemic Failure. Honeywell and Supplier will work together in good faith to establish and expeditiously implement an Epidemic Failure action plan. If Supplier or any of its Component suppliers initiate any Product or Component recalls, retrofits, or service bulletins that affect Product quality, Supplier will immediately communicate this information to Honeywell.

16.5. No part of any software or other deliverables delivered by Supplier under this Purchase Order shall contain any software or component licensed or obtained under any Open Source licensing program. "Open Source" shall mean any software or other material that is distributed as "free software", "open source software" or under a similar licensing or distribution model (including but not limited to the GNU General Public License (GPL), GNU Lesser General Public License (LGPL), Mozilla Public License (MPL), and the Apache License) If Supplier uses Open Source in any software or deliverable, Supplier must first seek written approval from Honeywell and if approved, Supplier must identify each Open Source item along with the applicable license terms. For any such approved Open Source, Supplier represents that (a) Supplier is in compliance with the terms and conditions of all applicable licenses for Open Source and (b) Honeywell's use of such Open Source (i) will not adversely impact Honeywell's proprietary software (ii) will not require Honeywell to make available the source code for any Honeywell propriety software (iii) will not prohibit or limit Honeywell from charging a fee in connection with sublicensing or distributing the software.

16.6. Goods and Services covered by this Purchase Order will comply with all applicable treaties, laws, regulations of the place of manufacture and Canadian, European Union and U.S. state and federal laws, regulations and standards (a) concerning the importation, sale, design, manufacture, packaging and labeling of its Goods, (b) regulating the sale of Goods, and (c) relating to the environment and/or the toxic or hazardous nature of Goods or their constituents, including (without limitation) the U.S. Toxic Substances Act, the U.S. Occupational Safety and Health Act, the U.S. Hazardous Communication Standard, the Federal Hazardous Substances Act, the California Proposition 65, European ROHS standards, and other current and subsequently applicable requirements; and Supplier agrees that it shall furnish promptly on request and provide all information and certifications evidencing compliance with such laws, regulations, standards and requirements.

17. Changes

Honeywell may, by written or electronic notification, direct changes in the drawings, designs, specifications, method of shipment or packing, quantity, or time or place of delivery of the Goods; reschedule the services; or require additional or diminished services. Only authorized Honeywell procurement representatives may issue changes to the Purchase Order. If any change causes an increase or decrease in the cost of, or the time required for, performing this Purchase Order, an equitable adjustment will be made in the Purchase Order price, delivery dates or both, and this Purchase Order will be modified in writing or electronically accordingly. Any claim by Supplier for

adjustment under this provision may be deemed to be waived unless asserted in writing (including the amount of the claim) and delivered to Honeywell within 30 days from the date of the receipt by Supplier of the Honeywell-directed change to the Purchase Order. If the cost of property made obsolete or excess as a result of a change is paid by Honeywell, Honeywell may prescribe the manner of disposition of the property. Notwithstanding any disagreement between the parties regarding the impact of a change, Supplier will proceed diligently with its performance under this Purchase Order pending resolution of the disagreement.

18. Design and Process Changes

Supplier will make no changes in the design, materials, manufacturing location, manufacturing equipment, production process, changes between a manual and automated process, or any other processes related to the Goods specified in the Purchase Order or documents referenced in it, or if none, those in place when the Purchase Order is issued, without the advance written approval of Honeywell's procurement representative. This requirement applies whether or not the change affects costs and regardless of the type of change, including product improvements.

19. Stop Work

At any time by written notice and at no cost, Honeywell may require Supplier to stop all or any part of the work under this Purchase Order for up to 120 days ("Stop Work Order"), and for any further period as mutually agreed. Immediately upon receipt of a Stop Work Order, Supplier will comply with its terms. At any time Honeywell may, in whole or in part, either cancel the Stop Work Order or terminate the work under the Termination section of this Purchase Order. To the extent the Stop Work Order is canceled or expires, Supplier must immediately resume work.

20. Termination

20.1. The nonbreaching party may terminate this Purchase Order if the other party commits a material breach and fails to remedy the breach within 10 calendar days following receipt of written notice specifying the grounds for the breach, except in the case of breach related to safety, health, or security, Honeywell will have the right to immediately terminate the Order. A material breach includes, but is not limited to, late delivery or delivery of nonconforming Goods. If Supplier breaches its obligations to Honeywell and Honeywell terminates this Purchase Order in whole or in part, Honeywell may charge Supplier for any additional cost it incurs in performing Supplier's obligations or in having such obligations performed by a third party. The solvent party may terminate this Purchase Order upon written notice if the other party becomes insolvent or if any petition is filed or proceedings commenced by or against that party relating to bankruptcy, receivership, reorganization, or assignment for the benefit of creditors. If a termination by Honeywell for breach by Supplier is determined to have lacked cause, such termination will be treated as a termination without cause under Section 20.2.

20.2. Notwithstanding any firm time period or quantity on the face of the Purchase Order, Honeywell may terminate this Purchase Order in whole or in part at any time with or without cause for undelivered Goods or unperformed services upon 10 days' prior written notice.

20.3. If Honeywell terminates this Purchase Order under either 20.1 or 20.2, Honeywell's sole liability to Supplier, and Supplier's sole and exclusive remedy, is payment for Goods received and accepted by Honeywell before the date of termination. The payment can be set off against any damages to Honeywell. Upon termination, Honeywell may require Supplier to transfer title and deliver to Honeywell any completed Goods and Honeywell will pay the Purchase Order price for those Goods subject to set off against any damages to Honeywell. Honeywell may also require Supplier to transfer title and deliver to Honeywell any or all property produced or procured by Supplier to perform this Purchase Order. Honeywell will credit Supplier with the reasonable value of the property, but not more than Supplier's actual cost or the Purchase Order value, whichever is less.

20.4. To the extent that any portion of this Purchase Order is not terminated under 20.1 or 20.2 above, Supplier will continue



KAC Alarm Company Ltd
KAC House, Thornhill Road,
North Moors Mill, Piddich,
B88 9ND, United Kingdom
Tel: +44 (0) 1527 406655
Fax: +44 (0) 1527 406677
e-mail: marketing@kac.co.uk

performing that portion.

21. Cessation of Production

If production of any Good is to be discontinued or suspended within 1 year after final delivery under this Purchase Order, Supplier must give Honeywell as much prior written notice as commercially reasonable of the discontinuance or suspension. For at least 180 days from the discontinuance or suspension, Supplier must accept orders from Honeywell for the Good at the price and on the terms of this Purchase Order.

22. General Indemnification

Supplier will, at its expense, defend, hold harmless and indemnify Honeywell and its customers, subsidiaries, affiliates, and agents, and their respective officers, directors, shareholders, and employees, (collectively "Indemnitees") from and against any and all loss, cost, damage, claim, demand, penalty or liability, including reasonable attorney and professional fees and costs, and the cost of settlement, compromise, judgment, or verdict incurred by or demanded from the Indemnitee ("Loss") arising out of, resulting from or occurring in connection with Supplier's Goods or the performance of the Services by Supplier or its personnel (including any employment-related Loss arising out of, resulting from or occurring in connection with the performance), the acts, omissions, negligence or willful misconduct of Supplier or its personnel, Supplier's breach of the terms of this Agreement, or any theft or other misappropriation of Honeywell's or its personnel's information, property or funds by Supplier or its personnel. Supplier will not enter into any settlement or compromise without Honeywell's prior written consent, which will not be unreasonably withheld. If Honeywell is obligated to pay any Loss or any damages pursuant to its contract with a customer, then Supplier will be liable for such Loss any damages to the extent Supplier causes or contributes to such Loss or any damages. Furthermore, in the event a recall or other corrective action relating to Supplier's Goods or Services is necessitated by a defect or a failure to conform to any laws, regulations or specifications, Supplier shall bear all costs and expenses of such recall or other corrective action, including without limitation, costs of notifying customers, customer refunds, cost of returning goods, and other expenses incurred to meet obligations to third parties. Nothing in this Section limits Honeywell's right to claim all actual damages sustained by Honeywell as a result of Supplier-caused delays.

23. Intellectual Property Indemnification

For Goods provided under this Purchase Order, Supplier will, at its expense, defend and indemnify Honeywell and its customers (Indemnitee) from and against any and all loss, cost, damage, claim, or liability, including reasonable attorney and professional fees and costs, and the cost of settlement, compromise, judgment, or verdict incurred by or demanded from Indemnitee arising out of, or relating to any alleged or actual: (a) patent, copyright, or trademark infringement; (b) unlawful disclosure, use, or misappropriation of a trade secret; or (c) violation of any other third-party intellectual property right, and from expenses incurred by Indemnitee in defense of such suit, claim, or proceeding if Supplier does not undertake the defense thereof. Supplier will not enter into any settlement without Honeywell's prior written consent, which will not be unreasonably withheld. Indemnitee may participate in the defense or negotiations to protect its interests. If any injunction or restraining order is issued, Supplier will, at Honeywell's option and Supplier's expense, obtain for Indemnitee either the right to continue using and selling the Goods or replace or modify the Goods to make them noninfringing; without any loss of functionality.

24. Insurance

Supplier will maintain and carry liability insurance in an amount no less than the greater of (a) the minimum amount required by applicable law, or (b) the following coverages: commercial general liability (including product liability and, for services to be performed, completed operations liability) in a sum no less than \$5 million, automobile liability in a sum no less than \$5 million, worker's

compensation in an amount no less than the applicable statutory minimum requirement, and employer's liability in an amount of no less than \$5 million, all with insurance carriers with an AM Bests rating of no less than A- or equivalent. In addition, Supplier is responsible for maintaining an adequate level of insurance to cover any potential losses due to damage to Honeywell Property, as defined in Section 10. All insurance required by this Section must cover Honeywell, its subsidiaries and affiliates, and their respective officers, directors, shareholders, employees and agents as additional insureds. Before delivery of any Goods or commencement of any services under the Purchase Order, Supplier will provide to Honeywell evidence that Seller maintains the described insurance, and that the coverage will not be changed without 30 days advance written notification to Honeywell from the carrier(s). Except where prohibited by law, Supplier will require its insurers to waive all rights of recovery or subrogation against Honeywell, its subsidiaries and affiliated companies, and its and their respective officers, directors, shareholders, employees, and agents. The amount of insurance carried in compliance with the above requirements is not to be construed as either a limitation on or satisfaction of the indemnification obligation in this Purchase Order.

25. Lien Waivers

Supplier will furnish, upon Honeywell's request, waivers by Supplier and all other persons entitled to assert any lien rights in connection with the performance of this Purchase Order and will indemnify Honeywell against all costs, loss or liability incurred by Honeywell as a result of any failure by Supplier or any other person to comply with this provision.

26. Confidentiality; Intellectual Property; Data Protection

26.1. All information, including without limitation specifications, samples, drawings, materials, know-how, designs, processes, and other technical, business, or financial information, that: (a) has been or will be supplied to Supplier by or on behalf of Honeywell; or (b) Supplier will design, develop, or create in connection with this Purchase Order; as to individual items or a combination of components or both, and whether or not completed, and all derivatives of (a) and (b) that Supplier has or will design, develop or create are deemed to be "Confidential Information" of Honeywell. All Confidential Information is work made for hire and made in the course of services rendered. All rights to it belong exclusively to Honeywell, with Honeywell having the sole right to obtain, hold, and renew, in its own name or for its own benefit, patents, copyrights, registrations, or other appropriate protection. To the extent that exclusive title or ownership rights in Confidential Information may not originally vest in Honeywell, Seller irrevocably assigns transfers and conveys to Honeywell all right, title, and interest therein.

26.2. Honeywell's Confidential Information will remain the property of Honeywell. It may not be used by Supplier for any purpose other than for performing this Purchase Order, may not be disclosed to any third party, and will be returned to Honeywell upon the earlier of Honeywell's written request or completion of the Purchase Order. If, with Honeywell's prior written approval, Supplier furnishes Confidential Information to a sub-tier supplier, Supplier will bind the sub-tier supplier to confidentiality requirements substantially identical to this provision and Supplier will remain responsible to Honeywell for any breach of this provision by its sub-tier suppliers. No disclosure, description or other communication of any sort will be made by Supplier to any third person of the fact of Honeywell's purchase of Goods hereunder, the terms of this Purchase Order, the substance of any discussions or negotiations concerning this Purchase Order, or either party's performance under this Purchase Order.

26.3. "Personal Data" means any information relating to an identified or identifiable natural person; an identifiable person is one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to his physical, physiological, mental, economic, cultural or social identity. Supplier will treat any Personal Data of all Honeywell officers, directors, employees, agents, contractors, customers, and suppliers as Confidential Information. The Parties agree that the Supplier will

be the Data Processor (as defined in the EU Data Protection Directive 95/46/EC or any successor Directive) for the purposes of processing Personal Data pursuant to this Purchase Order. Supplier will: (a) take appropriate technical and organizational security measures as are reasonably required by Honeywell to protect Personal Data; (b) use and permit employees and third parties to use Personal Data pursuant to Honeywell's instructions only for purposes directly related to the provision of Goods or performance of services or related obligations under this Purchase Order; (c) refrain from transferring Personal Data out of the European Union unless Honeywell has given its prior written consent to the transfer and Supplier has satisfied any further requirements reasonably imposed by Honeywell. If with Honeywell's prior permission Supplier will process Personal Data that Honeywell transfers from any of its affiliates in the European Union to any of its affiliates in the U.S. pursuant to the U.S. - EU Safe Harbor Framework ("Safe Harbor Personal Data"), Supplier warrants that either Supplier self-certifies to the U.S. - EU Safe Harbor Framework with respect to the processing of the Safe Harbor Personal Data and will notify Honeywell immediately if its self-certification terminates for any reason, or Supplier must provide at least the same level of privacy protection as required by the U.S. - EU Safe Harbor Framework; (d) indemnify Honeywell against all losses, costs, expenses, damages, liabilities, demands, claims, actions or proceedings which Honeywell may suffer or incur arising out of any breach of this Section; and (e) promptly notify Honeywell about: any legally binding request for disclosure of Personal Data by a law enforcement agency (unless otherwise prohibited); any accidental or unauthorized processing of Personal Data; and any requests received from individuals to whom Personal Data relates, without responding to that request unless it has been otherwise authorized to do so by Honeywell. With the exception of Personal Data, this Agreement imposes no obligation upon Supplier if Supplier can demonstrate that the Confidential Information: (a) was rightfully in Supplier's possession before receipt from Honeywell and was not accompanied by a duty of confidentiality; (b) is or becomes a matter of public knowledge through no fault of Supplier; (c) is rightfully received by Supplier from a third party and is not accompanied by a duty of confidentiality; (d) is disclosed by Honeywell to a third party without a duty of confidentiality on the third party; (e) is independently developed by Supplier without use of Honeywell's Confidential Information; or (f) is disclosed under operation of law, provided Supplier notifies Honeywell and upon Honeywell's request and at Honeywell's cost cooperates in all reasonable respects to contest the disclosure or obtain a protective order or other remedy.

27. Audit

27.1. Supplier will maintain detailed records reflecting Supplier's compliance with this Purchase Order for at least 10 years from the date of last delivery. Supplier will provide, and will cause each of its sub-tier suppliers to provide, access for Honeywell's personnel, auditors, all regulatory authorities and Honeywell's customers to have access at all reasonable times to facilities, books and other pertinent records and any other information as requested by Honeywell or Honeywell's auditors. Supplier will require each of its sub-tier suppliers to do likewise with respect to their records and materials.

27.2. If any invoice submitted by Supplier is found to be in error, an appropriate adjustment will be made to the invoice or the next succeeding invoice following the discovery of the error and the resulting payment/credit will be issued promptly. Supplier will, and will cause its sub-tier suppliers to, promptly correct any other Supplier deficiencies discovered as a result of the audit.

28. Limitation of Liability

HONEYWELL IS NOT LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES (INCLUDING ANY DAMAGES FROM BUSINESS INTERRUPTION, LOSS OF PROFITS OR REVENUE, COST OF CAPITAL, OR LOSS OF USE OF ANY PROPERTY OR CAPITAL) EVEN IF ADVISED, OR OTHERWISE AWARE, OF THE POSSIBILITY OF ANY SUCH DAMAGES. THE EXCLUSION OF SUCH DAMAGES IS INDEPENDENT OF, AND WILL SURVIVE, ANY FAILURE OF THE ESSENTIAL PURPOSE OF ANY LIMITED REMEDY UNDER THESE



KAC Alarm Company Ltd
KAC House, Thornhill Road,
North Moors Mead, Piddich,
B38 9ND, United Kingdom
Tel: +44 (0) 1527 406655
Fax: +44 (0) 1527 406677
e-mail: marketing@kac.co.uk

TERMS AND CONDITIONS.**29. Assignment and Subcontracting**

This Purchase Order will be binding on the parties and their respective permitted successors and assigns. Supplier will not assign this Purchase Order or any rights or obligations under this Purchase Order or subcontract the manufacture of the Goods or performance of any related services without the prior written approval of Honeywell. Any transfer of this Purchase Order by Supplier by merger, consolidation, or dissolution, or any change in ownership or power to vote a controlling share of the voting stock in Supplier, will constitute an assignment for the purpose of this Agreement. Any assignment or subcontract without Honeywell's written approval will be voidable at the option of Honeywell. Honeywell may assign this Purchase Order or any rights or obligations under this Purchase Order to any of its subsidiaries or affiliates or to any purchaser or successor to all or substantially all of the assets of Honeywell without Supplier's consent and upon written notice to Supplier. To the extent Supplier assigns or subcontracts all or part of the manufacture of the Goods or performance of any related services as permitted under this Purchase Order, Supplier will be responsible for its assignees and subcontractors (including but not limited to its affiliates) and their personnel to the same extent as if the acts or omissions were performed by Supplier and its employees, agents and personnel.

30. Relationship of Parties/Independent Contractor

Nothing in this Purchase Order will be construed to place Supplier and Honeywell in an agency, employment, franchise, joint venture, or partnership relationship. Neither party has the authority to obligate or bind the other in any manner, and nothing contained in this Purchase Order will give rise or is intended to give rise to rights of any kind to any third parties. Neither party will make any representation to the contrary. The parties agree that Supplier will perform its obligations under this Purchase Order as an independent contractor. Supplier will be solely responsible for all Employer Obligations with respect to Supplier personnel, even if a court or other body deems the personnel to be Honeywell employees. "Employer Obligations" means all obligations of any kind imposed customarily or by law or agreement on persons acting in the capacity of an employer, including, without limitation, responsibility for (a) hiring, assigning, compensating, and terminating personnel; (b) withholding and paying taxes; (c) verification of employment eligibility, including compliance with work authorization and immigration laws and export licensing and control requirements; (d) compliance with all federal, state, and local laws (both common and statutory) and regulations related to employment and the rights of personnel. Supplier represents and warrants that it and all its subcontractors, if any, comply and will continue to comply with all applicable employment laws and regulations related to personnel working on Honeywell matters, that all personnel working on Honeywell matters are authorized to work in the relevant jurisdiction, and that it does not employ child or forced labor.

31. Compliance with Laws and Integrity

31.1. Supplier will comply with all laws, regulations and ordinances and Honeywell's Code of Business Conduct ("Code") in performing this Purchase Order. A copy of the Code may be obtained at <http://www.honeywell.com/sites/honeywell/codeofconduct.htm>. Supplier agrees to abide by and maintain an integrity and compliance program that encompasses at a minimum the standards of business conduct set forth in the Code and that effectively prevents and corrects ethical violations and maintains compliance with laws. Supplier will also comply with Honeywell's Information and System Security Supplier Terms and Conditions to the extent deemed applicable by Honeywell. 31.2. Upon request, in form and substance satisfactory to enable Honeywell to meet its compliance obligations with regard to Regulation (EC) No 1907/2006 ("REACH"), Supplier will provide Honeywell with complete information regarding the chemical composition of any Goods supplied under this Purchase Order, including all safety information required under REACH and information regarding the registration or pre-registration status of any Deliverables pursuant to REACH promptly but no later than 30 days of receiving such request.

Supplier agrees that it will include any Honeywell "Identified Use" in its REACH registrations or applications for Authorization, unless Supplier notifies Honeywell that it rejects the Identified Use in order to protect human health or the environment and specifies the reason for the rejection. In this case Honeywell will have the right to terminate this Purchase Order without incurring any damages.

31.3. Absent Honeywell's prior written consent, no Goods will contain any of the substances identified in (a) Article 4(1) of the European Parliament Directive 2011/65/EU (the "RoHS Directive") as the RoHS Directive may be updated from time to time and as such Directive is implemented in any country, but only to the extent that the Directive applies to the commercialization, sale or use of such Goods, or (b) similar applicable laws or regulations (including, without limitation, the United States Department of Transportation and California Proposition 65), restricting the use of hazardous materials in such other jurisdictions to the extent that any such law or regulation applies to the commercialization, sale or use of such Goods. If such prior written consent is given, then Supplier shall inform Honeywell in writing of same, and properly warn, label, package and ship such hazardous materials in accordance with all applicable laws and regulations. Further, prior to shipment and upon request, Supplier shall identify and provide to Honeywell compliant material safety data sheet information and RoHS Directive information for covered Goods.

31.4. Goods will comply with the restrictions set forth in the Montreal Protocol on ozone-depleting substances.

31.5. Supplier will be responsible for all costs and liabilities for or relating to the recycling of Goods pursuant to the most current version of European Parliament Directive 2012/19/EU (the "WEEE Directive") as the WEEE Directive may be updated from time to time and as such Directive is implemented in any country.

31.6. US Equal Employment Opportunity Regulations. To the extent employment activities of Supplier occur in the United States and if otherwise applicable this contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative

Honeywell Standard PO Terms and Conditions for Goods and Services ACS Revision 03/17/2014 Page 14 of 16 action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.

31.7. In accordance with applicable "Conflict Minerals" laws, Honeywell must determine whether its products contain tin, tantalum, tungsten or gold ("3TG") originating in the Democratic Republic of the Congo and adjoining countries ("Conflict Minerals"). To the extent Supplier supplies Goods containing 3TG to Honeywell under any Purchase Order, Supplier commits to have a supply chain process to ensure and document a reasonable inquiry into the country of origin of the 3TG minerals incorporated into such Goods. If requested, Supplier will promptly provide information or representations that Honeywell reasonably believes are required to meet its conflict minerals compliance obligations.

32. Applicable Law and Forum**32.1. United States**

If Honeywell is a legal entity formed in the United States, then the construction, interpretation, performance, and enforcement hereof, all transactions hereunder and the parties relationship in connection therewith or any related claims whether founded in contract, tort or otherwise, will be governed by the laws of the State of New York, U.S.A. without regard to or application of its principles or laws regarding conflicts of laws, and excluding the United Nations Convention on the International Sale of Goods of 1980 (and any amendments or successors thereto), and the federal or state courts in New York, New York will have exclusive jurisdiction of any dispute.

32.2. China

If both parties are legal entities formed in The People's Republic of China, then the construction, interpretation, performance, and enforcement hereof, all transactions hereunder and the parties relationship in connection therewith or any related claims whether founded in contract, tort or otherwise, will be governed by the laws of The People's Republic of China without regard to or application of its principles or laws regarding conflicts of laws, and excluding the United Nations Convention on the International Sale of Goods of 1980 (and any amendments or successors thereto). Any dispute not resolved by the parties through consultations will be subject to binding arbitration in accordance with the rules of the China International Economic Trade Arbitration Commission (CIETAC). In any arbitration there will be three arbitrators. Each Party will select and appoint one arbitrator within 30 days after the date of a request for arbitration. The third arbitrator will be jointly selected and appointed by the Parties. If the Parties fail to select and appoint the third arbitrator, the Chairman of CIETAC will select the third arbitrator. If a Party does not select and appoint an arbitrator within 30 days after the selection and appointment of the first arbitrator, the relevant selection and appointment will be made by the Chairman of CIETAC. The place of arbitration will be Shanghai. If Honeywell is a legal entity formed in The People's Republic of China and the Supplier is not a legal entity formed in The People's Republic of China, then the construction, interpretation, performance, and enforcement hereof, all transactions hereunder and the parties relationship in connection therewith or any related claims whether founded in contract, tort or otherwise, will be governed by the laws of England and Wales without regard to or application of its principles or laws regarding conflicts of laws, and excluding the United Nations Convention on the International Sale of Goods of 1980 (and any amendments or successors thereto). Any dispute not resolved by the parties will be subject to arbitration in accordance with the rules of the Singapore International Arbitration Centre.

32.3. Korea, Hong Kong, Malaysia, Singapore, Indonesia, Vietnam, Australia, and New Zealand

If Honeywell is a legal entity formed in Korea, Hong Kong, Malaysia, Singapore, Indonesia, Vietnam, Australia, and New Zealand, then the construction, interpretation, performance, and enforcement hereof, all transactions hereunder and the parties relationship in connection therewith or any related claims whether founded in contract, tort or otherwise, will be governed by the laws of the country under which the Honeywell entity is formed, excluding the UN Convention on Contracts for the International Sale of Goods of 1980 (and any amendments or successors thereto), and any dispute arising out of or relating to this Purchase Order, including the breach, termination or validity thereof, will be finally resolved in accordance with the rules of arbitration as noted below. Judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of arbitration will be selected by Honeywell.

-Singapore, Indonesia, Vietnam, Australia, New Zealand, - in accordance with the arbitration rules of the Singapore International Arbitration Center

- Korea - in accordance with the arbitration rules of the Korean Commercial Arbitration Board

- Hong Kong - in accordance with the arbitration rules of the Hong Kong International Arbitration Center

- Malaysia - in accordance with the arbitration rules of the Kuala Lumpur Regional Arbitration Centre

- Taiwan - in accordance with the arbitration rules of the local Arbitration Act

32.4. Europe, Middle East, Africa

If Honeywell is a legal entity formed in India or in a European, Middle Eastern and African country or formed in a country not identified in Section 32.1, Section 32.2 or Section 32.3 above, then the construction, interpretation, performance, and enforcement hereof, all transactions hereunder and the parties relationship in connection therewith or any related claims whether founded in contract, tort or otherwise, will be governed by the laws of England and Wales without regard to or application of its principles or laws regarding conflicts of laws, and excluding the United Nations Convention on the International Sale of Goods of 1980 (and any amendments or

KAC Alarm Company Ltd
KAC House, Thornhill Road,
North Moors Mill, Redditch,
B98 9ND, United Kingdom
Tel: +44 (0) 1527 406655
Fax: +44 (0) 1527 406677
e-mail: marketing@kac.co.uk

successors thereto). Any dispute arising out of or relating to this Purchase Order, including the breach, termination or validity thereof, will be finally resolved by a panel of three arbitrators in accordance with the Rules for Arbitration of the International Chamber of Commerce. Judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of arbitration will be London, England.

32.5. Additional Rules Applicable to Arbitration
Any award will be payable in the currency of this Purchase Order. Either party may apply to the arbitrators seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party also may, without waiving any remedy under this Purchase Order, seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights or property of that party, pending the arbitrators' determination of the merits of the controversy. The language of the arbitration will be English. Pending settlement or final resolution of any dispute, Supplier will proceed diligently with the performance of this Purchase Order in accordance with Honeywell's directions.

33. Remedies

All Honeywell remedies set forth in this Purchase Order are in addition to, and will in no way limit, any other rights and remedies that may be available to Honeywell at law or in equity.

34. Notices

Notices relating to this Purchase Order must be in writing and may be delivered personally, by overnight courier, or by certified first class mail, postage prepaid (each to the respective addresses appearing on the face of this Purchase Order; or sent by fax to the respective fax number provided by Honeywell or Supplier. Notice will be deemed given on the date delivered if delivered personally; three business days after being placed in the mail as specified above; or upon confirmation receipt that it was transmitted satisfactorily if transmitted by fax.

35. Publicity

Any news release, public announcement, advertisement, publicity or any other disclosure concerning this Purchase Order to any third party except as may be necessary to comply with other obligations stated in this Purchase Order requires prior written approval of Honeywell. Supplier will not use Honeywell's name or marks or refer to or identify Honeywell in any advertising or publicity releases or promotional or marketing materials without Honeywell's prior written approval. Furthermore, Supplier will not claim or suggest, implicitly or explicitly, that Honeywell's purchase of its Goods use of its services or deliverables constitutes Honeywell's endorsement of its Goods, services or deliverables.

36. Headings and Captions

Headings and captions are for convenience of reference only and do not alter the meaning or interpretation of any provision of this Purchase Order.

37. Waiver

The failure or delay of either party to enforce at any time any of the provisions of this Purchase Order will not be construed to be a continuing waiver of those provisions, nor will any such failure or delay prejudice the right of the party to take any action in the future to enforce any provision.

38. Severability

If any provision of this Purchase Order (or portion thereof) is held to be illegal, invalid, or unenforceable by a court of competent jurisdiction, the parties agree that the court will construe the provision in a manner that renders the provision valid and enforceable to the fullest extent possible under the law of the applicable jurisdiction and that the remaining provisions will remain in full force and effect.

39. Supply Chain Security

Supplier will implement the Business Partner Criteria of any Supply

Chain Security Program that the country of import for the Goods may adopt such as the U.S. Customs-Trade Partnership Against Terrorism (C-TPAT) or the Canadian Partners in Protection (PIP) Program.

40. Survival

All provisions of this Purchase Order which by their nature should apply beyond its term will remain in force after any termination or expiration of this Purchase Order including, but not limited to, those addressing the following subjects: Import/Customs Compliance, Drawback, Offset, Honeywell-Supplied Materials, Tooling, Equipment and Technical Data, Price, Price: Most Favored Customer and Meet or Release, Invoicing and Payment, Set Off, Warranty, Cessation of Production, General Indemnification, Intellectual Property Indemnification, Insurance, Lien Waivers; Confidentiality/Data Privacy and Intellectual Property, Audit, Relationship Between the Parties/Independent Contractor, Applicable Law and Forum, Publicity, Waiver, and Survival.



KAC Alarm Company Ltd
KAC House, Thornhill Road,
North Moors Mead, Piddich,
B98 9ND, United Kingdom
Tel: +44 (0) 1527 406655
Fax: +44 (0) 1527 406677
e-mail: marketing@kac.co.uk