



Kryptonite® Authorized Reseller Program

Program Effective Date:

January 1, 2018 – until discontinued or suspended

A Kryptonite Authorized Reseller is one that purchases Kryptonite branded products directly from a Kryptonite Authorized Seller and resells Kryptonite branded products solely to end users of the products

Introduction

Schlage Lock Company, LLC, through its Kryptonite Division (“Kryptonite”) is pleased to offer you its Authorized Reseller Program (“Program”). This Program applies to all transactions regarding portable security and safety products offered for sale by Kryptonite.

In this document you will find information related to our various Program terms, conditions and benefits. Upon your review, please pay particular attention to the following policies and guidelines:

- Minimum Advertised Pricing Policy
- Online Sales Policy
- Trademark Usage Guidelines
- Warranty Policy

Kryptonite believes that continued success depends on a strong authorized reseller network and programs that allow for mutual growth. Having a selective authorized reseller network is important for this success and growth. Becoming an Authorized Reseller requires acknowledgement and adherence to the Program terms and conditions. It is Kryptonite’s policy to not allow sales to any Authorized Reseller who adopts distribution or sales practices that adversely affect our sales and ability to compete. Just as it is the right of any Authorized Reseller to adopt its own sales practices or to cease selling Kryptonite products at any time with or without cause, Kryptonite reserves the right to cease allowing sales to any Authorized Reseller at any time with or without cause.

Term

This Program is effective beginning on January 1, 2018 and will continue until discontinued or suspended by Kryptonite, in its sole discretion.

Appointment

Kryptonite appoints you as an Authorized Reseller and you accept such appointment as an independent reseller to market and sell Kryptonite offered products, subject to the terms and conditions of this Program. This appointment does not grant you the right to act as agent or representative of Kryptonite, nor does it grant Kryptonite the right to act as agent or representative of you. Kryptonite reserves the right to terminate your status as an Authorized Reseller if you fail to adhere to the Program terms and conditions.

Such appointment is non-exclusive, meaning Kryptonite reserves the right to appoint other authorized resellers at any time to serve any locations. Such appointment does not imply that you will have access to purchase the full line of Kryptonite offered products. Availability will depend on various factors determined by your designated Kryptonite Authorized Seller. As an Authorized Reseller, you may sell Kryptonite offered products to end user consumers. Kryptonite reserves the right, in its sole discretion, to revoke any Authorized Reseller’s status as an Authorized Reseller and to place an Authorized Reseller on a Do Not Ship list or similar restriction for a failure to adhere to the Program terms and conditions or other applicable Kryptonite policies.

Additionally, as an Authorized Reseller you agree to the following:

- Offer Kryptonite products in support of Kryptonite written specifications
- Maintain sufficient inventory to adequately support your customers’ needs
- Conduct your business in a reasonable and ethical manner at all times and not engage in any deceptive, misleading, or unethical practices or advertising at any time

- Obtain sufficient product knowledge to provide all service and support resulting from your resale of Kryptonite products examples of which may include, but are not limited to, support activities such as installation, training, trouble shooting, technical support, and field service
- Provide a high-level of customer service and respond promptly to customer inquiries both before and after sale of Kryptonite products
- Comply with any and all applicable laws, rules, regulations and policies related to advertising, sale and marketing of products
- Sell products in their original packaging
- Relabeling, repackaging (including the separation of bundled products or the bundling of products) and other modifications to the product or literature accompanying the product of any kind are not permitted
- Refrain from tampering with, defacing, or otherwise altering any serial number, UPC code, or other identifying information on products or their packaging, or modifying or altering product packaging
- Refrain from altering or modifying product without the prior written consent of Kryptonite's General Manager
- Comply with all instructions from Kryptonite regarding the storage, shipment, handling, or disposal of any Kryptonite products
- If any product damage or defect is identified, promptly report it to Kryptonite's Customer Care Support Team at 800-729-5625

If Kryptonite reasonably believes noncompliance of its Program has occurred, we will notify you to initiate a review of your

business activities directly related to this Program

Primary Selling Area

If your business is incorporated in the United States of America, you may not market, distribute, export, or sell Kryptonite Products outside the United States of America. If your business is incorporated in Canada, you may not market, distribute, export, or sell Kryptonite Products outside Canada.

Pricing and Sales Policies

Kryptonite is responsible for the marketing and sales of its products. All Authorized Resellers are free to determine the prices at which they sell Kryptonite products. However, to ensure the integrity of its brands, preserve the value of its products, and build and maintain the selling network it believes is necessary to promote and sell its products, Kryptonite has unilaterally adopted a Minimum Advertised Price Policy ("MAP") and Online Sales Policy. These policies are effective January 1, 2018.

Kryptonite Minimum Advertised Price Policy

Kryptonite has determined that certain advertising practices undermine Kryptonite's trade reputation, brands, and premium image within the target customer population and discourage Kryptonite Authorized Resellers from investing in the Kryptonite product lines and providing the best possible service and support to customers. Accordingly, to protect the integrity of the Kryptonite brands, Kryptonite has adopted a unilateral Minimum Advertised Price Policy ("MAP Policy"), which applies to all Authorized

Resellers of Kryptonite products in the United States of America. Visit www.kryptonitelock.com for a full list of Kryptonite products.

The MAP Policy applies to all products listed on the Kryptonite MAP Schedule (“Covered Products”). Kryptonite is solely responsible for establishing the minimum advertised price (“MAP”) for each Covered Product and will communicate the MAP for each Covered Product to all Authorized Resellers through the Kryptonite MAP Schedule.

The MAP Policy is not intended as, nor is it to be construed as, an attempt by Kryptonite to set advertised or resale prices or an agreement between Kryptonite and any Authorized Reseller or other party. In addition, Kryptonite will not accept any assurances of compliance with the MAP Policy from any Authorized Reseller. Each Authorized Reseller must independently choose whether to comply with the terms of the MAP Policy. The MAP Policy is not negotiable and will not be altered for any individual Authorized Reseller. The MAP policy is strictly limited to advertised prices and does not affect the prices that an Authorized Reseller may charge for Covered Products.

See www.kryptonitelock.com/en/reseller or the Kryptonite MAP Policy.

Kryptonite Online Sales Policy

Sales of Kryptonite offered products on any public website (including any online marketplace website) are not permitted unless authorized by Kryptonite. In order to request

authorization to sell on a public website, you must submit an Online Sales Application to Kryptonite. A “public website” is a site accessible to the general public to purchase goods without requiring user registration and password to access the site.

See www.kryptonitelock.com/en/reseller for the Online Sales Application and Agreement.

Trademark Usage

Kryptonite expects the advertising and promotional activities of Authorized Resellers to reflect the Kryptonite brand. Kryptonite trademark usage guidelines must be followed at all times to ensure our trademark rights are not compromised. Kryptonite’s trademark usage guidelines may be found at www.kryptonitelock.com/en/reseller.

Kryptonite may review and approve your use or intended use of the Kryptonite name in advertising and promotional materials, without limitation. You also agree not to use, create, register or market, directly or indirectly, in whole or in part, Kryptonite’s names, logos, brands, or any other trademarks or names that are now or hereafter owned by Kryptonite as part of your company’s corporate or business name, as part of an internet domain name, uniform resource locator (URL), or in any way connected with your business, trade address or other designation.

Any rights granted herein shall terminate if you cease to be an Authorized Reseller for any reason or if your rights are suspended by Kryptonite.

Limited Warranty Policy

Kryptonite's current limited product warranties are located at www.kryptonitelock.com. As an Authorized Reseller, you agree to pass through Kryptonite's limited product warranties to your customers. KRYPTONITE MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO ITS PRODUCTS AND NO OTHER PERSON, INCLUDING BUT NOT LIMITED TO, AUTHORIZED RESELLERS, IS AUTHORIZED TO CHANGE, MODIFY, OR EXPAND KRYPTONITE'S WARRANTIES.

To ensure the safety and well-being of the end users of the Kryptonite products, Authorized Resellers will cooperate with Kryptonite with respect to any product recall or other consumer safety information dissemination effort.

Miscellaneous

The Kryptonite Authorized Reseller Program is a voluntary program, and you may cancel your participation at any time upon notice to Kryptonite.

Kryptonite may make adjustments or amend this Program at any time for any reason or terminate this Program at any time and for any reason without liability to you. You will receive notice of such adjustments, amendments or termination in the same manner that Kryptonite notifies all Authorized Resellers. Any adjustments or amendments to this Program will take effect immediately and your continued use, advertising, offering for sale, or sale of Kryptonite products, use of Kryptonite trademarks, names or other intellectual

property or use of Kryptonite information or materials provided by Kryptonite to you following notice of the adjustments or amendments will be deemed to be your acknowledgement and agreement to adhere to the adjusted or amended Program terms and conditions.

In consideration for the appointment as an Authorized Reseller as provided under this Program, you agree that in the event of a breach or threatened breach of these Program terms and conditions, Kryptonite will have no adequate remedy in money or other damages at law. Accordingly, Kryptonite shall be entitled to injunctive relief and other equitable remedies; provided, however, no specification in these Program terms and conditions of any particular remedy shall be construed as a waiver or prohibition of other remedies in the event of a breach or threatened breach of these Program terms and conditions. No failure, refusal, neglect, delay, waiver, forbearance, or omission by Kryptonite to exercise any rights herein or to insist on full compliance by any Authorized Reseller with the Program terms and conditions shall constitute a waiver of any term or otherwise limit Kryptonite's right to fully enforce any or all terms and conditions or parts thereof.

This Program and any dispute arising under it will be governed by, construed, and enforced in accordance with the laws of the State of Indiana, United States of America without regard to its choice of law rules. In the event of a dispute over the terms and conditions of, or performance under, the Program, Authorized Resellers expressly submit to personal jurisdiction and venue in the federal or state courts located in Hamilton County, Indiana, United States of America.