

HARDWARE WARRANTY, LIMITATION OF LIABILITY AND DISCLAIMER OF LIABILITY

THIS HARDWARE WARRANTY, LIMITATION OF LIABILITY AND DISCLAIMER OF LIABILITY IS GIVEN EXPRESSLY AND IN PLACE OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, REPRESENTATIONS, OR WARRANTIES NOT SPECIFIED HEREIN. DEFCON PRODUCTS, LLC MAKES NO REPRESENTATIONS REGARDING ITS PRODUCTS EXCEPT AS EXPRESSLY STATED HEREIN OR OTHERWISE EXPRESSLY SET FORTH IN AN AGREEMENT BETWEEN DEFCON AND SUCH PERSON.

DEFCON PRODUCTS, LLC MAKES NO REPRESENTATIONS OR WARRANTIES THAT THE PRODUCTS, INCLUDING WITHOUT LIMITATION THE TEACHERLOCK SYSTEM, WILL (A) PREVENT ENTRY INTO THE PREMISES AND THE LOCKED ROOM WHERE THE PRODUCT HAS BEEN INSTALLED, (B) WILL NOT BE COMPROMISED, IS INCAPABLE OF REMOVAL OR MODIFICATION OR OTHER WORK AROUND FROM ITS INTENDED PURPOSE, OR (C) WILL PROVIDE THE ACTUAL PROTECTION FOR WHICH IT IS INTENDED.

This Hardware Warranty, Limitation of Liability and Disclaimer of Liability is referred to herein as the "Hardware Warranty".

A. <u>HARDWARE</u>

- 1. <u>Limited Hardware Warranty</u>. Subject to the terms and conditions, limitations, and exclusions set forth herein, Defcon Products, LLC, a Massachusetts limited liability (d/b/a as "TeacherLock" and also "SaberLock")("Defcon") hereby warrants to the Purchaser (as defined below) end purchaser/user of the Products (as defined below) that the portion of Product consisting of Hardware (as defined below) is free of any and all material defects in materials and workmanship as outlined below. This Section A of the Hardware Warranty is referred to herein as the "Limited Hardware Warranty".
- 2. <u>Warranty Term</u>. Subject to the terms and conditions, limitations, and exclusions, set forth herein, the Limited Hardware Warranty provisions set forth in this Section A 1 of this Hardware Warranty shall be in effect for the 2 years from the date of the Purchaser acquired the Product.
- 3. **Remedy**. Subject to the terms and conditions, limitations, and exclusions, set forth herein, the sole, absolute and exclusive liability and obligation of Defcon pursuant to the

Limited Hardware Warranty is, at the sole election of Defcon, is the repair or replacement of the subject Product or the subject Hardware (the "Remedy") and provided there is no applicable Warranty Exclusion. In no event shall Defcon be liable for nor shall it provide as a Remedy or as part of the Remedy: the installation, removal, reinstallation of the Product and/or Hardware and any and all direct and indirect costs and expenses. In no event shall Defcon be liable for any Purchaser repairs, replacements, re-installations, or adjustments to the Product, or the Hardware including any and all direct and indirect costs and expenses related to the same.

- 4. <u>Certain Definitions</u>. "Products" means any products sold by Defcon. "Hardware" means any portion of or component parts of the Products consisting of hardware and solid materials, such as metal and alloys, and the term "Hardware" specifically excludes the portion of and component parts of the Products which consist of or are activators, electronics, batteries, software, plastic and polymer parts, and other peripherals items. "Purchaser" means both the actual purchaser and the end purchaser or user of the Product who has acquired the Product for its actual use by such purchaser, as applicable.
- 5. **<u>Limited Hardware Warranty Claim Process.</u>** For any claim pursuant to the Limited Hardware Warranty to be processed and considered by Defcon such claim must be submitted to Defcon within thirty (30) days from the discovery of the alleged defect(s) and must be reported to Defcon Product Support (978) 286-8855. Defcon will inform the Purchaser where to ship said Product (shipping charges to be prepaid by Purchaser) for Defcon's examination; Defcon and will provide the Purchaser with a Returned Materials Authorization number (the "RMA") with respect to the Product being shipped to Defcon. In the event Defcon's examination reveals a defect covered by Remedy portion of the Limited Hardware Warranty; Defcon will, at its sole option, elect the specific remedy, with charges to the Purchaser only for shipping. If Defcon determines the alleged defective Hardware is not covered by the Remedy section of the Limited Hardware Warranty, then Defcon will inform the Purchaser of the same and the Purchaser may request that the Product it shipped to Defcon either be returned (at the Purchaser's cost and expenses) or the Product be destroyed or recycled and not returned. For the avoidance of doubt, Defcon, in its sole and absolute discretion, shall deny or approve any Remedy for Limited Hardware Warranty claims without recourse.
- 6. <u>Exclusions and Invalidation.</u> The Remedy available per the Limited Hardware Warranty specifically excludes and is void, and Defcon shall not be held responsible for any alleged defective Hardware if any of the following are applicable with respect to the Product and/or the Hardware (each a "Warranty Exclusion", and collectively the "Warranty Exclusions"):
 - a. Modification, alteration or other changes in the Product and/or Hardware made.
 - b. Product installation by anyone other than a professional locksmith, any representative or employee of the Purchaser or property management company whom has professional training and applicable certification with respect to lock installation and over 10 years relevant experiences in the trade, or by a Defcon technician or certified vendor.

- c. Improper installation by any third party or the Purchaser.
- d. Claims based on finishes of the Product and/or Hardware. Purchase is aware and acknowledges that Anodize finish is considered to be a living finish that will change over time with use and age and is expressly excluded from the Remedy available per the Limited Hardware Warranty. The finish changes that occur are indicative of normal wear and tear and reflect the essence of a living finish. The finish changes are not considered manufacturing defects and are not covered by the Limited Hardware Warranty.
- e. Damages and defects to the Product and/or the Hardware caused by (i) acts of God, including weather, fire, storms, earthquakes, floods and similar events; (ii) war, insurrection, fire, riots, vandalism, and other civil unrest; and (iii) by third parties and/or the Purchaser.
- f. Damages and defects to the Product and/or the Hardware caused by (i) Purchaser's failure to follow Defcon's operating instructions, maintenance instructions, or service bulletins; (ii) Purchaser's incorrect application, modification, vandalism, erosion or corrosion, shipping and/or handling, improper storage, accident, misuse, abuse or any other cause not within the control of Defcon; (ii) normal wear and tear; and (iii) excessive use of the Product and/or the Hardware; and (iv) use of the Product and/or the Hardware for any use other than the specific intended use of the Product.
- 7. Exclusion of all of other Warranties. Except as otherwise provided above, Defcon makes no warranty, express or implied, with regard to the Products, the Hardware, and any third party hardware and software. Defcon expressly disclaims any and all implied warranties or conditions of merchantability or merchantable quality, fitness for a particular purpose, title, infringement and those arising by statute or otherwise in law. Purchaser's sole recourse for a Limited Hardware Warranty claim or any other claim is limited to the terms and Remedy provisions set forth herein regarding the Limited Hardware Warranty.

B. <u>LIMITATION OF LIABILITY AND DISCLAIMER OF LIABILITY</u>

THE PRODUCT LINE OFFERED BY DEFCON, INCLUDING, WITHOUT LIMITATION, THE TEACHERLOCK SYSTEM, CONSIST OF PRODUCTS DESIGNED TO REDUCE THE RISK OF UNAUTHORIZED ENTRY AND TRESPASSERS ENTRY INTO A LOCKED AREA USING A PRODUCT. DEFCON, ITS EMPLOYEES, AGENTS AND REPRESENTATIVES OF DEFCON SHALL NOT BE HELD LIABLE FOR LOSSES WHICH MAY OCCUR IN CASES OF MALFUNCTION OR NON-FUNCTION OF ANY DEFCON PRODUCT OR COMPONENT OF ANY PRODUCT, LOSSES RESULTING FROM FAILURE TO TRAIN OR INADEQUATE TRAINING OF THE PURCHASERS, THEIR EMPLOYEES, AGENTS OR REPRESENTATIVES OF PURCHASERS IN THE USE OF ANY PRODUCTS. PURCHASERS, THEIR EMPLOYEES, AGENTS AND REPRESENTATIVES, GUESTS AND INVITEES EXPRESSLY ASSUME ANY AND ALL RISK, LIABILITIES, AND LOSSES IN CONNECTION WITH THEIR USE OF THE PRODUCTS, EVEN IF DUE TO DEFCON'S NEGLIGENCE OR FAILURE OF PERFORMANCE.

DEFCON IS NOT AN INSURER. INSURANCE COVERING PERSONAL INJURY, DEATH,

PROPERTY LOSS, FIRE, AND DAMAGE TO AND ON PURCHASER'S PREMISES MUST BE OBTAINED AND/OR MAINTAINED BY PURCHASER. PURCHASER UNDERSTANDS THAT IT IS PURCHASER'S DUTY TO PURCHASE SUCH INSURANCE AND WITH INSURANCE POLICY AMOUNTS, COVERAGE, LIMITS, EXCLUSIONS, AND TERMS AS PURCHASER DEEMS SUITABLE AND ADEQUATE FOR ITS NEEDS.

THE HARDWARE WARRANTY PROVIDED HEREIN SHALL NOT CONFER ANY RIGHTS ON THE PART OF ANY PERSON OR ENTITY THAT IS NOT A PURCHASER OR PARTY HERETO, WHETHER AS A THIRD-PARTY BENEFICIARY OR OTHERWISE.

IT IS AGREED THAT IT IS IMPRACTICAL AND EXTREMELY DIFFICULT TO FIX ACTUAL DAMAGES WHICH MAY ARISE IN SITUATIONS WHERE THERE MAY BE A FAILURE OF ANY PRODUCT, INCLUDING WITHOUT LIMITATION, THE TEACHERLOCK SYSTEM. THEREFORE, IF LIABILITY IS IMPOSED ON DEFCON, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES OF DEFCON, FOR PROPERTY DAMAGE, PERSONAL INJURY, OR DEATH SUCH LIABILITY SHALL BE LIMITED TO AN AMOUNT EQUAL TO THE PURCHASE PRICE OF THE PRODUCTS COVERED BY THIS WARRANTY OR \$10,000 WHICHEVER IS LESS. THIS SUM SHALL BE PAID AND RECEIVED EITHER (I) AS LIQUIDATED DAMAGES AND NOT AS A PENALTY, OR (II) AS A LIMITATION OF LIABILITY APPROVED AND AGREED UPON BY THE PARTIES. THE PAYMENT OF THIS AMOUNT SHALL BE DEFCON'S SOLE AND EXCLUSIVE LIABILITY REGARDLESS OF WHETHER LOSS OR DAMAGE IS CAUSED BY THE PERFORMANCE OR NONPERFORMANCE OF OBLIGATIONS OF DEFCON UNDER THIS HARDWARE WARRANTY AND LIMITATION OF LIABILITY OR BY NEGLIGENCE, ACTIVE OR OTHERWISE, OF DEFCON, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES.

NO SUIT OR ACTION SHALL BE BROUGHT AGAINST DEFCON, ITS EMPLOYEES, AGENTS AND REPRESENTATIVES OF DEFCON MORE THAN ONE (1) YEAR AFTER THE ACCRUAL OF THE CAUSE OF ACTION ARISES.

DEFCON, ITS EMPLOYEES, AGENTS AND REPRESENTATIVES OF DEFCON SHALL NOT, IN ANY EVENT, BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES SUFFERED BY PURCHASER OR ANYONE CLAIMING BY, THROUGH OR UNDER PURCHASER, AS A RESULT OF THE CONDITION OF THIS PRODUCT, OR ANY PART OR PORTION THEREOF.

THIS HARDWARE WARRANTY IS GOVERNED BY THE LAW OF THE COMMONWEALTH OF MASSACHUSETTS WITHOUT REGARD TO ITS CONFLICTS OF LAW PRINCIPLES. DEFCON AND PURCHASER AGREE THAT THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS SHALL NOT APPLY TO SALE OF THE PRODUCTS COVERED BY THIS WARRANTY.

PURCHASER RETAINS THE SOLE RESPONSIBILITY FOR THE LIFE AND SAFETY OF ALL PERSONS INAND ON ITS PREMISES, AND FOR PROTECTING AGAINST LOSSES TO THEIR OWN PROPERTY OR THE PROPERTY OF OTHERS IN ITS PREMISES, PURCHASER AGREES TO INDEMNIFY AND SAVE HARMLESS DEFCON, ITS EMPLOYEES, AGENTS AND REPRESENTATIVES FROM AND AGAINST ALL CLAIMS, LAWSUITS, DAMAGES AND LOSSES, WHETHER IN CONTRACT LAW, TORT LAW

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(INCLUDING NEGLIGENCE, PRODUCT LIABILITY AND STRICT LIABILITY, OR LAW OR ANY OTHER THEORY OF LAW), IN ANY WAY RELATING TO THIS HARDWARE WARRANTY OR THE USE OR OWNERSHIP OF ANY PRODUCT, INCLUDING WITHOUT LIMITATION THE TEACHERLOCK SYSTEM, OR THE IMPROPER OPERATION OF ANY PRODUCT, INCLUDING WITHOUT LIMITATION THE TEACHERLOCK SYSTEM, WHETHER DUE TO MALFUNCTIONING OR NONFUNCTIONING OF ANY PRODUCT, INCLUDING WITHOUT LIMITATION THE TEACHERLOCK SYSTEM, OR THE NEGLIGENT PERFORMANCE OR NONPERFORMANCE BY DEFCON, INCLUDING BUT NOT LIMITED TO PERSONAL INJURY OR PROPERTY DAMAGE.

DEFCON, ITS EMPLOYEES, AGENTS AND REPRESENTATIVES OF DEFCON SHALL NOT BE LIABLE FOR ANY FINE OR PENALTY ASSESSED BY ANY MUNICIPALITY, FIRE, OR POLICE DEPARTMENT AS A RESULT OF ANY FALSE ALARM COMMUNICATED BY ANY PRODUCT, INCLUDING WITHOUT LIMITATION THE TEACHERLOCK SYSTEM. PURCHASER SHALL BE RESPONSIBLE FOR CREDITING DEFCON THE FULL AMOUNT OF ANY SUCH FINE OR PENALTY THAT IS ASSESSED AGAINST DEFCON, ITS EMPLOYEES, AGENTS AND/OR REPRESENTATIVES OF DEFCON FOR SUCH FALSE ALARM ISSUED BY PURCHASER.

DEFCON, ITS EMPLOYEES, AGENTS AND REPRESENTATIVES OF DEFCON SHALL NOT BE LIABLE OR RESPONSIBLE FOR ANY FINES, PENALTIES, OR COSTS ASSOCIATED WITH BUILDING OR FIRE CODES ENFORCED IN ANY JURISDICTIONS

C. <u>TEACHERLOCK TERMS OF SALE & ASSUMPTIONS</u>

1. Compatibility with Other Systems.

a. While the Products, including the TeacherLock System, and their components may be compatible with third party products, Defcon recommends that Purchaser work with your third party integrator to determine compatibility and performance of the finished system. Defcon, its employees, agents and representatives shall have no liability or obligation for additional products or services provided, installed, or delivered by a third party.

2. Access Control.

a. The Products, including the TeacherLock System, are not designed to serve as Purchaser's overall access control system to lock and unlock doors on a regular basis. Defcon, its employees, agents and representatives shall not be held liable for Purchaser's and Purchaser's its employees, agents and representatives misuse of and any alteration and/or modification of any Product, including the TeacherLock System. Defcon, its employees, agents and representatives shall not be held liable for Purchaser's and Purchaser's its employees, agents and representatives unintended use of any Product, including the TeacherLock System.

- 3. Open Door. The Products, including the TeacherLock System, do not come with a door closer solution. Therefore, all doors must remain in a closed position for the Defcon Product's locking mechanism to work. If a door is open when a lockdown is initiated, it will prevent the door from being closed and locked. Purchaser shall train and inform its employees and agents of such closed door requirement and shall as needed inform guests and invitees and other third parties, and Purchaser should institute a closed door policy so that all doors are closed during the periods and times the Purchaser would like the functionality of the Product to work as intended. Defcon, its employees, agents and representatives shall not be held liable for the same and shall be held harmless for the same by the Purchaser for Purchaser's and Purchaser's employees, agents and representatives, guests, invitees and third parties action and inaction in opening and keeping a door open which in turn prevents the Defcon Product's locking mechanism to work or otherwise function as intended.
- **4.** Right of Egress. The TeacherLock System has been designed to delay entry into a room when a threat is present, however, the inside lever of the TeacherLock System will not lock which will allow for a right of egress at all times
- 5. <u>Mechanical Activators.</u> Purchasers and users of the Products are encouraged to maintain security and control of mechanical activators at all times; and Defcon, its employees, agents and representatives shall not be held liable for the same and shall be held harmless for the same by users of the Products and the Purchaser and the Purchaser's employees, agents and representatives, guests, invitees and third parties action and inaction in failing to secure mechanical activators and/or permitting improper and unauthorized access by a mechanical activator.
- 6. <u>Training, Testing, Use, Drills</u>. The Purchaser acknowledges and agrees to the following:
 - a. Frequent testing and training of the Products, including TeacherLock System is strongly recommended.
 - b. Any changes to Purchaser's premises, rooms, building construction or layout should be followed up with proper testing.
 - c. Any further addition of third party devices should be followed up with the proper testing of the Products.
 - d. Any changes in staff or personnel who are holders of a Product activator should be followed up with proper testing and training.
 - e. Once a door is locked it can be manually opened on the inside to allow entry for those individuals who were not able to access the area prior to the lockdown. Users should have appropriate training and security plans in place to secure persons who are not able to enter an area prior to the lockdown being implemented.
 - f. Testing and training may result in the need for additional products, activators, or maintenance.
 - g. As conditions to the end user's environment changes, additional equipment may be required. Defcon, its employees, agents and representatives is not

responsible for providing additional equipment as end user's conditions or environment changes.

- 7. <u>Licensing/Regulations</u>. The Purchaser acknowledges and agrees to the following:
 - a. It is Purchaser's responsibility to obtain all necessary use permits, licenses, etc. required by the local jurisdiction for installation of any Product, including the TeacherLock components.
 - b. If any Governmental agency requires any changes in the Product, including the TeacherLock System, originally installed, Purchaser agrees to pay for such changes.
 - c. The Purchaser is solely responsible for costs associated with non-compliance with building and fire codes or other regulations including, but not limited to, costs to repair, restore, or remedy non-compliant installations. Defcon, its employees, agents and representatives shall not be held liable and shall be held harmless for the same by the Purchaser for Purchaser's and Purchaser's employees, agents and representatives for any such non-compliance.
 - d. Under no circumstances may product be returned to Defcon due to non-compliance with building and fire codes, or other regulations. It is the Purchaser's responsibility to ensure that any Product, including the TeacherLock System, may be legally installed in the Purchaser's jurisdiction. Defcon, its employees, agents and representatives shall not be held liable and shall be held harmless for the same by the Purchaser for Purchaser's and Purchaser's employees, agents and representatives for any such non-compliance.
- **8.** Limited Functionality Disclosure. The Products, including the TeacherLock System, are not an impenetrable device and as such, does not provide an impenetrable space against trespassers and intruders. Purchaser and Purchaser's employees, agents and representatives, guests, invitees and third parties and occupants should understand the risks associated with using any lockdown device which may not work under certain circumstances such as, but not limited to, direct or indirect gunfire, repeated strikes to the door or locks, tampering, or general misuse or malfunction; and Defcon, its employees, agents and representatives shall not be held liable for the same and shall be held harmless for the same.