

# HARDWARE SCHEDULE

## 1. Delivery; Invoice

Products are delivered EXW Supplier shipping point (INCOTERMS 2010) and invoiced upon delivery. Shipping and all relevant costs (such as brokering, handling, insurance, and disposal, or environmental, currency exchange, remittance and other charges) are for Customer's account and, if paid by Supplier, shall be invoiced to and paid by Customer. Supplier delivers Products in standard packaging.

Supplier reserves the right to make substitutions and modifications to the Product specifications, manufacture, or performance if and to the extent such substitutions or modifications do not deteriorate the overall Product function.

## 2. Title; Risk of Loss

Transfer of title and risk occur EXW Supplier shipping point.

## 3. Inspection

Upon receipt of any delivery, Customer or its designated shipment recipient will inspect a sample of the Products and will notify Supplier within five (5) working days of any apparent defects.

## 4. Cancellation

If Customer cancels in whole or in part any Contract with committed volume purchase or for customized Products, except if such cancellation is pursuant to Section 5, Customer shall pay 100% of the relevant Product price if the estimated delivery date is less than six (6) months from the date of cancellation, 75% if the estimated delivery date is less than twelve (12) months from the date of cancellation and 50% if the estimated delivery date is more than twelve (12) months from the date of cancellation.

## 5. Limited Hardware Warranty

Supplier warrants for a period of twelve (12) months (unless otherwise stated in the Contract) following delivery to Customer of the Hardware ("**Warranty Period**"), that the Hardware will be free from faults in manufacture and materials as described in the Warranty Defects document attached hereto ("**Limited Warranty**").

The Limited Warranty does not apply to Hardware for malfunctions attributable to extrinsic causes, such as (i) natural disasters including fire, smoke, water, earthquakes or lightning, (ii) electrical power fluctuations or failures, (iii) failure of Customer to comply with the conditions and storage instructions specified in the Warranty Defects document, or other abuse, misuse, accident, alteration, neglect, (iv) repair,

correction, or modification not provided or authorized by Supplier, or (v) the combination or use of the Hardware with software not provided by Supplier. Supplier does not warrant that the Hardware will operate error-free or without interruption. Supplier is not liable for defects in the Hardware if the Customer notifies Supplier after expiration of the Warranty Period.

If Supplier requires defective Hardware to be returned, Supplier will provide Customer or the authorized reseller from whom Customer acquired the Hardware with a Return Material Authorization ("**RMA**") number. Supplier will examine the returned Hardware and give notice of (i) the quantity of Hardware covered by the Limited Warranty set forth herein, and (ii) the quantity of Hardware not so covered, with reasons therefor.

For a breach of the Limited Warranty set forth herein or other obligation or duty related to quality, Supplier will, at its option, repair or replace the Hardware according to the attached Warranty Defects document. If Supplier determines that repair or replacement is not practicable, Customer may return the Hardware to Supplier or, as directed by Supplier, to the authorized reseller in exchange for a refund of the price actually paid for the defective Hardware unit less depreciation based on a three (3) months' straight-line depreciation schedule.

Customer acknowledges that this section 5 sets forth Customer's exclusive remedy and Supplier's exclusive liability for any breach of warranty related to the quality of the Hardware.

Customer may purchase extended Hardware warranty up to a maximum of 48 months from Hardware delivery. Any warranty extension for Hardware has the same scope and duration as provided in this section.

## 6. Volume Purchase

Customer may make volume purchases for delivery in partial batches and on estimated delivery dates agreed with Supplier. Volume purchase of Hardware is a firm commitment by the Customer, subject to cancellation conditions in section 4 hereof.

## 7. Termination

In addition to the termination provisions of the Master Terms, Supplier reserves the right to require Customer to accept delivery of and pay for all ordered Products as of termination date except for an order that Customer may cancel without charge pursuant to section 4.

# Warranty Defects

This document describes the defects in Hardware covered by the Limited Warranty set forth in the Master Terms, and the available remedy, if any.

1. The Hardware is warranted on two aspects (see also below Table on Warranty & Epidemics Defects):
  - Visual conformity
  - Functional conformity
2. For each of these aspects, possible defects are classified in three categories (see also Table on Warranty & Epidemics Defects):
  - a. Type A defects: critical defects = defects that result in the impossibility to distribute or use the Hardware.
  - b. Type B defects: major defects = defects that seriously affect the possibility to distribute or use the Hardware.
  - c. Type C defects: minor defects = defects that to a minor extent affect the possibility to distribute or use the Hardware.

**Table on Warranty and Epidemics Defects:**

CLASSIFICATION	TYPE A DEFECTS		TYPE B DEFECTS		TYPE C DEFECTS	
	Warranty		Warranty		Warranty	
<b>VISUAL CONFORMITY(*):</b>						
Presence logo, if applicable	Repair or Replace	X				
Presence barcode label, if applicable	Repair or Replace	X				
Correct housing color: - Major discrepancies - Minor discrepancies			Repair or Replace	X	No Replacement	X
Correct keypad color: - Major discrepancies - Minor discrepancies			Repair or Replace	X	No Replacement	X
Quality of Logo: - Major discrepancies - Minor discrepancies			Repair or Replace	X	No Replacement	X
<b>FUNCTIONAL CONFORMITY:</b>						
Buttons blocked	Repair or Replace	X				
LCD defective	Repair or Replace	X				
Enclosure degradation	Repair or Replace	X				
Battery problem**	Repair or Replace	X				
Initialization failures	Repair or Replace	X				
Functional failures	Repair or Replace	X				

(\*) **Notification no later than 4 months upon physical delivery.**

(\*\*) **Only valid for non-replaceable battery.**

### 3. Scope of Hardware warranty:

The warranty does not apply to Hardware which has been subjected to errors in programming by Customer, storage outside conditions specified by Supplier, abuse, misuse, accident, alteration, neglect, unauthorized repair or installation.

### 4. Acceptable Hardware Storage Conditions:

Short-term / transport storage conditions:

-10°C to +45°C (14°F to 113°F) with 90% relative humidity in non-condensing conditions

Long-term storage conditions:

+10°C to +30°C (50°F to 86°F) with 85% relative humidity in non-condensing conditions