

ABUS USA Dealer Agreement
ABUS Vitesse™ Restricted Keying System Form AV#23



Security Tech Germany

THIS AGREEMENT is made on the date set out in **Item 1** of the schedule.

BETWEEN

DISTRIBUTOR

Name of Company	Contact		
Address	City	State	ZIP

AND

DEALER

Name of Company	Contact		
Address	City	State	ZIP

The effective Date of this Agreement is the date it is executed by ABUS USA LLC.

The person(s) or corporation whose name and address are set out in Item 2 of Schedule ("Service Dealer")

security of master keyed systems and to ensure unauthorized additions to the Vitesse™ Restricted Key System. Unauthorized changes in Original Source Distributors can lead to the termination of use of the Vitesse™ Restricted Key System and future purchases of the system, keyways and components.

RECITALS

- A. ABUS USA is the Manufacturer of ABUS Pfaffenhain Restricted Keying Systems, a range of key control locking systems, components and related products, which is being marketed in North America and Caribbean Basin under the name ABUS Vitesse™.
- B. ABUS USA restricts the distribution of components, key profiles and key shape associated with the ABUS Vitesse™ range. This restricted distribution is necessary to provide customers and end-users with the advantages of restricted keying.
- C. The parties enter into this Agreement to set out the terms and conditions relating to the supply, assembly and cutting of components with a view to protecting the integrity and security of the ABUS Vitesse™ range of products.
- D. Original Source Distributor: To ensure the highest level of integrity of the Vitesse™ Restricted Key System, the Service Dealer agrees to maintain its purchasing relationship of the Vitesse™ Restricted Key System with the Originally Sourced Distributor as listed above. The Service Dealer may not implement another Vitesse™ Restricted Key System for the same end user entity, location or campus (being geographically connected or off site) unless the Source Designation Change Form has been completed and approved by ABUS USA, LLC. ABUS USA, LLC maintains a tracking record of all Distributor/Dealer keyways and Original Source Distributors to maintain the integrity and

- E. ABUS USA, LLC cannot be held liable for damages (real and/or perceived), labor, materials and loss of use or loss of integrity of the Vitesse™ Restricted Key System if the Service Dealer violates the aforementioned conditions prescribed herewith in.

1. DURATION OF THIS AGREEMENT

This Agreement shall commence on the date specified in Item 1 of the Schedule and shall continue until terminated by either party giving to the other party not less than one month's prior written notice.

2. SCOPE OF THE AGREEMENT

- 2.1. This Agreement covers the supply, assembly and cutting of components of the ABUS Vitesse™ range of products by the service Dealer.
- 2.2. All matters relating to the ordering, pricing and payment of components are dealt with in the application for credit and/or trading terms of other such agreements between the parties.

ABUS USA Dealer Agreement

ABUS Vitesse™ Restricted Keying System Form AV#23



Security Tech Germany

3. DISTRIBUTION OF LOCKS, COMPONENTS AND KEYS

- 3.1. Pursuant to this Agreement, the Service Dealer shall be authorized to do the following:
 - a. Sell or part with possession of any ABUS Vitesse™ Restricted Keying System cylinder lock
 - b. Assemble, sell or part with possession of any ABUS Vitesse™ Restricted Keying System lock component.
 - c. Install any additional ABUS Vitesse™ Restricted Keying System (or otherwise extend or vary in any way any installed ABUS Vitesse™ Restricted Keying System); and
 - d. Sell or part with possession of any key or cut any key from any ABUS Vitesse™ Restricted Keying System.
- 3.2 The Service Dealer shall not under any circumstances sell or part with possession of:
 - a. Any unassembled ABUS Vitesse™ Restricted Keying System component to any person;
 - b. Any assembled ABUS Vitesse™ Restricted System lock other than by way of installation and incorporation of same at the premises of the person or corporation who owns the particular ABUS Vitesse™ Restricted Keying System; or
 - c. Any uncut ABUS Vitesse™ Restricted Keying System
- 3.3 The Service Dealer shall not under any circumstances cut or agree to cut any ABUS Vitesse™ Restricted Keying System key blanks for an ABUS Vitesse™ Restricted Keying System registered to another Service Dealer.
- 3.4 The Service Dealer will not cause or permit any components to the ABUS Vitesse™ Restricted Keying System to be resold, placed on consignment, or otherwise in any way (whether similar to the foregoing or not) transferred to or made available to any other person or corporation whether at arm's length from the Service Dealer or in any way related to or associated or affiliated with the Service Dealer other than by retail sale in accordance with this Agreement and any directions given by ABUS USA from time to time for the preservation of the integrity and security of ABUS Vitesse™ Restricted Keying System.

4. SECURITY OF STOCK

The Service Dealer shall hold all stocks of ABUS Vitesse™ Restricted Keying System components under the maximum degree of physical security that can be practically maintained at the Service Dealer's premises, and in particular (but without limitation) the Service Dealer must keep all key blanks in a secure location separate from other components and under independent lock and key.

5. ORDERING AND MAINTAINING STOCKS

The Service Dealer shall keep and maintain sufficient quantities of the ABUS Vitesse™ range for the purpose of fulfilling foreseeable customer orders or replenishment of stock which has been depleted by fulfillment of customers orders.

6. MAINTENANCE OF RECORDS

- 6.1. The Service Dealer shall maintain sufficiently detailed

and properly kept records including details of the following:

- a. Each ABUS Vitesse™ Restricted Keying System cylinder lock supplied by the Service Dealer, including date of supply, location of installation, identity of end user/customer, coding and correct key number and ABUS Vitesse™ Restricted Keying System Registration number; and
 - b. In relation to each ABUS Vitesse™ Restricted Keying System lock supplied and duplicate, additional or replacement keys supplied, the written order or letter of authority properly signed or executed by or on behalf of the person to whom the relevant ABUS Vitesse™ Restricted Keying System was originally sold naming the person or persons who are authorized to obtain extensions of or keys for the system and obtaining their specimen signatures.
- 6.2. All ABUS Vitesse™ Restricted Keying System keys supplied by the Service Dealer must be stamped with the dealer's name and dealer number.

7. QUALITY

- 7.1. The Service Dealer will use its best endeavors to ensure that all ABUS Vitesse™ Restricted Keying System componentry assembly, lock installation and code key duplication by the Service Dealer is on the highest professional quality and in conformity with ABUS USA instructions and specifications and generally in conformity with best practice in the locksmithing industry.
- 7.2. The Service Dealer will use its best endeavors to assemble ABUS Vitesse™ Restricted Keying System lock componentry and to install locks and duplicate keys to code using its best technical resources and expertise.
- 7.3. The Service Dealer will only cut keys from ABUS Vitesse™ Restricted Keying System key blanks on accurate code key cutting equipment.

8. RESTRICTION ON SERVICE DEALER PREMISES

- 8.1. This Agreement is limited to the locksmithing activities of the Service Dealer at the premises set out in Item 3 of the Schedule. The Service Dealer understands that all stock of the ABUS Vitesse™ Restricted Keying System and all records relating thereto which are required to be kept by the Service Dealer pursuant to this Agreement shall at all times be kept only at the premises set out in Item 3 of the Schedule.
- 8.2. If the Service Dealer wishes to extend the provisions of this Agreement so as to store or distribute components from any other premises or outlets of the Service Dealer, then it shall apply to ABUS USA in writing in relation to each of such other premises for permission to extend this Agreement to those other premises, as specified in Item 3 of the Schedule and ABUS USA may in its absolute discretion accept or reject such application or grant it subject to such conditions as ABUS USA thinks fit.

ABUS USA Dealer Agreement

ABUS Vitess™ Restricted Keying System Form AV#23



Security Tech Germany

9. CONTROL OF STAFF

The Service Dealer will cause all members of its staff to observe all of the provisions of this Agreement relating directly or indirectly to the security of the ABUS Vitess™ Restricted Keying System, the maintenance of records in relation thereto and the quality of workmanship in relation thereto.

10. RESTRICTION ON ASSIGNMENT AND SUB-CONTRACTING

10.1. This Agreement is personal to the Service Dealer and the Service Dealer shall have no power to assign, transfer or sub-let its rights hereunder nor to sub-contract any locksmithing work involved in the assembly of the ABUS Vitess™ Restricted Keying Systems to any person without the prior written consent of ABUS USA which may be granted or refused in ABUS USA's absolute discretion or granted subject to such terms and condition as ABUS USA may think fit.

10.2. The Service Dealer shall have the right to sub-contract installation work in relation to the ABUS Vitess™ Restricted Keying System provided that the sub-contractor is suitable to provide work of the highest standard. Should ABUS USA reasonably find that the work done by sub-contractors of the Service Dealer does not meet this criteria, the Service Dealer agrees to comply with ABUS USA's request for all installation to be undertaken personally by the Service Dealer.

11. RETURN OF STOCK AND DELIVERY OF RECORDS

11.1. Upon the termination of this Agreement for whatever reason, the service Dealer shall immediately return to ABUS USA for credit all stock of the ABUS Vitess™ range held by the Service Dealer, and will forthwith deliver to ABUS USA all records kept or required to be kept by the Service Dealer pursuant to Clause 6 of this Agreement.

11.2. Upon receipt by the Service Dealer of notification from ABUS USA or any particular end-user/customer that that end-user/customer has advised that for whatsoever reason the end-user/customer no longer wishes to retain the service of the Service Dealer, the Service Dealer will forthwith deliver to ABUS USA all records kept of the specified system(s) or required to be kept by the Service Dealer pursuant to Clause 6 of this Agreement, insofar as such records relate to such end-user/customer or its ABUS Vitess™ Restricted Keying System.

12. CALCULATION OF CREDIT BY ABUS USA

12.1. Where pursuant to this Agreement any components are returned to ABUS USA for credit, ABUS USA shall allow the Service Dealer a credit equal to the lesser of:

- The original net invoice value after deduction of all discounts allowed; or
- ABUS USA's current net distributor selling price after deducting all discounts allowed or allowable.

12.2. If upon return to ABUS USA, ABUS USA ascertains (in its absolute discretion) that any components returned are damaged, defective or for any other reason not capable of being resold by ABUS USA as new goods, ABUS USA shall be obliged to allow as a credit to the Service Dealer

only an amount which is ABUS USA's reasonable opinion (as to which the written certificate of the sales director or any sales manager of ABUS USA shall be prima facie evidence) is equal to the net wholesale price of such goods which ABUS USA is reasonably able to obtain.

13. IMPROPER PRACTICES

In the event that the Service Dealer becomes aware of any improper practices concerning the ABUS Vitess™ Restricted Keying Systems, for example, unauthorized manufacture or supply or components, the Service Dealer undertakes to inform ABUS USA promptly of full details, so that ABUS USA can take whatever action it believes may be necessary to protect the ABUS Vitess™ Restricted Keying System and the interests of its owners.

14. DEALING WITH CUSTOMERS/END USERS

The Service Dealer undertakes with ABUS USA that:

14.1. It will forthwith notify ABUS USA in the event of an ABUS Vitess™ Restricted Keying System end-user/customer advising the Service Dealer that it is terminating or intending to terminate the service Dealer's services with regard to such end-user/customer's ABUS Vitess™ Restricted Keying System;

14.2. It shall not provide services to an end user where the Service Dealer does not hold the system records in accordance with this Agreement;

14.3. It will promote and market the benefits and advantages of the ABUS Vitess™ Restricted Keying System to end-users/customers.

14.4. Where an end-user/customer has decided to either upgrade or replace an existing ABUS Vitess™ Restricted Keying System, the Service Dealer agrees to use its best endeavors to replace the existing keying system with a current legally protected ABUS Vitess™ Restricted Keying System; and

14.5. It accepts that the end-user/customer may in its absolute discretion choose its provider of ABUS Vitess™ Restricted Keying Systems and the Service Dealer will do nothing to constrain such choice, including the charging of a transfer fee, should the end-user/customer decide to use another provider of ABUS Vitess™ Restricted Keying Systems. In this case, the Service Dealer will refer the end-user/customer to ABUS USA and transfer all information in relation to the end-user/customer to ABUS USA.

15. NO AGENCY

The parties to this Agreement acknowledge that they are not the agents or partners of the other and shall have no authority to bind one another.

16. INDEMNITY

The Service Dealer shall indemnify and keep ABUS USA fully indemnified for any loss which ABUS USA may suffer directly or indirectly as a result of any break or non-observance by the service Dealer or its servants, agents, or sub-contractors of any provision of this Agreement. The Service Dealer acknowledges that any breach of this Agreement by the Service Dealer may result in ABUS USA incurring liability to third parties and the

ABUS USA Dealer Agreement

ABUS Vitess™ Restricted Keying System Form AV#23



Security Tech Germany

Service Dealer agrees that this indemnity shall extend to such liability to third parties.

17. NO WARRANTY

The Service Dealer acknowledges that neither ABUS USA nor any of its servants or Dealers makes any representations or warranties as to the performance or security of ABUS Vitess™ Restricted Keying System(s) or components, except to the extent required by law.

18. LICENSE

18.1. ABUS USA hereby grants to the Service Dealer a non-exclusive, non-assignable personal license under the design registration and copyright protection for the ABUS Vitess™ Restricted Keying System to assemble ABUS Vitess™ Restricted Keying System and to cut and make keys for the ABUS Vitess™ Restricted Keying System using components supplied to the Service Dealer by ABUS USA for that purpose.

18.2. In exercising this license the Service Dealer shall not do or cause or permit to be done anything which might derogate from the said design registration and copyright protection and the Service Dealer shall comply with any direction or instructions that may from time to time be given (in writing or otherwise) by or on behalf of ABUS USA.

19. VARIATION OF AGREEMENT

19.1. ABUS USA reserves the right to add to or vary any of the terms and conditions of this Agreement in relation to the physical security of components, the maintenance of records in relation thereto and the quality of work in relation thereto by written notice to the Service Dealer and the Service Dealer agrees to comply with any reasonable notice given to it in that regard.

20. TERMINATION OF AGREEMENT

20.1. ABUS USA may terminate this Agreement immediately by

written notice to the Service Dealer upon breach by the service Dealer of any provision of this Agreement which in ABUS USA's absolute discretion justifies immediate termination.

20.2. Where ABUS USA has the right to terminate this Agreement under clause 1 or 20.1, it shall also have the right to restrict the Agreement to certain ABUS USA keying systems or keyways.

20.3. Termination of this Agreement for whatever cause shall not affect the rights and obligations of the parties then subsisting and accrued.

20.4. The obligations of the Service Dealer hereunder shall survive the termination of this Agreement for whatever reason and shall continue in full force and effect until the Service Dealer has delivered up to ABUS USA or as it directs in writing all components held by the Service Dealer at the date of termination or subsequently acquired, together with all records as provided for Clause 11.

21. INTERPRETATION

21.1. The headings to this Agreement are inserted for convenience only and shall not affect the interpretation hereof.

21.2. Words in the singular include the plural and vice versa.

22. NOTICES, APPROVALS, VARIATIONS

Any notices, approval or variations of this Agreement must be in writing and signed by an authorized representative of each of the parties.

23. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and constructed in accordance with the laws of the State of Arizona and the parties submit to the jurisdiction of the courts of that State.

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ABUS Vitess™ Restricted Keying System Form AV#23



Security Tech Germany

EXECUTED AS AN AGREEMENT

IN WITNESS WHEREOF, duly authorized representatives of the parties have entered into this Agreement and executed it by signing below in duplicate, each copy being considered an original.

Distributor to return three original signed agreements to ABUS for signature. ABUS will then return fully executed original agreements back to the Distributor and Dealer for their records.

DISTRIBUTOR

Name _____ Signature _____ Date _____

Position _____ Company _____

DEALER

Name _____ Signature _____ Date _____

Position _____ Company _____

ABUS USA

Name _____ Signature _____ Date _____

Position _____