<u>CISA SMART SOFTWARE END-USER LICENSE AGREEMENT</u> (V. 20191202A-EN)

This Smart Software License Agreement is entered into by and between CISA S.p.A., a company incorporated under the laws of Italy, with registered address at Via Guglielmo Oberdan 42, 48018 Faenza, Italy ("**Licensor**") and the entity/end-user that has (counter-)signed the Commercial Offer or that has executed or otherwise agreed to the CISA Smart Software License Agreement ("**Licensee**").

Licensor and Licensee are hereinafter collectively referred to as the *"Parties"* and individually as a *"Party"*.

This CISA Smart Software License Agreement sets forth the terms and conditions which govern Licensee's use of the CISA Smart Software.

1. <u>Definitions:</u>

    "**Agreement**" means the CISA Smart Software License Agreement as set out hereunder.

    "**Authorised Reseller**" any authorised reseller of Licensor.

    "**Control**" means (i) the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether through the ownership of voting securities, by contract or otherwise, or (ii) the possession, directly or indirectly, of more than 50% of the outstanding securities of a company.

    "**Commercial Offer**" means the commercial offer as signed by the Parties, which is incorporated in the present Agreement by reference.

    "**Documentation**" means technical information, instructions, guidelines, manuals, structure charts, flow charts, diagrams, drafts, notes, revisions, program listings, computer disks or tapes design documentation, file and record layouts, screen, report layouts, either printed or machine readable and any information reasonably required in order to allow Licensee to ensure the proper monitoring, maintenance and support of the Software.

    "**Effective Date**" means the date of signing of the Commercial Offer.

    "**Location**" means the location(s) as specified in writing by the Licensee to Licensor and as agreed upon by Licensor.

    "**Software**" means the CISA Smart Software, including without limitation, its source and object code, listings, design details, algorithms, processes, flow charts, formulas related materials, updates, scripts, configuration files, installation and configuration tools (including any firmware) developed and owned by Licensor and made available to the Licensee by Licensor, its affiliates or an Authorised Reseller.

2. <u>Software delivery</u>

The licensed Software will be delivered to the Location and/or installed on a computer/computers (designated by Licensee) by Licensor, its affiliates or Authorised Resellers, as specified by the Commercial Offer, and shall be deemed accepted by Licensee at the date the Software is first used by Licensee.

3. <u>License granted:</u>

3.1. Subject to the terms and conditions of this Agreement Licensor hereby grants, and Licensee hereby accepts a non-exclusive, non-transferable and worldwide license to install and use the Software in object code form for the term provided in Article 7 of the present Agreement.

3.2. Licensor does not grant permission to Licensee to make and create customisations, updates or corrections to the Software. The Parties agree that Licensor shall continue to own all right, title and interest in and to the Software and all intellectual property rights embodied therein or related thereto including, but not limited to, the source and object codes and any customisations, updates and corrections to the Software. Except as expressly provided herein, no intellectual property rights are granted to Licensee by implication, estoppel, or otherwise.

3.3. Licensee agrees to update the Software without undue delay upon the written request of Licensor. Updates will be notified to Licensee occasionally by means of a newsletter. The terms of the Agreement will equally apply to the Software updates, unless such update is accompanied by a separate license/agreement in which case Licensee agrees that the terms of that license/agreement will apply to such update.

4. <u>Property rights and restrictions on use:</u>

4.1. Licensee recognises that the Software, and customisations, updates or corrections, if any, are the property of, and all rights thereto, are owned by Licensor. Licensee also acknowledges that such are a trade secret of Licensor, are valuable and confidential to Licensor, and that its use and disclosure must be carefully and continuously controlled.

4.2. Licensee shall keep the Software, and customisations, updates and/or corrections, if any, free and clear of any claims, liens and encumbrances attributable to the use or possession of the Software by Licensee. Any act of Licensee, whether voluntarily or involuntarily, purporting to create a claim of encumbrance shall be void.

4.3. The Software is for the sole use of Licensee and shall be used only for the purpose set forth in this Agreement. Except as expressly authorised under the terms of this agreement, Licensee shall not copy, in whole or in part, Software or Documentation; not modify the Software; not reverse compile or reverse assemble all or any portion of the Software; not rent, lease, distribute, sell, or create derivative works of the Software.

4.4. Licensee shall treat the Software, and customisations, updates and/or corrections, if any, as confidential and proprietary, and shall protect it in the same manner that it protects the confidentiality of its own information. While this Agreement is in effect, or while Licensee has custody and possession of the Software, Licensee will not:

(i)   provide or make available the Software to any person or entity other than employees of Licensee who have a need to know consistent with Licensee's use thereof under this Agreement; or

(ii)   create or attempt to create, or permit others to create or attempt to create, by disassembling, reverse engineering or otherwise, the source program or any part thereof from the object program or other information made available to Licensee pursuant to this Agreement.

Licensee agrees to promptly notify Licensor if it obtains information as to any unauthorised possession, use or disclosure of the Software by any person or entity, and further agrees to cooperate with Licensor in protecting Licensor's proprietary rights.

5. <u>License fee(s):</u>

Licensee shall pay to Licensor the license fee(s) as set out by the Commercial Offer.

6. <u>Term and termination:</u>

6.1. This Agreement commences as of the Effective Date and continues in full force and effect for one (1) year unless terminated earlier by either Party under the termination rights set forth in this Agreement. This Agreement shall automatically renew for consecutive one (1) year terms unless or until terminated by either Party under the Termination rights set forth in this Agreement.

6.2. If Licensee, its officers, agents, or employees, breach any provision of this Agreement, such breach must be cured within thirty (30) days of receipt of Licensor's written notice describing such breach. If such breach is not cured within the thirty (30) days after receipt of the notice, Licensor reserves the right to terminate the Agreement immediately without notice.

6.3. Licensor has the right to terminate the Agreement and Licensee's right to use the Software immediately without notice upon any material breach by Licensee.

6.4. If another entity, directly or indirectly, in a single transaction or series of related transactions, acquires either Control of Licensee or all or substantially all of the assets of Licensee; or Licensee is merged with or into another entity, then, at any time, Licensor may terminate the Agreement, in whole or in part, as of right, without indemnity and without prior intervention of the court, by giving Licensee registered written notice and designating a date upon which such termination shall be effective.

6.5. Any action by Licensee or its subcontractors or agents determined in good faith by Licensor to be in contravention of article 13 of the present Agreement shall result in the immediate termination of this Agreement and any other business relationship.

6.6. Licensee agrees to promptly return to Licensor or to destroy all copies of the Software, at Licensor's discretion, upon termination of the Agreement.

6.7. Termination of this Agreement shall not relieve either Party of its obligations pursuant to articles 3.2, 4.3, 4.4, 7.4, 8 and 10.2 to 10.5 of the present Agreement.

7. <u>Processing of personal data</u>

7.1. Licensor will not assume any responsibility or liability for the processing by Licensee of personal data by way of the Software licensed under the present Agreement nor for the processing of personal data by Licensee by way of any other third-party solutions interoperable with the Software. Licensee agrees to assume all responsibility or liability for the processing of any personal data by way of the Software and any other third-party solution interoperable with the Software, whether as data controller or data processor.

7.2. Licensee hereby expressly represents and warrants to:
(i) comply with the provisions of the General Data Protection Regulation 2016/679 and/or any other applicable data protection law(s);

(ii)   have all rights and consents necessary to collect and use personal data within the Software (including presentation of in-time privacy notices to the data subjects and collection of all consents necessary under the applicable law(s)); and

(iii)   limit personal data collection, storage and usage to data that is relevant, adequate and necessary for carrying out the purpose for which data is processed. In this respect Licensee agrees not to collect sensitive information nor any information that is not strictly needed to use the Software.

7.3.   Taking into account the state of the art, the costs of implementation and the nature, scope, context and purposes of processing as well as the risk of varying likelihood and severity for the rights and freedoms of natural persons, the Licensee, in using the Software, shall implement appropriate technical and organisational measures to ensure an adequate level of security appropriate to the risk of processing the personal data, including inter alia as appropriate:

(i)   the taking of regular back-ups of processed personal data;

(ii)   the adoption and enforcement of organisational policies for the secure processing of personal data ;

(iii)   the pseudonymisation and encryption of personal data;

(ii)   the ability to ensure the ongoing confidentiality, integrity, availability and resilience of processing systems;

(iv)   a process for regularly testing, assessing and evaluating the effectiveness of technical and organisational measures for ensuring the security of the processing.

The Licensee shall take steps to ensure that any natural person acting under the authority of the Licensee who has access to personal data does not process them except on instructions from the Licensee, unless he or she is required to do so by European Union or Member State law.

7.4.   Licensor, its affiliates, and/or its subcontractors, may perform after sales services upon request of the Licensee, such as (but not limited to) technical support, and/or disaster recovery from data centres and other facilities located throughout the world. As such, Licensee recognises and agrees that a request for support/maintenance in relation to the Software may result in personal data being disclosed, transferred, processed, and/or used in any area of the world for support/maintenance services. Licensor reserves the right to contract with third party subcontractors to provide all or part of the after sales services on behalf of Licensor and Licensor may change or replace such subcontractors at any time in its sole discretion.

7.5.   Licensor is not in any way affiliated or associated with third parties offering any solution interoperable with the Software. Licensee agrees to enter into the necessary agreements with those companies to ensure compliance with the provisions of the General Data Protection Regulation 2016/679 and/or any other applicable data protection law(s).

8.   <u>Warranties</u>

8.1.   Licensor warrants that it has all lawful right and authority to license the Software to Licensee hereunder. Licensor also warrants that, for a period of one (1) year from the date of delivery of the Software to Licensee, the Software will perform substantially in accordance with the specifications provided in the Documentation.

Except for the foregoing, Licensor provides the Software to Licensee "as is." All other warranties, terms and conditions (statutory, express, implied or otherwise), including without limitation warranties, conditions or other terms regarding quality, design, capacity, performance, condition, description, merchantability, fitness for a particular

purpose, title and/or non-infringement are hereby expressly excluded, to the extent permitted by applicable laws. In no event does Licensor warrant that the Software is error free or that Licensee will be able to operate the Software without problems or interruptions.

Licensor's entire liability and the exclusive remedy under this limited warranty shall be, at Licensor's sole option, either (a) refund of the license fee(s) paid for the Software, or (b) repair or replacement of the Software. This remedy is conditioned on the reporting by Licensee of the non-conformance in writing to Licensor, its affiliates or an Authorised Reseller, within the warranty period. The Licensor, its affiliates or the Authorised Reseller may ask the Licensee to return the Software, and/or Documentation as a condition of this remedy.

This warranty does not apply if the Software (i) has been altered, except by Licensor, (ii) has not been installed, operated, repaired, or maintained in accordance with instructions supplied by Licensor, (iii) has been subjected to abnormal physical or electrical stress, misuse, negligence, or accident, (iv) is used in hazardous activities, (v) has not been provided or sold by Licensor, its affiliates or an Authorised Reseller.

8.2. Licensor is under no obligation to update or correct defects or errors in the Software. If Licensor does provide Licensee with updates or corrections, the terms and conditions of this Agreement shall apply.

9. Interoperability

The Software can be integrated with third-party applications, including but not limited to solution(s) for mobile access, or a property management system(s) for room reservation. The present Agreement does not in any way include an offer for the installation or use of any solution interoperable with the Software. If Licensor wishes to acquire such solutions it will have to enter into an agreement with suppliers of such solutions.

10. Indemnification and limitation of liability

10.1. Licensor shall defend, indemnify and hold Licensee harmless from and against any claim alleging that the Software infringes any intellectual property right, including but not limited to patent, copyright, trademark, trade dress, trade secret mask work right or other property rights of a third party. Licensor shall defend at its expense any suit or proceeding against Licensee based upon such a claim and shall pay all costs and damages awarded therein, if Licensor is notified promptly in writing of the suit or proceeding, and Licensor cooperates in the defence of such suit or proceeding.

10.2. Licensee agrees to indemnify and hold Licensor harmless from and against all loss, cost, expense or liability (including reasonable attorney's fees) arising out of a claim by a third party against Licensor based upon Licensee's use of the Software.

10.3. Obligations set forth herein are contingent upon the other Party:

    a)   Providing the indemnifying Party with prompt written notice of any action brought against the other Party; and

    b)   The other Party cooperating with the indemnifying Party in the defence of any such action, and allowing the indemnifying Party to control the defence and settlement of any such action at its expense;

10.4. Licensor shall have no obligation to defend any action or indemnify Licensee from damage if:

    (i)   Licensee, in providing customisations, updates and/or corrections to the Software, infringes upon the intellectual property of any third party.

    (ii)   Licensee is not using the most current version of the Software and the action would have been avoided without such combined use.

    (iii)   Licensee has modified the Software in combination with other Software and the action would have been avoided without such combined use.

    (iv)   Licensee is using the Software in combination with other Software and the action would have been avoided without such combined use

10.5. In no event shall Licensor be liable under any theory of contract, tort, strict liability or other legal or equitable theory for any indirect, consequential, incidental or punitive damages of any kind, from any cause arising out of the licensing, installation, use or inability to use the Software or any other product or service, even if licensor has been advised of the possibility thereof, including, without limitation, lost profits, lost business revenue, lost goodwill, business interruption, other economic loss or any loss of recorded data. In no event shall Licensor's liability toward the licensee, whether in contract, tort (including negligence), or otherwise, exceed the price paid by licensee to Licensor, or paid by its affiliates or any Authorised Reseller to Licensor.

11. Force majeure:

Either Party shall be excused from failures or delays in delivery or performance hereunder if such failure or delay is attributable to causes beyond the reasonable control of the Party, which makes such performance or delivery commercially impractical. In the event of any such delay, the time of delivery or performance and time of payment shall be extended for a period of time equal to the time lost by reason of such delay (unless otherwise specified in writing between the Parties hereto).

12. Notices:

All notices to be given under this Agreement shall be sent by registered letter with return receipt to the following addresses:

If to Licensor:

        Allegion EMEA BVBA
        Lambroekstraat 5A
        1831 Diegem
        Belgium
        E-mail: notice.emea@allegion.com

If to Licensee:

        Registered address of Licensee.

13. Compliance

   The Licensee shall adhere to the provisions set out in the Allegion Business Partner Code of Conduct, which can be found on https://www.allegion.com/content/dam/allegion-corp/other/code-of-conduct-for-business-partners_english.pdf. Adherence to the foregoing policy is an essential term and condition of this Agreement and every order, contract or agreement to which Licensee is a party.

14. Miscellaneous

14.1. Relationship of the Parties: This Agreement will not establish any relationship of partnership, joint venture, employment, franchise, or agency between the Parties. Neither Party will have the power to bind the other or incur obligations on the other's behalf without the other's prior written consent.

14.2. Waiver: Failure or delay by either Party in enforcing or partially enforcing any provision of this Agreement will not be construed as a waiver of any of its rights under this Agreement. Any waiver by either Party of any breach of, or any default under, any provision of this Agreement by the other Party will not be deemed a waiver of any subsequent breach or default and will in no way affect the other terms of this Agreement.

14.3. Entire agreement: This Agreement constitutes the complete and exclusive statement of this Agreement between the Parties hereto and supersedes any and all prior express or implied agreements or understandings between the Parties hereto concerning the subject matter hereof. No amendment, waiver or other alteration of this Agreement may be made except by mutual agreement in writing.

14.4. Severability: If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected thereby, and the Parties shall negotiate replacement provisions for those provisions which are held invalid, illegal or unenforceable which as closely as possible express the intent of those provisions.

14.5. Conflicts: In the event of any conflict, discrepancy or inconsistency between the terms of this Agreement and the terms of the Commercial Offer, the terms of the Agreement will prevail.

14.6. Restrictions of transfer: This Agreement and the rights and obligations under this Agreement shall not be transferable, sublicensable or assignable to any other person, firm or corporation by Licensee, without the express prior written consent of the Licensor. Licensor may assign this Agreement, in whole or in part, to any entity wholly owned by the Allegion group of companies. The rights and obligations of this Agreement shall insure to the benefit of and be binding upon the Parties hereto, their successors and permitted assigns.

14.7. Governing law and competence: This Agreement shall be construed and interpreted in accordance with the laws of Italy, excluding its conflict of laws principles, the U.N. Convention on Contracts for the International Sale of Goods, and The Uniform Computer Information Transaction Act. The courts of Bologna shall have exclusive competence to settle any claims arising between the Parties.

14.8. Headings: The various headings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any article or provision hereof.