IMPORTANT TECHNICAL INFORMATION

If you own a mobile device you should know this:

Using GTS batteries DOES NOT void your warranty.





Some OEM sales representatives falsely claim brand name batteries "void the mobile computer warranty" if used instead of OEM batteries during the warranty period. That claim is not true.

It's The Law





To Our Customers and Associates,

We LOVE competition.

In virtually every situation where our products are compared to the OEM's for quality, performance, service and price, we win, and so do our customers.

Some OEM's now realize that they cannot compete with us fairly on the merits of their products and services and so they have resorted to threats, intimidation and misinformation to get you to buy their inferior products at higher prices.

Some of their threats sound silly and desperate:

- "We will void your warranty if you use GTS batteries." Not true. This is a violation of the anti-trust laws. Motorola (Symbol) has admitted that this is illegal—see attachment.
- "You must have UL listing in order to sell a battery pack." Not true. This is used as a marketing gimmick. There is no regulation, law or industry standard that requires this. Most OEM commercial battery packs, including Motorola's, do not have a UL listing. GTS batteries meet a higher standard than UL.
- "Your trade union will be upset if you use GTS batteries." Absolutely not true. If someone threatens to interfere with your relationship with your union, you should report them to the authorities and escort them from your building! One prominent OEM actually used this threat in a non-union company.
- "Your insurance company will not approve the use of GTS batteries." Not true. It is the supplier's insurance that will cover a potential claim. We have \$10 million of insurance for our customers from Chubb, which has the highest financial rating for insurance companies.
- "GTS batteries do not comply with the National Electric Code."
 The Code does not even include batteries or battery powered mobile computers/scanners.

You should not be prevented from making intelligent choices. Please see the attached documents which should help you to overcome these threats.

Portable enterprise devices are now more important than ever. Most companies cannot take the chance that their devices will not run a full shift, or that the OEM will be out of stock, or has declared that their device is an "End of Life" product that will no longer be supported.

To prevent this, companies use GTS batteries and chargers, or they develop a second source strategy, using both the OEM and GTS batteries.

Please call us if you would like additional information or visit our website at: www.GTSpower.com

Q: My OEM equipment salesperson is telling me that buying your batteries will void my equipment warranty. Can they do that?

A: In recent years we have seen sales people from numerous OEM equipment manufacturers make the claim that use of any battery but the OEM's will result in the OEM voiding the warranty on the equipment. Not only is this illegal under both US and European law, but in many instances is directly in opposition to the OEM's own policy. For instance, Motorola/Symbol Technologies specifically addressed this issue in their Product Marketing Bulletin #1114 (See Appendix 1) where they explicitly state:

"It is critical that you understand that a customer's warranty is not automatically voided simply because that customer purchased a third party battery. We may not say or imply that. Also, you may not state that a third party product will damage the unit, impair performance or cause safety concerns unless you have been advised by Symbol Legal that there is testing to validate the claim.

False claims regarding the quality, safety or performance of a competitive product can expose the company to liability."

The basic objective of the U.S. antitrust laws is to preserve and promote competition and the free enterprise system. These laws were passed on the fundamental belief that private enterprise and free competition are the most efficient ways to allocate resources, to produce goods at the lowest possible price and to assure the production of high quality products.

Illegal tying is one of the most common antitrust claims. Simply put, a tying arrangement is an agreement by a party to sell or provide one product or service—the warranty service—but only on the condition that the buyer also purchases a different product—the battery— (often known as a positive tie), or at least agrees that he will not purchase that product from any other supplier (often known as a negative tie).

In the most basic sense, the seller has tied two products together, as if in a knot. The only way the buyer can get the one product is to also purchase another product that he or she may or may not want. In antitrust law, there are some arrangements or restrictions that have such a damaging effect on competition that courts have ruled them per se or automatically illegal.

This is one of the few practices that the United States Supreme Court has determined to be illegal per se under the Sherman Act, S 1. (The Sherman Act is a Criminal Statute with felony consequences. It also has civil remedies.)

An Unfair Trade Practice means a trade practice which, for the purpose of promoting the sale, use or supply of any goods or services, adopts any unfair method or unfair or deceptive practice. Under the state and federal laws the injured party can recover economic losses and attorney's fees.

Private individuals and corporations that are injured by violations of the U.S. antitrust laws, including the Sherman Act, Clayton Act or the Robinson-Patman Act, may sue for injunctive relief, three times their actual damages, and their attorneys' fees (15 U.S.C. §15).



If you have questions regarding antitrust laws in the US, or you feel your company has been threatened you can contact the Department of Justice Antitrust Division at 888-647-3258 or visit their website at www.usdoj.gov/atr.

Q: What if something goes wrong with the battery?

A: Some OEM's have taken the position that the customer must use only OEM batteries, and defend this position by claiming that only their batteries were specifically designed or tested for use in their equipment.

This is the equivalent of Ford claiming you cannot use a Sears Die Hard battery in one of their vehicles.

Some OEM's attempt to create fear by implying the device may be damaged by use of GTS batteries. In the past 14 years, we have supplied batteries to Fortune 100 companies, the US Government and First Responders throughout the US as well as for countless other customers, and we have never had an incident of a piece of equipment being damaged by one of our batteries.

Our warranty (See Appendix 2) is the strongest in the industry. As you will see it covers the battery itself for up to two years. Additionally, although it is extremely unlikely that any kind of damage could ever be caused by a battery pack, our warranty provides you with the peace of mind that we will repair or replace, at no charge to you, any device that is damaged in any way as a result of using GTS batteries.

Q: Do my batteries need to be certified or listed by Underwriters Laboratories (UL)?

A: Recently, some OEM's have begun using the claim that batteries must be certified by UL as an artificial barrier to protect their battery sales.

There is no requirement to have UL listings on battery packs and most OEMs do not do it. It is not because they are unconcerned with safety. Rather, it is unnecessary, costly, and time consuming.

For instance, although Motorola has UL listings for some of their recent mobile computer batteries, virtually all of Motorola's respected two-way radio devices do not have UL listings. For an OEM to suggest that their UL listings would be voided or that non-UL accessories are unsafe is simply untrue. In addition, our insurance carrier has stated (See Appendix 3) that this is a myth and they have never seen this in the industry.

Q: Some of your batteries are UL listed - why haven't you listed all of them?

A: We chose to have select batteries listed by UL to demonstrate that our batteries meet or exceed the standards imposed by UL. There is no requirement for UL listing of batteries, and there are other standards including United Nations DOT testing and NEMA specifications that are more relevant to batteries.



Q: Can I have the OEM certify that it is O.K. to use GTS batteries?

A: We have made many efforts at the request of customers to have different OEM's approve our batteries for use by their customers in their devices. We have been unsuccessful in this endeavor. Batteries have become a lucrative profit item for many OEM's who are reluctant to jeopardize their battery profits by authorizing a competitor.

Q: Are there any issues with the National Electric Code?

A: Some OEM's have suggested that customer needs to comply with the NEC and the NFPA ("association") codes. This is another artificial and anti-competitive barrier. We have confirmed with the association and building inspectors that the electric code in the U.S. and also on a state basis covers "everything back from the wall plug." The standard for Information Technology Equipment is Article 645 of the NEC. These regulations do not even include batteries or battery powered mobile computers/scanners.

Q: My OEM sales person has warned me that I will have all sorts of problems if I use GTS batteries including Safety, Union and Insurance issues.

A: We are amazed at the ridiculousness of some threats our customers have received. They range from baseless claims that only the OEM product is safe to the assertion that customers may have labor relations problems with their unions or that insurance companies might withhold coverage (See Appendix 3). These again are intimidation tactics, without any substance or basis.

When a vendor creates artificial barriers that will not allow flexibility, cost reduction, and improved efficiency, it should be addressed. In the U.S. during the prior decade we saw a large outsourcing trend in IT. Recently however, we have seen this trend come full circle as companies are now regaining control of their IT operations from equipment vendors. There is now a significant effort by large companies to eliminate overtly illegal and technology-specific "tie-in" arrangements. They are doing this by identifying and cultivating business relationships with second source suppliers. Our market position enables companies to choose GTS batteries to achieve this goal.





Global Products Group Product Marketing Bulletin

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Division: MCD

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Urgency Level	Regions PMB applies to:	Published for viewing by:
General Information	☑ The Americas☑ EMEA☑ Asia Pacific	☐ Associates☐ Partners

Team:

It has come to our attention that certain statements are being made to customers about the impact of third party battery purchases on their warranty. Please understand the following key points:

- Our terms and conditions only state that we will not provide warranty repair if the repair is required as a result of the use of "parts or accessories not approved or supplied by" Symbol.
- It is critical that you understand that a customer's warranty is not automatically voided simply because that customer purchased a third party battery. We may not say or imply that.
- We <u>can</u> tell a customer that, if any particular repair is necessitated because of the use of a third party battery, that particular repair will be performed on a time and materials basis.
- Also, you may <u>not</u> state that a third party product will damage the unit, impair performance or cause safety concerns unless you have been advised by Symbol Legal that there is testing to validate that claim. False claims regarding the quality, safety or performance of a competitive product can expose the Company to liability.

Please make sure all of your communications are consistent with the messages detailed above.

Paul Kiernan VP Services Marketing

Ron Kaminski Sr. Product Manager

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 ☑ Do not initiate EOSMC at this time. ☐ Release operations to initiate EOSMC (move to RI status) for top-level configurations ☐ Release operations to initiate EOSMC (move to RI status) for unique component parts 	

GTS batteries are guaranteed to meet or exceed the original equipment manufacturer's specifications for form, fit and function. Each battery is guaranteed to be free from defects in materials and workmanship, and will maintain a minimum of its rated capacity for a specified period from date of shipment under normal use and service*.

Barcode Scanners/Mobile Computers: 12 months against any defects in manufacturing or workmanship.

Warranted to maintain a minimum of 80% rated capacity.

Individual Cells: Guaranteed to deliver rated capacity per manufacturer's specifications upon delivery.

Lap Top Computer Batteries: 12 months for workmanship and material and 12 months for capacity.

Warranted to maintain a minimum of 80% rated capacity.

Two-Way Radio Batteries: 24 months against any defects in manufacturing or workmanship.

Nickel-Cadmium batteries are warranted to maintain 80% rated capacity for 18 months. Nickel-Metal Hydride batteries are warranted to maintain 80% rated capacity for 12 months. Lithium-Ion batteries are warranted to

maintain 80% rated capacity for 12 months.

UPS Batteries: 24 months against any defects in manufacturing or workmanship.

Wireless Phone Batteries: 12 months against any defects in manufacturing or workmanship.

Warranted to maintain a minimum of 80% rated capacity.

Chargers: 24 months against any defects in materials and workmanship.

At our option, we will repair, replace or refund the purchase price of any battery that does not conform to this warranty. Products repaired or replaced will only be warranted for the balance of the original warranty.

All GTS batteries are designed to power devices in a manner identical to the Original Equipment. Although it is extremely unlikely that any kind of damage could ever be caused by a properly used battery pack, we will repair or replace any device that is damaged in any way as a result of our battery packs under proper use.

THIS IS THE COMPLETE WARRANTY FOR GTS BATTERIES, AND STATES YOUR EXCLUSIVE REMEDIES. THIS WARRANTY IS GIVEN IN LIEU OF ALL OTHER EXPRESS WARRANTIES. IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE GIVEN ONLY IF SPECIFICALLY REQUIRED BY APPLICABLE LAW. OTHERWISE, THEY ARE SPECIFICALLY EXCLUDED. IN NO EVENT SHALL WE BE LIABLE FOR DAMAGES IN EXCESS OF THE PURCHASE PRICE OF THE PRODUCT, FOR ANY LOSS OF USE, LOSS OF TIME, INCONVENIENCE, COMMERCIAL LOSS, LOST PROFITS OR SAVINGS OR OTHER INCIDENTAL, SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OR INABILITY TO USE SUCH PRODUCT, TO THE FULL EXTENT SUCH MAY BE DISCLAIMED BY LAW. SOME STATES AND OTHER JURISDICTIONS DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR LIMITATION ON THE LENGTH OF AN IMPLIED WARRANTY, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY TO YOU. THIS WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS, AND YOU MAY ALSO HAVE OTHER RIGHTS, WHICH VARY FROM JURISDICTION TO JURISDICTION.

If you have a battery that fails to meet your expectations, please contact our Customer Care Center at 800.267.2711 to receive a Return Merchandise Authorization. No returns will be accepted without a Return Material Authorization (RMA) number or that fail to adhere to the Return Material Authorization procedures.

For a full copy of our terms and conditions visit http://www.gtspower.com/About-Us/Resources/Warranty

^{*} Normal use and service does not include damage resulting from improper use. Examples of improper use include but are not limited to: Storage or operation in abnormal conditions; exposure to water, liquid, extreme heat or humidity, sand, dirt or the like; use in non-designed applications; or removal, alteration or obliteration of date code or lot numbers.



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August 18, 2010

Mike Grosberg, CFO Global Technology Systems, Inc. 550 Cochituate Road, 4th Floor Framingham MA 01701

RE: Insurance and UL Status

Dear Mike,

Your company purchases a state of the art liability insurance policy from one of the strongest insurers in the market. Chubb has the highest financial rating issued by A. M. Best (A++ XV). As such, I want to clarify the scope of your existing insurance protection:

- 1. We have placed on your behalf products liability protection, up to \$10,000,000 in limit (per occurrence and in the aggregate), for all of your products including those that are UL-listed and non-UL-listed. This policy has been extended to respond on a worldwide basis.
- 2. The policy pays damages that you are legally obligated to pay by reason of liability assumed in an insured contract for bodily injury and property damage caused by an occurrence.
- 3. The policy does not contain any wording which would restrict coverage to apply only to product which are UL-listed. In fact, in my 35-year experience, I have never seen an Insurer issue a products liability policy restricting coverage to UL-listed products only. This would be highly unusual.

If you would like us to review and respond to any insurance requirements of the proposed contract, we would be happy to do so. Please let me know if you need further assistance.

All the best,

THE WEINER COMPANY, INC.

Richard D. Weiner