Hikvision Black Market/Grey Market Statement

Valued Hikvision Oceania Customers:

Hikvision Australia P/L sells Hikvision products only through authorized distribution partners. We value our industry partners and are proud of the relationships we have developed to help expand the use of our innovative video surveillance products and solutions. These authorized distribution partners have committed to serve as a link in the Hikvision Australia value chain by providing excellent pre- and post-sale customer service.

Unfortunately, not every distributor advertising Hikvision products has been authorized by Hikvision to advertise or sell those products in Australia.

We warn potential customers against purchasing these "black market" or "grey market" products from unauthorized distributors. **Unauthorized distributors are selling counterfeit, used, modified or damaged products.** Many of the products sold by unauthorized distributors have been altered in various ways, meaning that they are unsuitable for Australian conditions and may be non-compliant with Australian Standards. Also, because these products are no longer in original factory condition, Hikvision warranty is **void,** per company policy.

Purchasing through authorized Hikvision Australia distribution partners ensures that you receive the benefits of our technical support, project registration, dealer loyalty programs and advance replacement of any camera, recorder, video server, or software, in addition to Hikvision Australia's full warranty.

Additionally, products purchased through unauthorized distributors can have features and characteristics that distinguish them from products sold through authorized Oceania channels. If for example your product has "CH" in the serial number, or if it has a mixed OSD (Chinese and English) and/or if it cannot be upgraded to the latest English-language firmware, or the labels are in Chinese, you are most likely using a "black market" or "grey market" product. Restoring such product to its original condition is a factory process and will result in a Chinese interface. As Hikvision warranty is void in this case, you must rely on the unauthorised distributor for any service, support, and warranty.

Hikvision Australia will be using all the regulatory and legal channels at its disposal to stop the importation of these goods that are damaging the reputation of good security installers that have not been made aware that they are inadvertently supporting potentially dangerous products sold by unauthorised distributors who put "a quick buck" before the Australian Public's long term security.

Before purchasing "black market" or "grey market" products from an unauthorized distributor, integrators should ask themselves if it's worth risking their reputation to offer their customers a potentially faulty and unsupported product of uncertain origin, and the possibility that product gets recalled. All integrators should ask themselves if they are willing to risk their job by knowingly buying a "black market" or "grey market" product that could fail to safeguard the assets it is supposed to protect. In addition to these considerations, it is important to note that **the firmware on such products cannot be upgraded to genuine Hikvision firmware, ultimately resulting in an unusable device.**

Hikvision continually works to eliminate unauthorized distributors who engage in illegal practices from the marketplace, including taking legal action. We send cease and desist letters to Australian distributors who sell Hikvision products without authorization. We trace all serial numbers when we receive tech support calls and track the products back to their source and reserve our right to cut those distributors out of our authorised network. Most importantly, we will be seeking assistance from Australian government agencies to prevent further importation of these misleading goods and to recall those that have already been sold.

The benefits of buying through authorized distribution channels are clear:

Authorized distributors…	*Unauthorized Distributors…*
Are backed by local sales and engineering support	Cannot offer Hikvision's highly trained sales or engineering support
Are supported by local tech support hotlines	Do not offer technical support with Hikvision's expertise
Get their inventory from within the Oceania region and can fulfil orders immediately	Get inventory from unknown source and usually have a long lead time for order fulfilment
Offer lines of credit	May require immediate payment
Offer products guaranteed to be the Oceania Region version, and meet Australian Standards	In most cases are not offering products made for the Oceania market, and may not have English interfaces
Offer products backed by warranty	Might falsely claim to offer warranty through Hikvision Australia
Allow over-the-counter returns	Usually have no storefront for returns – and the online storefront may have disappeared by the time a return is needed
Offer project registration and project discounts	Do not offer Hikvision's project registration or project discounts
Work in conjunction with the Hikvision Dealer Partner Program	Do not provide any benefits associated with the Hikvision Dealer Partner Program
Sell products that include firmware with the Secure Activation Process, which guards against potential cyber threats	Sell products that pre-date Hikvision's Secure Activation Firmware (v5.3) and cannot be upgraded to this improved Oceania version
Are operating in a law abiding manner and are supporting ethical business practices that are key to the credibility of the security industry	Are misleading are deceiving consumers, which can amount to criminal conduct

If you have any questions or concerns about the official status of your Hikvision distributor before your purchase, please refer to the "Partners" tab on our website www.hikvision.com. If you have further questions please contact Hikvision Australia Customer Service at salesau@hikvision.com.

Thank you for your continued support of our industry – and Hikvision's leading video surveillance and security products.