

IDEX Biometrics ASA

TERMS AND CONTITIONS OF SALE

IDEX Biometrics ASA, a company duly organized and existing under the laws of the country of Norway, and maintaining its principal place of business at Martin Lingesvei 25, No-1364 Fornebu, Norway ("**IDEX**")

THESE TERMS AND CONDITIONS OF SALE (the "**Terms**") The Terms shall apply to supply of any products ("**Products**") by IDEX to Buyer.

1. SCOPE

The Terms shall apply to any written quotation of IDEX which is accepted by the Buyer in writing, or any written order of the Buyer which is accepted by IDEX in writing (each an "**Order**"). To the extent the Terms conflict with an Order signed by IDEX and Buyer, the terms of the Order shall prevail.

2. SALE AND DELIVERY

Deliveries shall take place according to the delivery schedule agreed in an Order. The Buyer will also provide a monthly Forecast with a rolling 12 month basis and IDEX and Buyer will agree terms for material lead times and stock coverage, together with minimum batch quantities.

All Products shall be delivered EX WORKS according to the current applicable Incoterms, if not otherwise is agreed in the Order, at the address as agreed in the Order.

If IDEX becomes aware of a delay or possible delay, Buyer shall be notified promptly. The delivery schedule shall be revised accordingly.

3. ORDER CANCELLATION

In the event of materially delay of delivery, and provided its agreed in the Order that "time is of essence", Buyer may cancel an Order by written notice to IDEX two (2) months prior to delivery date as agreed in the Order. In case of cancellation of non-standard parts and custom Products, Buyer shall accept delivery of all such Products or parts thereof which are completed at the time of cancellation. Those non-standard Products which are in the work-in-process inventory at the time of cancellation, shall be paid for by Buyer at a price equal to the completed percentage of the Product multiplied by the price of the finished Product.

Buyer shall also pay promptly to IDEX the costs of settling and paying claims arising out of the termination of work under IDEX's subcontracts or vendors and any accounting, legal, and other costs arising out of the cancellation.

4. PRICING AND PAYMENT TERMS

The prices are stated in the relevant Order.

All prices are exclusive of any sales tax, excise tax, value added tax, import duty or other tax applicable to the sale of any product. Such taxes, when applicable, shall be paid by Buyer unless Buyer provides a proper tax exemption certificate.

IDEX shall issue invoices for supply of Products on delivery. All invoices shall be payable within 30 (thirty) days of issue. If payments by Buyer that are more than 30 (thirty) days overdue, IDEX is entitled to a late charge equal to eight point five (8.5) per cent per annum or, if less, the maximum amount allowed by applicable law, on the overdue balance, by issue of a separate penalty invoice.

5. PROPRIETARY RIGHTS

The Buyer has full right of disposal of the single Products delivered. IDEX shall retain all right, title and interest in and to all intellectual property rights, such as, but not limited to patents, copyrights and design rights, embedded in the Products.

Unless otherwise agreed between the parties and subject to any valid patents or copyrights of Buyer, IDEX shall have a royalty-free, worldwide, sub-licensable, irrevocable and perpetual license to use or incorporate into the Products any suggestions, enhancements, recommendations and other feedback provided by Buyer related to the operation of Products.

Buyer shall not modify, copy, emulate or attempt to create derivative works of the Products, or any element thereof.

Buyer shall not modify, translate, reverse engineer, decompile or disassemble any software delivered with the Product or any part thereof, or otherwise attempt to derive source code or create derivative works from such software.

Buyer is not allowed to remove, alter or destroy any proprietary, trademark or copyright markings or notices placed upon or contained with the Products.

Subject to the terms and conditions of these Terms, IDEX hereby grants to Buyer a non-exclusive, world wide, royalty-free, revocable license to use IDEX trademarks, in accordance with any guidelines or directions issued by IDEX from time to time, solely in connection with the distribution of the Product. The use of the trademarks hereunder will not create in Buyer any right, title or interest in or to the trademarks. All goodwill arising from such use of the trademarks will inure to the benefit of IDEX and its suppliers.

6. EXPORT

Buyer accepts full responsibility for compliance with all applicable laws relating to export controls. It shall be the obligation of Buyer to obtain any required export license for the Product. IDEX shall offer reasonable assistance in obtaining any such required license.

7. US GOVERNMENT

If the Products are purchased by Buyer pursuant to or in connection with a U.S. Government contract or subcontract, Buyer shall promptly notify IDEX in writing of any required provisions of applicable U.S. Government acquisition regulations. Such notified pertinent provisions will be applicable hereto and will be incorporated herein by reference from and after the date of such notification is received by Seller.

8. CONFIDENTIALITY

Buyer shall keep confidential all information, pricing, instructions, and advice relating to the Products furnished by IDEX which is not available to the general public, and shall not disclose any such information, or information relating to the business and operations of IDEX, to any other party.

9. LIMITED WARRANTY

The Products shall be materially in accordance with its specifications in the Order for a period of twelve (12) months from the date the Products are put into operation for its intended use, but in no case more that eighteen (18) months following delivery to Buyer. If Products do not comply with its specifications, IDEX will repair or replace Products within reasonable time, or if not possible to repair or replace within reasonable time, credit or refund the Buyer the price of Products.

Products are otherwise delivered on a strictly «as is» basis. To the extent permitted by law, IDEX and its suppliers disclaim all warranties regarding the Products, either expressed or implied, statutory or otherwise, including without limitation warranties of compatibility

with another product, functionality or fitness for a particular purpose.

Buyer acknowledges that the Products are not designed or intended for use in or in connection with products and/or applications which typically have a potential for severe physical damage or damage to persons. IDEX and its suppliers disclaim any expressed or implied warranty of fitness for such uses.

10. INDEMNITY

IDEX will settle and/or defend at its own expense and indemnify Buyer against any cost, loss or damage arising out of any claim, demand, suit or action brought against Buyer to the extent that such claim, demand, suit or action is based on a claim that a Product infringes upon any intellectual property rights of any third party, provided that (1) Buyer promptly informs IDEX in writing of any such claim, demand, action or suit, (2) IDEX is given control over the defence or settlement thereof and that Buyer co-operates in the defence or settlement. IDEX agrees that in negotiating any settlement pursuant to this clause, it shall act reasonably and shall consult with the Buyer before agreeing any settlement. Notwithstanding the foregoing, neither IDEX nor its suppliers shall indemnify Buyer against any cost, loss or damage arising out of any claim, demand, suit or action brought against Buyer by a third party alleging that any third party product included in or provided with the Product infringes upon any IPR of such third party. If a claim, demand, suit or action alleging infringement is brought or IDEX believes one may be brought, IDEX shall have the option at its expense to (1) modify the Product to avoid the allegation of infringement or (2) obtain for the Buyer at no cost to Buyer a license to continue to use the Product in accordance with these Terms free of any liability or restrictions or (3) terminate the Terms.

IDEX shall have no responsibility for claims arising from (i) modifications of the Product by Buyer or any third party; (ii) combination or use of the Product with Buyer or third party hardware or software not supplied by IDEX, or any other unauthorized use, if such claim would not have arisen but for such combinations or use; (iii) IDEX's modification of the Product in compliance with written specifications provided by Buyer; or (iv) use of other than the latest version of the Product provided to Buyer by IDEX if the use of the latest version would have avoided the infringement.

The foregoing states the sole liability of IDEX and the exclusive remedy of Buyer in connection with infringement of intellectual property rights.

Buyer will settle and/or defend at its own expense and indemnify IDEX against any cost, loss or damage arising out of any claim, demand, suit or action brought against IDEX to the extent that such claim arises from

(i) modifications of the Product by Buyer or any third party on its behalf; (ii) a breach of these Terms by Buyer; (iii) unauthorized representations or warranties to customers or end users regarding the Product; (iv) a combination of Product with other products or components resulting in an alleged infringement of the intellectual property rights of any third party.

11. LIMITATION OF LIABILITY

IDEX shall not be liable in contract, tort or otherwise, whatever the cause thereof, for any loss of profit, business or goodwill or any indirect cost, damages or expense of any kind, howsoever arising under or in connection with these Terms, except for injury to persons or attributable to intentional misconduct or gross negligence.

The total and maximum liability of IDEX under any provision of these Terms, or any transaction or acts contemplated by these Terms shall in no event exceed the lower amount of (i) the accumulated fees and payments received by IDEX from Buyer in relation to the Products as of the date of any claim, (ii) the actual direct damages sustained by Buyer and, (iii) the sum of one million USD (\$ 1,000,000). Notwithstanding the above, this limitation of liability shall not apply to

damages attributable to breaches of Section 8 (Confidentiality) or to damages attributable to gross negligence or intentional misconduct.

12. FORCE MAJEURE

IDEX shall not be responsible for any failure to perform due to causes beyond its control, including but not limited to acts of God, war, riot, embargoes, acts of civil or military authorities, fire, floods, accidents, strikes, or shortages of transportation, facilities, fuel, energy, labour or materials. In the event of any such circumstances, IDEX shall be relieved from its contractual obligations, and, in the case of delay, excused for a period equal to the time of the delay caused thereby.

13. AMENDMENTS

No purported variation of the Terms shall be effective unless made in writing and signed by IDEX.