

# TERMS OF SALES

## IDEX Biometrics ASA – TERMS AND CONDITIONS OF SALE

### IDEX Standard Sales Terms and Conditions

THESE SALES TERMS AND CONDITIONS (the “**Terms**”) apply to all sales of products (“**Products**”) by **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 Dronning Eufemias gate 16, NO-0191 Oslo, Norway ( “**IDEX**”) to the entity purchasing Products (“**Buyer**”), unless authorized representatives of both IDEX and Buyer have executed and delivered to each other a separate written agreement governing the sale of Products by IDEX to Buyer.

### 1. APPLICABILITY AND SCOPE

The Terms shall apply to any written quotation of IDEX which is accepted by Buyer, or any written order of Buyer which is accepted by IDEX, in each case to the extent signed by both parties (each an “**Order**”). These Terms are subject to the Order and any special conditions set out therein, which may deviate from or supplement these Terms explicitly.

IDEX objects to any additional or different terms proposed by Buyer, and such terms will not apply unless accepted and signed in writing by IDEX’s authorized representative.

### 2. SALE AND DELIVERY

Deliveries shall take place according to the delivery schedule agreed in an Order.

All Products shall be delivered EX-WORKS point of manufacture according to the current applicable Incoterms, if not otherwise as agreed in the Order, at the address as agreed in the Order. Buyer shall provide IDEX with all information necessary for IDEX to ship the Products. In the absence of specific written instructions from Buyer, IDEX will select the carrier, but such carrier will not be the agent of IDEX. IDEX will pack all Products shipped in accordance with standard commercial practices.

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

Buyer shall notify IDEX within 10 days after delivery of any visible defects, quantity shortages or incorrect product shipments. Failure to so notify IDEX within 10 days will be deemed a waiver of the right to return Products based on visible defects, quantity shortages or incorrect product shipments. Title and risk of loss shall pass to Buyer at the time of delivery in accordance with the applicable delivery terms.

### 3. CANCELLATION

IDEX reserves the right to cancel any placed Orders or to refuse or delay shipment thereof, if (a) Buyer fails to make any payment agreed to by IDEX and Buyer; (b) Buyer fails to meet reasonable credit or financial requirements established by IDEX, including any limitations on allowable credit; or (c) Buyer fails to comply with the terms and conditions of these Terms. No such cancellation, refusal or delay will be deemed a termination (unless IDEX so advises Buyer) or breach of these Terms by IDEX.

IDEX reserves the right to discontinue the manufacture, sale or supply of Products at any time. If, however, at any time during the term of these Terms, Buyer purchases certain Products from IDEX on a regular basis, and such Products are to be discontinued ("**Discontinued Products**"), IDEX shall give Buyer prior written notice of such discontinuance and accept last-time-buy orders for such Discontinued Products in accordance with IDEX's last-time-buy procedure in place at the time of such notice.

### 4. PRICING AND PAYMENT TERMS

The prices are stated in the relevant Order.

Prices are subject to change on 30 (thirty) days' notice to Buyer. 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.

Buyer shall not set off against IDEX's invoices any amounts that Buyer claims are due to it. Buyer will bring any claims or causes of action it may have in a separate action and waives all rights it may have to set off or withhold payment for Products delivered by IDEX.

IDEX shall issue invoices for supply of Products on delivery. All invoices shall be payable within 30 (thirty) days of issue. Buyer pays the banking fees to its bank and intermediary banks, while IDEX pays the banking fees to its bank. If payments by Buyer are more than 30 (thirty) days overdue, IDEX is entitled to interest at a rate of 8.5 (eight point five) per cent per annum or, if less, the maximum amount allowed by applicable law, on the overdue balance, by issue from time to time of a separate invoice. In no event shall the amount of interest (or any late charge if treated as interest) paid or agreed to be paid by Buyer under the Terms exceed the highest lawful rate. If such interest (or late charge) is treated as involving payment in excess of that permitted, then the obligations of Buyer shall be reduced to the limits so permitted by law and if, from any circumstance, IDEX should ever receive any such excess, such sum shall not be deemed a payment of interest but shall instead be applied to reduce the principal obligations of Buyer to IDEX.

In the event of the bankruptcy or insolvency of Buyer, or in the event any proceeding is brought by or against Buyer under bankruptcy or insolvency laws, IDEX shall be entitled to cancel any Order then outstanding and Buyer shall reimburse IDEX for any associated cancellation charges and damages.

## **5. PROPRIETARY RIGHTS**

Nothing in these Terms will alter or transfer either party's ownership of any intellectual property. Buyer has full right of disposal of the single Products delivered. IDEX (or its licensors) 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.

Any and all software provided by IDEX hereunder will be subject to the terms of the applicable license agreement, which will accompany the software.

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 IDEX.

## **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 or its affiliates, to any other party.

## **9. DISCLOSURE REQUIREMENTS**

The parties may disclose the existence and contents of these Terms to the extent dictated by statutory disclosure requirements. Buyer acknowledges that the shares in

IDEX are listed on the Oslo Stock Exchange and that IDEX may make such disclosures as are required under applicable stock exchange laws and regulations.

## **10. PRODUCT QUALITY AND LIMITED WARRANTY**

IDEX reserves the right to make modifications to the Products at any time. If, however, at any time during the term of these Terms, Buyer purchases certain Products from IDEX on a regular basis, and IDEX is going to change the form, fit or function of such Products, IDEX shall give Buyer prior written notice of such changes, and Buyer shall have the right to cancel the Order by providing a written cancellation notice to IDEX within 5 (five) days of receiving the written notice from IDEX.

The Products shall be materially in accordance with its specifications in the Order for a period of 3 (three) months from the date of delivery to Buyer. If Products do not comply with its specifications, IDEX will, at its election, repair or replace Products within a reasonable time, or if not possible to repair or replace within reasonable time, credit or refund Buyer the price paid for the Products, provided that (a) Buyer promptly notifies IDEX in writing, during the warranty period, that such Product failed to conform and furnishes a detailed explanation of any alleged deficiency; (b) Buyer promptly obtains an RMA (return merchandise authorization) number and promptly returns the Product to the location designated by IDEX at Buyer's expense; and (c) IDEX is reasonably satisfied that claimed deficiencies actually exist, and the claim otherwise complies with the terms of the warranty, IDEX shall have a reasonable time period in which to replace or repair the Products or to credit or refund Buyer.

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, warranties of merchantability, functionality or fitness for a particular purpose. IDEX's warranties are for the benefit of Buyer and not for any third party.

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.

The warranty does not cover, and IDEX expressly excludes from this warranty, problems caused by accident, misuse, neglect, alteration, improper installation, or improper testing. IDEX provides no warranty under these Terms or otherwise on

product units purchased from sources other than IDEX. The warranty does not cover, and IDEX expressly excludes from this warranty, non-production versions, engineering and customer samples, test and development systems containing the Products and any Product version for which IDEX has not published a data sheet.

## **11. 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 constitutes a direct infringement of 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 defense or settlement thereof and that Buyer co-operates in the defense or settlement and provides information and assistance in the defense and/or settlement of any such claim or action. IDEX agrees that in negotiating any settlement pursuant to this clause, it shall act reasonably and shall consult with Buyer before agreeing any settlement. 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 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 Order.

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 or any other third party product 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.

## **12. 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, consequential, incidental, punitive or special cost, damages or expense of any kind, howsoever arising under or in connection with these Terms, even if IDEX has been advised of the possibility of such damages, except for injury to persons or attributable to intentional misconduct or gross negligence.

The total and maximum liability of IDEX to Buyer 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 by reason of IDEX's breach hereunder and, (iii) the sum of \$ 1,000,000 (one million USD). Buyer may not bring an action in connection with these Terms unless such action is commenced within one (1) year after the event giving rise to the liability. Notwithstanding the above, this limitation of liability shall not apply to damages attributable to material breaches of Section 8 (Confidentiality) or to damages attributable to gross negligence or intentional misconduct.

## **13. 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, pandemics, actual or prospective terrorist acts, accidents, strikes, or shortages of transportation, facilities, fuel, energy, labor 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.

## **14. AMENDMENTS**

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