



GENERAL TERMS AND CONDITIONS

ALL THE PROVISIONS OF THESE TERMS AND CONDITIONS ("TERMS") SHALL APPLY BETWEEN IDENDEC SOLUTIONS, INC. ("IDENDEC SOLUTIONS") AND CUSTOMER ("PARTIES"), EXCEPT WHERE EXPLICITLY AGREED OTHERWISE IN WRITING BY BOTH PARTIES. THE CONDITIONS CONTAINED HEREIN SHALL TAKE PRECEDENCE OVER ANY OTHER CONDITIONS, AND NO CONTRARY, ADDITIONAL OR DIFFERENT PROVISIONS OR CONDITIONS SHALL BE BINDING ON BOTH PARTIES UNLESS EXPRESSLY ACCEPTED BY BOTH PARTIES IN WRITING. IN THE EVENT OF ANY POSSIBLE CONFLICTS BETWEEN THESE TERMS AND AN AGREEMENT OR A WORK ORDER THAT IS ACCEPTED BY BOTH PARTIES IN WRITING, THE PROVISIONS SET FORTH IN THE AGREEMENT OR THE WORK ORDER SHALL PREVAIL. ANY AGREED UPON WORK ORDER, STATEMENT OF WORK OR OTHER AGREEMENT TO PROVIDE SPECIFIC GOODS OR SERVICES, AS DEFINED BELOW, TOGETHER WITH THESE TERMS, SHALL EXCLUSIVELY GOVERN THE PARTIES' OBLIGATIONS.

CUSTOMER PREAMBLE:

The IT solution(s) presented in Customer's order ("Products") may consist of one or more of the following defined components:

- a) IDENDEC SOLUTIONS standard software. This is standard software developed and owned by IDENDEC SOLUTIONS including documentation. All such software licensed to Customer is subject to the *IDENDEC SOLUTIONS Software License Agreement*.
- b) IDENDEC SOLUTIONS custom software. This is software specifically developed by IDENDEC SOLUTIONS for Customer, including enhancements or add-ons to IDENDEC SOLUTIONS standard software or third party software, including documentation. IDENDEC SOLUTIONS reserves the right to reuse or incorporate such custom software into its product offerings so long as the custom software does not contain confidential Customer information or trademarks. All such custom software is subject to the *IDENDEC SOLUTIONS Software License Agreement*.
- c) IDENDEC SOLUTIONS intellectual property deliverables. This is a Product that is licensed to Customer and consists of a transfer of technical and/or commercial Know-How via documentation, consulting, and/or through configuration of Customer's system. Such deliverables are only for internal Customer use, and may not be modified (including the removal of IDENDEC SOLUTIONS' copyright notices, trademarks, and logos), enhanced, or transferred to the benefit of a third party (including Customer affiliates and parent company) without written consent of IDENDEC SOLUTIONS.
- d) Third party software. Software that is not proprietary to IDENDEC SOLUTIONS and was purchased from a software vendor by IDENDEC SOLUTIONS on behalf of Customer. All such software is subject to the software vendor's specific *Software License Agreement* and/or *Software Support Agreement*.
- e) Third party hardware. Hardware that is not proprietary to IDENDEC SOLUTIONS and was purchased from a hardware vendor by IDENDEC SOLUTIONS on behalf of Customer. All such hardware is subject to the hardware vendor's *Hardware Warranty* and/or *Extended Warranty Agreement*.
- f) IDENDEC SOLUTIONS professional services. All time and material services (including subcontracted services) provided by IDENDEC SOLUTIONS to Customer. For example, but not limited to, project management, consulting, configuring, developing, training, installing, repairing, remote telephone support, integrating, and customizing the IT solution specified in the order. All such professional services are subject to the ancillary *IDENDEC SOLUTIONS Professional Services Agreement*.

1. Order Acceptance. All orders are subject to final acceptance by IDENDEC SOLUTIONS and no orders are binding upon IDENDEC SOLUTIONS until so accepted. Customer must send one signed original copy of the order with the down payment, if any, to commence the processing of such order.

2. Deliveries of Products. All deliveries of Products are EXW (ex works) point of production (Incoterms 2000) for such Products. All deliveries of Products shall be made via common carrier or some other reasonable means chosen by IDENDEC SOLUTIONS. Delivery is conditional on the timely receipt by IDENDEC SOLUTIONS of documents necessary for the completion of such order, any down payment, and Customer maintaining

credit satisfactory to IDENDEC SOLUTIONS. Partial deliveries of Products are permissible as detailed in the mutually agreed upon project plan associated with the Products (see *IDENDEC SOLUTIONS Professional Services Agreement* for further details). IDENDEC SOLUTIONS will not be liable for any delay in performance, or in the delivery or shipment of Products, or for any damages suffered by Customer by reason of such delay. IDENDEC SOLUTIONS may suspend or delay performance or delivery at any time pending receipt of assurances, including full or partial prepayment or payment of any outstanding amounts owed, adequate to IDENDEC SOLUTIONS in its discretion, of Customer's ability to pay. Failure to provide such assurances shall entitle IDENDEC SOLUTIONS to cancel this contract without further liability or obligation to Customer.

3. Prices. All prices and quantities are quoted EXW (ex works) point of production (Incoterms 2000). Prices quoted are subject to change by IDENDEC SOLUTIONS at any time prior to IDENDEC SOLUTIONS' acceptance of an order upon notice to Customer. Prices quoted do not include any applicable sales, use, excise, privilege or any similar tax levied by any government, or freight, transportation or storage charges, and Customer shall pay any such applicable taxes and charges. Tax exemption certificates, as required by federal, state, or local laws or regulations, must accompany all orders to which same apply or be on file with IDENDEC SOLUTIONS. Orders are accepted only at the prices (in US Dollars) and on the other terms shown in the accepted Work Order or a similar document executed by a duly authorized officer of IDENDEC SOLUTIONS, which shall be made part of these Terms and incorporated hereto.

4. Terms of Payment/Delinquency/Collection. No salesman or any other person has authority to reduce IDENDEC SOLUTIONS' prices or vary its terms without express written approval signed by an officer of IDENDEC SOLUTIONS. Terms of payment are subject at all times to modification by IDENDEC SOLUTIONS whenever IDENDEC SOLUTIONS deems necessary. Customer agrees to make full payment of invoices within thirty (30) days of the date of IDENDEC SOLUTIONS' invoice. Should Customer's financial condition become unsatisfactory to IDENDEC SOLUTIONS or should IDENDEC SOLUTIONS believe there are other grounds for insecurity, IDENDEC SOLUTIONS reserves the right to require security satisfactory to IDENDEC SOLUTIONS or take other measures in its reasonable business judgment. In addition to other available remedies, a late payment service charge equal to 1.5% per month or the maximum charge allowed by applicable law, whichever is lower, shall be assessed on all amounts not paid when due. Customer shall not be entitled to counterclaim or set-off any amounts due, unless such amount is undisputed and/or acknowledged by IDENDEC SOLUTIONS in writing. In the event of: (i) Customer's failure to pay for any invoiced Products or services when due, (ii) Customer's account becomes otherwise delinquent, (iii) Customer's bankruptcy or insolvency, (iv) Customer's breach of its agreement with IDENDEC SOLUTIONS, IDENDEC SOLUTIONS may, at its option: (a) terminate any or all existing agreements; (b) refuse to ship or deliver Products or provide services under any order; and/ or (c) avail itself of any other and further remedies available to it at law or in equity. Customer agrees to pay all cost of collection, including attorney's fees, incurred by IDENDEC SOLUTIONS.

5. Confidentiality. The parties acknowledge that, during the course of their relationship, each party may receive or learn nonpublic information about the other, including but not limited to information and documents about: the other's employees, vendors, customers, affiliates and competitors; information about the other's methods of doing business, finances, goods and services, research and development, analysis, discoveries, inventions, improvements, source code, flow charts, logic diagrams, nonpublic data, databases and trade secrets; and nonpublic third-party information entrusted to the other in confidence (collectively "Confidential Information"). Confidential information does not include: (i) information known to the recipient at the time of disclosure; (ii) information that is or becomes known to third parties not under an obligation of confidentiality; (iii) information learned from a third party not under an obligation of confidentiality; (iv) independently developed information; and (v) information required by law or regulation to be publicly disclosed, to the extent so disclosed. Each party agrees that: (i) it shall use the others Confidential Information only as required to perform the party's duties as set forth in these Terms or any other binding agreement entered into by and between IDENTEC SOLUTIONS and Customer; (ii) it shall not disclose the other's Confidential Information without the others express prior written consent; (iii) it shall take reasonable precautions to safeguard the other's Confidential Information, and (iv) it shall return or destroy the others Confidential Information upon request. The obligations of this section shall survive any agreement entered into under these Terms for as long as such information remains Confidential Information.

6. Cancellation/Termination Customer may not cancel, terminate or change an order once placed with IDENTEC SOLUTIONS except with the prior written consent of IDENTEC SOLUTIONS and upon terms that will indemnify IDENTEC SOLUTIONS for any loss, including but not limited to, lost profit. If IDENTEC SOLUTIONS consents to or initiates cancellation of this order or termination of an underlying agreement or work order, Customer shall, at Customer's expense, return all delivered Products to IDENTEC SOLUTIONS, and/or provide written assurance by affidavit that all copies of software and documentation associated with the Products delivered have been destroyed.

7. Limited Warranty/Disclaimer/Limitation of Liability. IDENTEC SOLUTIONS warrants that at the time of delivery of the Products to Customer they will materially conform to IDENTEC SOLUTIONS' applicable specifications. This limited warranty shall expire upon one (1) year after delivery of the Products to Customer. Each Product shall be deemed accepted after a period of fourteen (14) days following delivery of the respective Product (defined as "Acceptance"). As Customer's exclusive remedy, IDENTEC SOLUTIONS will use its best efforts to either repair, replace, or refund the purchase price for any Product found by IDENTEC SOLUTIONS to have been materially nonconforming at the time of delivery, if Customer, promptly (however not later than ten (10) days after Customer's discovery of the nonconformity) sets forth in writing to IDENTEC SOLUTIONS information describing in reasonable detail the alleged defect in the Product, including the Product description, invoice number, shipment date, and such allegedly nonconforming Product is returned and received by IDENTEC SOLUTIONS within the abovementioned warranty period.

Samples, descriptions, representations, and other information concerning Products contained in IDENTEC SOLUTIONS catalogues, advertisements, or other promotional materials or statements or representations made by IDENTEC SOLUTIONS' employees or sales representatives are for general informational purposes only and are not binding upon IDENTEC SOLUTIONS. No employee or sales representative of IDENTEC SOLUTIONS shall have any authority whatsoever to establish, expand or otherwise modify IDENTEC SOLUTIONS' warranty. This limited warranty does not cover normal maintenance or items consumed during normal operation, nor normal wear and tear, misuse, abuse, unauthorized repair or alteration, lack of proper maintenance or damage caused by natural causes such as fire, storm, or flood. IDENTEC SOLUTIONS shall not be liable for transportation, labor or other charges for adjustments, repairs, replacements of parts, installation, or other work which may be done upon or in connection with the Products sold. This warranty shall not be deemed to have failed of its essential purpose so long as IDENTEC SOLUTIONS is willing and able to repair, replace or refund the purchase

price on any defective Products in the manner specified. No allowance will be made for repairs made by Customer. Except as herein provided, IDENTEC SOLUTIONS shall not be liable to Customer in any manner with respect to the Products. THE ABOVE ARE LIMITED WARRANTIES AND THEY ARE THE ONLY WARRANTIES MADE BY IDENTEC SOLUTIONS WITH RESPECT TO THE PRODUCTS, EXCEPT THAT IDENTEC SOLUTIONS AGREES TO PASS THROUGH ANY WARRANTIES EXTENDED FOR THIRD-PARTY PRODUCTS INCORPORATED INTO THE PRODUCTS, IF ANY. IDENTEC SOLUTIONS MAKES AND CUSTOMER RECEIVES NO OTHER WARRANTY WITH RESPECT TO THE PRODUCTS, EXPRESS OR IMPLIED AND IDENTEC SOLUTIONS DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. NO WARRANTY IS MADE REGARDING THE RESULTS OBTAINED BY THE USE OF THE PRODUCTS, THAT ALL ERRORS IN THE PRODUCTS WILL BE CORRECTED, OR THAT THE PRODUCTS' FUNCTIONALITY WILL MEET CUSTOMER'S REQUIREMENTS. IDENTEC SOLUTIONS SHALL HAVE NO LIABILITY WITH RESPECT TO ITS OBLIGATIONS UNDER THESE TERMS FOR CONSEQUENTIAL, PUNITIVE, EXEMPLARY, OR INCIDENTAL DAMAGES EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE STATED EXPRESS WARRANTY IS IN LIEU OF ALL LIABILITIES OR OBLIGATIONS OF IDENTEC SOLUTIONS FOR DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE DELIVERY, USE, OR PERFORMANCE OF THE PRODUCTS. NO ACTION OR PROCEEDINGS UNDER THESE TERMS, REGARDLESS OF FORM, MAY BE COMMENCED BY CUSTOMER MORE THAN ONE (1) YEAR AFTER THE CAUSE OF ACTION ACCRUES.

CUSTOMER ASSUMES ALL RESPONSIBILITIES AND OBLIGATIONS WITH RESPECT TO ANY DECISIONS MADE OR ADVICE GIVEN AS A RESULT OF THE USE OF THE PRODUCTS, AND FOR THE SELECTION OF THE PRODUCTS TO ACHIEVE CUSTOMER'S INTENDED RESULTS. CUSTOMER AGREES THAT IDENTEC SOLUTIONS' LIABILITY IN CONNECTION WITH THE PRODUCTS, WHETHER ARISING IN CONTRACT, NEGLIGENCE, STRICT LIABILITY IN TORT OR WARRANTY OR ANY OTHER LEGAL THEORY SHALL NOT EXCEED THE AMOUNT PAID BY CUSTOMER TO IDENTEC SOLUTIONS FOR THE NONCONFORMING PRODUCT. IDENTEC SOLUTIONS IS NOT AN INSURER WITH REGARD TO THE PERFORMANCE OF THE PRODUCTS. THE LIMITATIONS OF WARRANTIES, LIABILITIES AND REMEDIES ARE A REFLECTION OF THE RISKS ASSUMED BY THE PARTIES IN ORDER TO OBTAIN THE PRODUCTS AT THE SPECIFIED PRICE. CUSTOMER AGREES TO ASSUME THE RISK FOR: (i) ALL LIABILITIES DISCLAIMED BY IDENTEC SOLUTIONS CONTAINED HEREIN AND (ii) ALL ALLEGED DAMAGES IN EXCESS OF THE AMOUNT OF THE REMEDY PROVIDED HEREUNDER. THE ESSENTIAL PURPOSE OF THE LIMITED REMEDY PROVIDED CUSTOMER HEREUNDER IS TO ALLOCATE THE RISKS AS PROVIDED ABOVE.

8. Selection; Application; Infringement. Customer shall be solely responsible for proper selection, application, and use of Products, as well as the incorporation/integration of Products into other equipment or systems. Customer shall indemnify and hold IDENTEC SOLUTIONS harmless from and against any and all damages, liabilities, claims, or expenses (including reasonable attorneys' fees) arising out of or relating to (i) improper selection, application, installation, use or incorporation/integration of Products; (ii) infringement of any patent, trademark, copyright or other third party interest arising out of IDENTEC SOLUTIONS' compliance with any of Customer's designs, specifications, or instructions; or (iii) violation of any applicable laws or regulations, including but not limited to, US Export Controls laws. If IDENTEC SOLUTIONS requests, Customer shall defend IDENTEC SOLUTIONS, at its expense, in any such suit brought against IDENTEC SOLUTIONS. IDENTEC SOLUTIONS shall indemnify and hold Customer harmless against any and all damages, costs, judgments, settlements, penalties, reasonable attorneys' fees or other costs or expenses paid or incurred in connection with claims by any party arising from (i) a claim that Customer's authorized use of the Products infringe the patent or other intellectual property right of a third party. Notwithstanding the above, IDENTEC SOLUTIONS' obligations under this Section 8 shall not apply if and to the extent the claim arises from any of or relates to Customer's intellectual property rights, or any related breach by Customer of any provision under these Terms or any underlying agreement hereunder.

9. Security Agreement/Title in the Products. Customer hereby grants to IDENTEC SOLUTIONS a continuing purchase money security interest and a lien upon the Products in all Products sold and/or delivered to it and all cash and non-cash proceeds (including but not limited to accounts receivable) thereof (collectively, the "Collateral") to secure the full

payment of the purchase price of the Products and all other obligations of Customer to IDENTEC SOLUTIONS under this order, whether now owing or hereafter arising (the "Obligations"). This purchase money security interest covers future advances and shall attach to Collateral which constitutes after-acquired Collateral. Upon IDENTEC SOLUTIONS' reasonable request, particularly in the event of any default in payment by Customer, Customer shall promptly notify Customer's debtor of IDENTEC SOLUTIONS' rights in the accounts receivable or other Collateral. Customer shall maintain adequate insurance against casualty, loss, fire or theft of the Products for so long as the security interest is in effect.

10. Force Majeure. IDENTEC SOLUTIONS shall not be liable for delays or deemed in default for failure to deliver or otherwise perform due, directly or indirectly, to causes beyond IDENTEC SOLUTIONS' reasonable control, including but not limited to Customer's nonperformance of his/hers general responsibilities (see *IDENTEC SOLUTIONS Professional Services Agreement*), failure of third parties to provide adequate and conforming Products, failure to perform by other suppliers to IDENTEC SOLUTIONS, acts of God or nature, acts or omissions directly or indirectly caused by fire, flood, accident, riot, war, labor trouble or strike, embargo, shortage of labor, material, fuel or power, lack of transportation, compliance with governmental requests, laws, orders, or regulations, or any other causes beyond IDENTEC SOLUTIONS' reasonable control.

11. Choice of Law. These Terms and any ancillary agreements as well as any dispute or claim relating to them shall in all respects be governed by and construed according to the laws of the State of Texas, excluding this state's or any other jurisdiction's conflict of laws principles. In the event Customer and IDENTEC SOLUTIONS are located in countries which are parties to the 1980 United Nations Convention on the International Sale of Goods ("UNCISG"), the parties hereby agree that the purchase and sale of Products and any dispute or controversy relating thereto shall not be governed by the provisions of the UNCISG.

12. Mediation/Venue and Jurisdiction.

a) Mediation Request. In the event that the Parties are unable to resolve any material dispute regarding any matter related to these Terms and Condition or the performance hereunder, the Parties shall attempt to resolve such matter by sending a written notice to the other, and each Party shall cause its Chief Executive Officer or other executive officer with a similar level of responsibility and decision-making authority to communicate regarding the substantive (rather than procedural) matters in dispute, or meet, with the other Party in order to discuss and attempt in good faith to reach agreement on the matter(s) in question. If the Parties, within 30 days of their initial meeting or substantive (rather than procedural) communication, or after such other longer period as the Parties may agree upon in writing, are unable to reach agreement on such matter(s) to the reasonable satisfaction of both Parties, then within 10 days after the expiration of such 30 day period (or such longer period as is agreed by the Parties in writing), either Party may request in writing that the Parties initiate non-binding mediation hereunder (a "**Mediation Request**"). The Party receiving the Mediation Request shall have 20 days from the date on which the Mediation Request is received to deliver to the other Party a written response indicating whether it accepts or declines the Mediation Request; *provided* that failure to respond to a timely Mediation Request within such 20-day period shall be deemed to be a refusal of the Mediation Request. Upon acceptance of a Mediation Request, the Parties shall promptly commence the mediation proceeding in accordance with this Section 12a. In connection with any mediation pursuant to this Section 12a, the mediator shall be jointly appointed by the Parties and the mediation shall be conducted in Dallas, Texas, unless otherwise agreed by the Parties. No Party shall be obligated to attend mediation proceedings for more than five (5) days. The mediator shall deliver his or her non-binding settlement proposal to the Parties within 30 days upon his or her appointment. For the avoidance of doubt both Parties expressly acknowledge that it is in the sole discretion of either Party to accept or to decline a mediator's settlement proposal. The fees of the mediator shall be shared equally by the Parties. All mediation pursuant to this Section 12a shall be treated as settlement and compromise negotiations. Nothing said or disclosed, nor any document

produced, in the course of such mediation which is not otherwise independently discoverable shall be offered or received as evidence or used for impeachment or for any other purpose in any current or future arbitration or litigation.

If the Parties, within 30 days of their initial meeting or substantive (rather than procedural) communication, or after such other longer period as the Parties may agree upon in writing, are unable to reach agreement, and either (i) a Mediation Request has not been timely delivered in accordance with this Section 12, (ii) a Mediation Request has been timely delivered in accordance with Section 12a, but the Party receiving such Mediation Request has not accepted such Mediation Request, or (iii) a Mediation Request has been timely delivered and accepted, but the Parties have been unable to resolve the dispute within 10 days of the rendering of the mediator's non-binding settlement proposal, then either Party may refer the matter to jurisdiction in accordance with the procedures established in Section 12b below.

b) Jurisdiction and Venue. The forum having the proper exclusive jurisdiction and venue to adjudicate any claim, dispute or default which may arise out of the execution, delivery and performance of these Terms and Conditions and the transactions contemplated hereby or thereby shall be the U.S. District Court for the Northern District of Texas, in Dallas, Texas. The Parties expressly submit and consent to such jurisdiction and venue and specifically waive any and all rights it may have to contest the jurisdiction and/or venue of the above mentioned forums and to demand any other forum.

c) Waiver of Jury Trial. BOTH PARTIES EACH WAIVE ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER PARTY AGAINST THE OTHER ON ANY MATTER ARISING OUT OF THESE TERMS AND CONDITIONS OR OUT OF ANY AGREEMENT, INSTRUMENT OR DOCUMENT DELIVERED, OR WHICH MAY IN THE FUTURE BE DELIVERED, IN CONNECTION HERewith AND AGREE THAT ANY SUCH ACTION, PROCEEDING OR COUNTERCLAIM SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. BOTH PARTIES REPRESENT THAT THEY HAVE BEEN REPRESENTED IN THE EXECUTION OF THESE TERMS AND CONDITIONS AND THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, SELECTED OF THEIR OWN FREE WILL, AND THAT THEY HAVE HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

13. Miscellaneous. (a) Customer may not assign its rights or obligations hereunder without the prior written consent of IDENTEC SOLUTIONS and any purported assignment without such consent shall be void and of no effect. (b) Waiver of any breach or failure to enforce any Section of these Terms shall not be deemed a waiver of any breach or right to enforce which may thereafter occur. (c) These Terms, together with any other underlying agreement or work order, which shall be incorporated hereto, comprise the entire agreement between the companies, and supersede all prior representations and agreements, and can be only by a writing signed by officers of IDENTEC SOLUTIONS and Customer. (d) Any term herein found by a court of competent jurisdiction to be illegal or unenforceable shall be reformed automatically as necessary to cure the offending term, and the remainder that can be given effect shall be given effect and (e) Customer agrees that these Terms and Conditions are reasonable.

Valid as of June 1, 2010.