



GENERAL TERMS AND CONDITIONS FOR THE SALE OF BTS ID PRODUCTS

I. SCOPE OF APPLICATION

1. The General Terms and Conditions of BTS Scandinavia AB (hereinafter BTS ID), Box 5017, 250 05 Helsingborg, Sweden, VAT.No.: SE556339937601, shall apply exclusively to the sale of products and services and the Customer agrees to these Terms and Conditions when placing an order. Deviations from the BTS ID General Terms and Conditions shall only apply if they have been acknowledged in writing by BTS ID.
2. Conflicting conditions or conditions deviating from the BTS ID General Terms and Conditions or conditions by the Customer which change the contract are herewith rejected; they shall only be valid vis-à-vis BTS ID if BTS ID agrees to such changes in writing. This shall also apply in particular in the event that an order is placed with reference to the Customer's general terms and conditions.
3. The BTS ID General Terms and Conditions for the Sale of Products and Services shall also be the basis for all future transactions between the Customer and BTS ID.
4. A Customer who is a natural person acting as a sole trader is always considered to be a businessperson or trader. Only when a Customer explicitly, in writing, places an order as a private person, should they be considered as a natural person.

II. SCOPE OF DELIVERIES AND SERVICES

1. BTS ID may accept placed orders within four (4) weeks. Oral ancillary agreements shall only be binding on BTS ID to the extent that BTS ID confirms such agreements in writing. Orders sent by E-mail shall only be executed by BTS ID if this has been expressly agreed by BTS ID.
2. BTS ID unrestrictedly reserves all intellectual property rights and copyrights to cost estimates, drawings and other documents; they may only be furnished to third parties with the prior consent of BTS ID. All of the documents referred to in Section II Paragraph No.1) as well as the cost estimates, drawings and other documents pertaining to offers, which were handed or transmitted to the Customer, are to be returned promptly to BTS ID without waiting to be asked to do so once the order has been processed or has not been placed with BTS ID. The Customer's documents may be provided to such third parties to whom BTS ID has permissibly transferred deliveries or services.
3. With regard to deliveries of products, including but not limited to cards, chips and modules, BTS ID reserves the right to make customary and reasonable

changes to or divergences from the quantities delivered by up to plus or minus 10 % of the total quantity ordered. Such changes and deviations shall be considered in the agreed calculation of the remuneration.

4. Insofar as BTS ID agrees to the cancellation of an order in writing in individual cases -without any other legal obligation being incurred hereby - compensation in the amount of 20 % of the agreed price, plus any valued-added tax, shall be due and payable.
5. BTS ID is entitled to use the services of subsidiaries and other third parties as sub-contractors to perform BTS ID's obligations by virtue of this contract.

III. CUSTOMER'S DUTIES TO COOPERATE

1. The Customer shall provide BTS ID with access to the information required for BTS ID's activities at any time, and in particular, furnish documents and instruct the Customer's own employees to provide information. The Customer will inform BTS ID of all circumstances relevant to the effective provision of deliveries or services without waiting to be asked to do so.
2. At BTS ID's request, the Customer shall confirm in writing the correctness and completeness of the documents submitted and the information provided by the Customer.
3. If the Customer does not comply with its duty to cooperate despite a written warning notice and a deadline or if the Customer repeatedly and seriously infringes its contractual obligations, BTS ID shall be entitled to terminate the contract without notice. Apart from the assertion of this right of termination, BTS ID shall have a claim regarding compensation for any damage or loss incurred by the initiation of the reason for the termination or additional expenditure caused hereby. In any case, BTS ID shall have a claim to the total remuneration minus any expenditure not incurred.
4. All the duties of cooperation listed herein are essential primary duties of the Customer and are agreed as such.

IV. OFFER, PRICE

Offers by BTS ID are subject to change and are not binding, as a matter of principle, unless there is a concrete, customized and written application for the conclusion of a contract. To the extent that nothing else has been stipulated, BTS ID shall be consider itself bound by a concrete, customized and written offer and by the prices contained therein for twenty-one (21) days as of the date of its preparation. With deliveries, prices shall apply ex works, or as of the distribution warehouse designated in our order confirmation for the respective goods, including packing, plus the statutory value-added tax.



V. ORGANIZATIONAL GUIDELINES

1. BTS ID and the Customer shall each designate one contact person responsible for the project, who shall be able to give and accept binding declarations on behalf of that party. This contact person shall only be replaced by another person for good cause. At the same time, a deputy having the same powers is to be designated.
2. BTS ID personnel who will be providing services are subject solely to BTS ID's instructions and supervision. BTS ID itself or the person designated by BTS ID shall be the sole point of contact for the Customer with regard to all questions and demands.

VI. RETENTION OF TITLE

1. BTS ID retains title and ownership to the goods until all BTS ID's claims against the Customer arising from the business relationship, including any future receivables from any contracts concluded simultaneously or subsequently, have been paid. This shall also apply even if individual or all BTS ID's receivables have been incorporated into a current account and a balance has been struck and accepted.
2. In the event that the Customer is in breach of contract, in particular, if the Customer is in default of payment, BTS ID shall be entitled to take back the goods. BTS ID's action of taking back the goods does not mean a withdrawal from the contract, unless BTS ID had expressly declared this in writing. Seizure of the goods by BTS ID shall always mean a withdrawal from the contract. After taking back the goods, BTS ID shall be entitled to realize the goods; the proceeds of such realization are to be credited to the Customer's liabilities -after deducting reasonable realization costs.
3. The Customer is obliged to handle the goods with care; in particular, the Customer is obliged to insure the goods at the Customer's expense against damage or loss due to fire, water or theft at the value of the goods when new. Insofar as maintenance or care is required, the Customer must perform such work promptly at the Customer's own expense.
4. In the event of seizures or other third-party encroachments, the Customer must inform BTS ID hereof in writing immediately, so that BTS ID will be able to bring an action in accordance with 4 kap. 20 § Swedish Enforcement Code (Utsökningsbalk SFS 1981:774). To the extent that the third party is unable to reimburse BTS ID for the court and out-of-court costs of such lawsuit, the Customer shall be liable for the loss incurred by BTS ID.
5. The Customer is entitled to resell the goods during the ordinary course of business; however, the Customer shall already assign to BTS ID all the receivables in the amount of the final amount of the bill (including the value-added tax), which accrue to

the Customer from such resale against the Customer's buyers or third parties independently of whether the goods have been sold prior to or after processing. The Customer continues to be authorized to collect this receivable even after the foregoing assignment. BTS ID's authority to collect the receivable itself shall remain unaffected hereby. However, BTS ID undertakes not to collect the receivable for as long as the Customer meets its payment obligations from the proceeds received, is not in arrears of payment, and in particular, has not filed for the institution of insolvency or settlement proceedings and has not discontinued making payments. If this should prove to be the case, BTS ID may demand that the Customer discloses to BTS ID the receivables assigned and their debtors, provides all the information necessary for the collection of the receivables, hands over the pertinent documents and notifies the debtors (third parties) of the assignment.

6. The processing or reworking of the goods by the Customer shall always be undertaken on behalf of BTS ID. If the goods are processed together with other items belonging to BTS ID, BTS ID shall acquire co-ownership to the new goods at a ratio of the value of the goods (final amount of the bill, including the value-added tax) to the other intermixed items at the time of such intermixture. In other respects, the same shall apply to the item created through processing as for the goods delivered subject to retention of title.

If the goods are intermixed with other items not belonging to BTS ID, BTS ID shall acquire ownership to the new item at a ratio of the value of the good (final amount of the bill including value-added tax) to the other items intermixed at the time of the intermixture. If the intermixture is done in such away so that the Customer's item is to be regarded as the primary item, it is herewith agreed that the Customer shall transfer co-ownership to BTS ID proportionately. The Customer shall preserve BTS ID's sole ownership or co-ownership created in this manner.

7. BTS ID agrees to release the collateral due BTS ID on the Customer's demand to the extent that the realizable value of the collateral exceeds the receivables to be secured by more than 20%; the selection of collateral to be released shall be incumbent upon BTS ID.

VII. TERMS OF PAYMENT

1. Payments are to be made to BTS ID's pay office within the agreed time allowed for payment and without any deductions, or if nothing else has been agreed, payments are to be made promptly and net and without any deductions. The date on which BTS ID is unconditionally credited with the payment shall



determine compliance with the period for payment as well as with any other agreed terms of payment.

2. If the Customer does not comply with a notice to pay from BTS ID which is sent after the expiration of any agreed time allowed for payment, the Customer shall be in default by virtue of the notice. If a calendar day has been contractually stipulated for the payment, the Customer shall be in default without having received a notice to pay, if the Customer does not pay on time. In the event of default, BTS ID may insist on interest in the amount of 8 % over the base (lending) rate per annum. If BTS ID is able to prove higher losses as a result of the default, BTS ID shall be entitled to assert such higher losses. BTS ID's statutory rights remain unaffected hereby.
3. The Customer may only offset such receivable which are uncontested or have been finally adjudged and may only assert rights of retention, insofar as they are based on the same contractual relationship.
4. If at any time the Customer seems to be unable or unwilling to meet the terms of payment, BTS ID may require satisfactory assurance of full or partial payment as a condition to commencing or continuing delivery, and may, if shipment has been made, recover the goods from the carrier, pending receipt of such assurances. Upon default in payment the contract price shall be increased by all costs related to collection and by reasonable attorney fees.

VIII. DEADLINE FOR DELIVERIES OR SERVICES

1. Any binding or non-binding agreed delivery date must be put in writing. Compliance with delivery deadlines and delivery dates presupposes the timely receipt of all the documents to be furnished by the Customer, the required approvals, releases, timely clarification and approval of plans, and compliance with the agreed terms of payment and other obligations. If these prerequisites are not complied within time, the deadline shall be extended accordingly, or new delivery dates shall be agreed. Furthermore, BTS ID is entitled to demand compensation for any damage or loss incurred hereby.
2. For deliveries, a deadline shall be deemed complied with, if the ready-to-use shipment is dispatched within the agreed delivery or service period or has been fetched by a common carrier. In the event that the dispatch is delayed for reasons for which the Customer is responsible, the period shall be deemed complied with upon notification that the shipment is ready for dispatch within the agreed period. The remaining statutory prerequisites pertaining to a default in taking delivery shall remain unaffected hereby.
3. Delays in delivery and service due to Acts of God, or any circumstances or incidents which cannot be

prevented despite due care by the management - shall suspend BTS ID's contractual obligations for the duration of the disruption and the scope of its impact. Such circumstances or incidents entitle BTS ID to postpone the delivery or the service by the duration of the impediment plus a suitable start-up period or to withdraw from the contract either wholly or partly with regard to the not yet performed part of the contract. If such circumstances or incidents exceed the period of two (2) months, the Customer is entitled, after setting a suitable grace period, to withdraw from the contract regarding the not yet performed portion of the contract. The Customer shall not have any other claims.

4. BTS ID is entitled to make partial deliveries and render partial services at any time.

IX. PASSING OF RISKS

1. The risk of accidental loss and accidental worsening of the goods shall pass to the Customer -even with partial deliveries - once the goods are handed over, and in the event of a sales shipment, once the goods are delivered to the forwarding agent, the carrier or other persons or institution designated to execute the shipment. Packing will be done with the customary care. Goods will be shipped at BTS ID's best discretion. At the Customer's written request and expense, the shipment will be insured by BTS ID against damage due to breakage, transport and/or fire.
2. If the delivery or service is delayed for reasons for which the Customer is responsible, the risk shall pass to the Customer with the notification that the goods are ready to be shipped.

X. WARRANTY

1. The Customer undertakes to examine the goods delivered immediately for visible defects, and in particular, for obvious errors in quantity or obvious damage, and to report such to BTS ID in writing by no later than within two (2) weeks of receiving the goods; the assertion of warranty claims will be excluded otherwise. The timely dispatch of the notice of defects shall suffice to comply with this deadline. For invisible defects, the Customer undertakes to notify BTS ID in writing after their discovery, but by no later than within the period of limitation referred to pursuant to Section X.5 below. The full burden of proof for all the prerequisites for claims, in particular for the defects themselves, the time when the defects are ascertained, and the timeliness of the report shall rest with the Customer.
2. If the goods are defective, BTS ID reserves the right to first attempt to rectify the defect, either by subsequent delivery or by reworking (subsequent performance), as BTS ID chooses. In the event of



subsequent performance, BTS ID is obliged to bear all the expenses for this purpose, in particular, transport, labor and material costs, to the extent that such costs are not increased because the goods have been brought to a place that is different from the original destination.

3. If subsequent performance is impossible or is seriously and finally rejected by BTS ID overall, or if it would be unreasonable to expect the Customer to accept such remedy, the Customer shall be entitled to reduce the purchase price or to withdraw from the contract (rescission) at the Customer's option.
4. The Customer shall not have any claim for damages apart from such withdrawal referred to in paragraph 3 above and/or costs stated in paragraph 2 above.
5. The period of limitation for claims based on defective goods shall be one (1) year as of the delivery of the goods.
6. With regard to the quality of the goods, the manufacturer's product description only shall be deemed agreed. Public statements, praises or advertising of the manufacturer do not represent any contractual indication of the quality of the goods.
7. If BTS ID's statements pertaining to suitability, processing and application of its products are not complied with by the Customer, if changes are made to the products, if parts are replaced or modules are used, which do not correspond to the original specifications, BTS ID shall not be liable for defects, unless the Customer proves that the defects were not caused by or based on the aforementioned measures.
8. If the Customer receives defective assembly instructions, BTS ID shall merely be obliged to deliver assembly instructions that are free from defects and this only in the event that the defect of the assembly instructions prevents proper assembly.
9. The Customer is not receiving any guaranties from BTS ID in the legal meaning.

XI. RESTRICTIONS OF LIABILITY

1. In any case, BTS ID shall never be responsible to reimburse a Customer with an amount exceeding the purchase price of the damaged or disputed goods. In no case will BTS ID be considered responsible to compensate the Customer for any direct or indirect costs, damages, loss of data or loss of profit. The liability is to be limited to the purchased goods and will never include any type of other product or service provided by the Customer or third party involving the product sold by BTS ID.

XII. EXCLUSION OF SUBSEQUENT PERFORMANCE AND WITHDRAWAL FROM THE CONTRACT

1. If a deadline for performance set by the Customer has passed fruitlessly and if the Customer does not

comply with the subsequent request by BTS ID to inform BTS ID as to whether the Customer wishes to retain its claims to performance or demands compensation for damages instead of performance within another period set by the BTS ID for this purpose, the claim to performance will be excluded after the expiration of the suitable period associated with foregoing request for information.

2. Due to a breach of duty which is not based on a defect of the goods, the Customer may only withdraw from the contract if the circumstance justifying the withdrawal is based on a fault or negligence for which BTS ID is responsible. In the event of an insignificant breach of duty, withdrawal from the contract is excluded.
3. Furthermore, withdrawal from the contract is excluded in cases in which the Customer would only be statutorily obliged to receive compensation instead of a refund for the goods.

XIII. RIGHTS OF USE

1. BTS ID shall grant the Customer the non-exclusive, non-transferable right not limited in time or place to the contract territory to the results of the deliveries and services provided by BTS ID allowing the Customer to use such results for the contractually stipulated purpose. The Customer alone shall be liable to the proprietors of industrial property rights for any usage going beyond what was contractually stipulated and for any resulting breaches of Industrial property rights.
2. The use of deliveries and services provided by BTS ID for enterprises not affiliated with the Customer shall require an explicit written agreement. The Customer is obliged to notify BTS ID immediately of any infringements of Industrial property rights by third parties and to provide the requisite documents and knowledge to take actions to prevent unlawful encroachments.

XIV. SECRECY AND DATAPROTECTION

1. The Customer is obligated to keep all sales documents, specifications and price lists received, as well as other documents and information ("confidential information") secret and to impose this obligation on its vicarious agents and employees accordingly. Items owned by BTS ID are to be stored so that they cannot be made accessible to unauthorized third parties. Confidential information and items owned by BTS ID may only be disclosed to third parties with BTS ID's express consent. This duty of secrecy shall also apply after this contract has been completed for a period of two (2) years.
2. Unless otherwise expressly agreed in writing, the information submitted to BTS ID in connection with orders shall not be deemed to be confidential.
3. BTS ID is authorized, as part of the intended purpose



of this business relationship, to process the personal data entrusted to BTS ID or to have such data processed by third parties in compliance with the data protection provisions.

4. BTS ID may include the Customer's name in its own list of references.

XV. THIRD-PARTY INDUSTRIAL PROPERTY RIGHTS

1. BTS ID shall never be liable for breaches of industrial property rights nor be responsible to defend the Customer at BTS ID's own expense against claims asserted against the Customer deriving from an alleged breach of industrial property rights and copyrights due to the results from the deliveries or goods provided by BTS ID.

XVI. LEGAL SUCCESSION, REORGANIZATION

1. Insofar as BTS ID undergoes a reorganization through change in its legal form while preserving its identity or through a change in its legal personality due to a merger, split-up or transfer of assets, the contract concluded by and between BTS ID and the Customer, together with all the rights and duties pertaining thereto, shall be continued with the newly formed or acquiring legal entity. Furthermore, BTS ID shall be entitled to transfer the contracts concluded by and between BTS ID and the Customer to a company affiliated with BTS ID, together with all the rights and duties pertaining thereto without the Customer's consent.
2. Moreover, BTS ID shall be entitled, to use the services of any company affiliated with BTS ID and other third parties as sub-contractors to fulfill its obligations by virtue of this contract without the Customer's consent. In this case too, BTS ID is responsible for the contractually stipulated performance of the agreed obligations and vis-à-vis the Customer, BTS ID is also responsible for deploying enough qualified personnel to provide the services, to administer their claims to leave and to grant leave.

XVII. FORUM AND VENUE, APPLICABLE LAW

1. Any dispute, controversy or claim arising out of or in connection with these General Terms and Conditions for the Sale of Products and Services shall be finally settled by Swedish courts, with Helsingborg district court as first instance.
2. The General Terms and Conditions for the Sale of Products and Services and any legal matters connected therewith, as well as all legal relationships between BTS ID and the Customer, shall be governed by and interpreted in accordance with Swedish law, disregarding its conflict of laws principles, to the

exclusion of all international and supranational treaties and legal regimes, in particular the UN Sales Convention (United Nations Convention on Contracts for the International Sale of Goods).

XVIII. SPECIAL SUPPLEMENTARY TERMS AND CONDITIONS FOR SERVICES PROVIDED BY BTS ID PROJEKTS

1. BTS ID shall provide its services at its own discretion through its bodies, employees or subcontractors, i.e. the project team. BTS ID may replace the project team either wholly or partly.
2. BTS ID shall render its services at its respective branch office, as a matter of principle. As needed, the parties shall reach an agreement concerning the provision of services on the Customer's premises.

XIX. WARRANTY

1. Telephonic information provided by BTS ID shall only be binding to the extent that it is confirmed by BTS ID in writing.
2. If BTS ID has presented the results of its activities in writing, then only the written presentation shall prevail. Oral explanations and information by employees of BTS ID shall always be non-binding.

XX. TERMINATION OF THE CONTRACT

1. The parties to this contract may terminate this contract even without the existence of good cause at any time with a notice period of three (3) months to the end of a month. In the event of a termination by the Customer, BTS ID's claim to remuneration in accordance with BTS ID's current price list will remain preserved to the full extent; the whole remuneration shall be due for payment once the termination takes effect, without any offsetting of expenditures not incurred or other income obtained or obtainable.
2. Either party may terminate this contract without notice, insofar as the other party has committed a serious breach of contract and such breach of contract is suitable for triggering considerable disadvantages when regarded from a reasonable commercial point of view. If BTS ID terminates the contract, then the provision in Section IV.1 above shall apply with respect to the remuneration.
3. These provisions shall not affect any claims for damages that the party terminating the contract might have.
4. Terminations must be made in writing to be valid.