

**GENERAL TERMS AND CONDITIONS OF SALE**  
**Gemalto, Inc. (USA)**

1. **APPLICABLE TERMS:** It is agreed that sales of products and/or services or licensing of software hereunder are made expressly conditioned upon the Terms and Conditions contained herein, and to the extent of any conflict these shall take precedence over any terms and conditions which may appear on your ("Buyer's") own Purchase Order, commercial or other documents, unless expressly accepted by the contracting Gemalto entity ("Seller") in writing. Any proposal for additional or different terms or any attempt by Buyer to vary in any degree any of these terms is hereby objected to and expressly rejected. Buyer's placement of a Purchase Order, acceptance of and/or payment for the products, software or services offered by Seller shall constitute express acceptance of these Terms and Conditions, without modification. The Parties acknowledge and agree that Seller would not offer for sale the products or services or for license the software without acceptance of these Terms and Conditions by Buyer. Notwithstanding the foregoing, if there is a pre-existing contract between the parties that expressly governs transactions such as this between the parties, the conditions of such agreement shall apply.
2. **PAYMENT TERMS:** All invoices are due and payable thirty (30) days from date of invoice in the manner set forth in Seller's quotation, provided that Buyer's creditworthiness is established in advance by Seller. If not so established, payment shall be made in advance. For any amounts payable to Seller that are unpaid after thirty (30) days from date of invoice, Seller may without prejudice to any other rights, either suspend delivery to Buyer, ship any future order only upon pre-payment, terminate the contract, and/or charge Buyer a finance charge of 1.5% per month on the unpaid balance (up to the maximum amount permitted by law). No payment due to Seller shall in any circumstances be offset against any sum owed by Seller to Buyer whether in respect to the present transaction or otherwise. No discount for early payment is authorized. In the event any proceeding is brought by or against Buyer under any bankruptcy or insolvency laws, Seller shall be entitled to cancel any order then outstanding and shall receive reimbursement for reasonable cancellation charges. Seller shall retain a purchase money security interest in all products delivered hereunder until all associated invoices therefor are paid in full, and Buyer shall execute any documentation reasonably requested to enforce such security interest.
3. **TAXES:** All prices are exclusive of any present or future sales, revenue, or excise taxes, customs or duties, or other tax applicable to the products or services covered by this order or the manufacture or sale thereof. Such taxes, when applicable, shall be added to the invoice and shall be paid by Buyer, unless Buyer provides Seller with the proper tax exemption certificates. Buyer shall indemnify, defend, and hold Seller harmless from any and all assessments levied by a proper taxing authority for any taxes applicable to the products or services sold hereunder, including any interest, penalties, or late charges due to Buyer's failure to pay such taxes in a timely manner.
4. **DELIVERY TERMS:** Unless otherwise specified in Seller's quotation, all sales are made FCA (Incoterms 2010) from the Seller's shipping point. Risk of Loss shall pass to Buyer at point of shipment. Seller's liability for shipment and delivery ceases upon delivery of products in good condition to shipping company or common carrier designated by Buyer, or Buyer's representative or employee. Except as provided herein, Seller shall have no responsibility to store any products for Buyer except as may be required during manufacturing or processing. Products placed in segregated inventory at the request of Buyer shall be deemed to have been delivered to Buyer at the time such products are placed into segregated inventory whereupon Seller may charge to Buyer a reasonable storage fee and Buyer shall be responsible for any loss thereto, except for losses resulting from Seller's gross negligence. All stipulated delivery or shipment dates are estimates only. Seller reserves the right to make deliveries of products in installments, and any delay in delivery, or other default of any installment of any one or more products, shall not relieve Buyer of its obligation to accept and pay for the remaining deliveries. If delivery is delayed due to Buyer, Seller may store the Products at Buyer's risk and issue an invoice for the product as if was delivered.
5. **CARD QUANTITIES:** Quantities specified in quotations are for uninterrupted production and one shipment to one destination, unless otherwise specified. Quantity variations of plus or minus 10% shall constitute an acceptable delivery and the excess or deficiency shall be billed proportionally.
6. **INSPECTION AND ACCEPTANCE:** Buyer shall inspect and accept or reject products within ten (10) days from delivery thereof. If Buyer fails to notify Seller in writing of its rejections and the reasons therefore within such time period, the Buyer will be deemed to have accepted such shipment and waived any right to later reject the products.
7. **CANCELLATIONS, RETURNS AND CHANGES:** Orders may not be cancelled, suspended, changed or returned without written consent of Seller. Products cannot be returned except pursuant to Section 9 (Warranties). If, after an order is accepted by Seller, Buyer requests changes to delivery location/term, specification, or quantity, and such changes are accepted by Seller, Seller shall prepare a quotation. If accepted by Buyer, the order shall be amended. Cancellation fees will apply pursuant to the terms set forth in Gemalto's terms and conditions as well as stated in the offer provided. In the event Buyer has a signed agreement with us, the terms of that agreement shall have precedence over the terms herein.
8. **CARD ART, PROOFS AND COLOR MATCH:** (a) Art Work: Prices for custom-manufactured cards are based on camera-ready art available from Buyer. Artwork developed by Seller at Buyer's request will be charged at current rates. Art and designs created by Seller shall remain Seller's exclusive property, including electronic media, negatives, positives and printing plates (to be disposed of at Seller's convenience in a secure manner). (b) Proofs: Only four-color process designs require press proofs and Buyer approval before production run. All proofs requested will be quoted separately. (c) Color Match: Colors will be matched within reasonable commercial variations.
9. **WARRANTIES:** (a) Warranties. Seller warrants that at the time of delivery the products furnished hereunder will, under normal and proper use, be free from defects in material and workmanship and conform to Seller's applicable standard written specifications for a period of one (1) year from delivery. Any software licensed hereunder, subject to Section 13, shall meet Seller's specifications for a period of ninety (90) days from date of delivery. Seller warrants the services provided to Buyer shall be done in accordance with generally accepted industry standards. Buyer's only remedy and Seller's sole obligation under this Section is limited to, at Seller's option, replacing or repairing any products or software, re-performing the service or, refunding the amounts paid by Buyer for the product, software or service that does not meet the warranties set forth in this Section 9. The foregoing obligations only apply when (i) written notice of non-conformance is received before the expiration of the warranty period and no later than thirty (30) days after Buyer knows or should know of such defect; (ii) in the case of products and after Seller's authorization in accordance with Seller's RMA (Return Merchandise Authorization) process, if applicable, such products are returned to Seller's original shipping point, freight charges prepaid; and (iii) after Seller has confirmed the non-conformance. Any repair or replacement shall not extend the period within which such warranty can be asserted. (b) Exclusions. The relevant warranty shall not apply to products or software which have

been subjected to operating and/or environmental conditions in excess of the maximum values therefore in the applicable specifications or otherwise have been subjected to post-processing (except as provided herein), misuse, tampering, neglect, improper installation, abnormal stress, repair, modification, alteration, or damage. Seller is not responsible for defects or non-conformance to Seller's specifications if product is produced according to Buyer's specifications or approved proofs, colors, or test cards. Seller does not and shall not warrant that the products or software will be free from errors or resistant to all possible efforts to defeat or disable its functions, including its security mechanisms, and shall not incur, and disclaims, any liability in these respects. The software warranty is only valid for products in which the software used have been supplied or approved by Seller and neither the software nor hardware has been modified in any way. THIS WARRANTY MAY BE ASSERTED BY BUYER ONLY, NOT BY BUYER'S CUSTOMERS OR USERS OF THE BUYER'S PRODUCTS AND IS IN LIEU OF ALL OTHER WARRANTIES EXPRESS, IMPLIED, OR STATUTORY, INCLUDING ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY AND NON-INFRINGEMENT, AND OF ALL OTHER OBLIGATIONS OR LIABILITIES ON THE SELLER'S PART.

10. LIMITATION OF LIABILITY: Buyer's exclusive remedy and Seller's total liability for any and all losses and damages from any cause whatsoever arising from or related to or arising out of the products, software, service and these Terms and Conditions (whether such cause be based in contract, negligence strict liability, tort, indemnity, warranty or otherwise) shall in no event exceed the lesser of (i) purchase price paid under the order that gave rise to the claim and (ii) total price actually paid to Seller during the six months prior to the claim for damages for the product, software or service that is the basis of the claim. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT OR PUNITIVE DAMAGES RESULTING FROM ANY SUCH CAUSE. THESE LIMITATIONS SHALL APPLY EVEN IF ANY LIMITED REMEDY FAILS IN ITS ESSENTIAL PURPOSE. Buyer acknowledges that using or selling products or software in devices or systems, or use of Seller's service in connection therewith, where malfunction may result in personal injury, death, damage to property or the environment is at Buyer's own risk and agrees to indemnify and hold Seller harmless from all loss, expense and damages (including reasonable attorney's fees) which may be incurred by Seller as a result of any claims or actions resulting from damages caused by the use of the products, software or services in or with such devices or systems by Buyer or any party to whom the Buyer has directly or indirectly supplied Seller's product, software or service.

11. FORCE MAJEURE: Seller shall not be liable to non-performance or delays caused by act of God, wars, riots, strikes, fires, floods, shortages of labor or materials, labor disputes, governmental restrictions or any other causes beyond its reasonable control, impeding or making unreasonably costly the fulfillment of the obligation under this contract. In the event of any such excused delay of failure of performance or a failure of performance on the part of Buyer or any of its subcontractors, the date of delivery shall be deferred for a period equal to time lost by reason of the delay.

12. INDEMNITY: Buyer shall hold Seller harmless against any expense or loss resulting from infringement of any patent arising from compliance with Buyer's designs, specification or instructions. Except as provided in the preceding sentence, subject to the limitations in Section 10 and pursuant to the terms and conditions of this Section 12, Seller shall indemnify Buyer for a claim that any product (or part thereof) manufactured by Seller and furnished under these Terms and Condition constitutes a direct infringement of any United States patent, provided Seller is promptly notified in writing and given authority, information and assistance (at Seller's expense) for the settlement of defense of same. Seller shall have no obligation for indemnification where such claim is based upon (a) any use of the product not in accordance with these Terms and Conditions, (b) any modification of the product by any person other than Seller, (c) use of the product in combination with product, business process, software, data or equipment if the infringement was caused by such use or combination, regardless of whether or not the product or elements of the product are a material part of the infringement, (d) any content and/or materials introduced or made available in or through the product by Buyer, Buyer's client(s), end users, and/or any third parties, (e) damages attributable to the value of the use of a non-Seller product, service, data or business process, (f) the infringement of any method or process in which any product may be used but not covering the products when used alone, (g) the use of the product other than as permitted in the related documentation or Section 9 or (h) use of the product(s) during any time period after Seller has notified Buyer to discontinue use of the same. Subject to Sections 10 and 12, Seller shall pay the damages and costs awarded against Buyer, or agreed upon in such settlement therein, for which Seller has an indemnification obligation under this Section 12. Seller may (at its option and expense) take one of the following actions: (i) procure for Buyer the right to continue using said product or part, or (ii) furnish a non-infringing product, or (iii) modify the product so it becomes non-infringing, or (iv) refund the purchase price and transportation cost thereof upon return authorized by Seller. For the purpose of this Section 12, "product" includes product and/or software. THE FOREGOING STATES THE ENTIRE LIABILITY OF SELLER FOR PATENT INFRINGEMENT BY SAID PRODUCTS OR ANY PART THEREOF.

13. SOFTWARE: All software (whether in source or object code) transferred to Buyer is hereunder considered by Seller to be an unpublished work and is protected under the copyright laws of the United States. Buyer agrees that ownership of all copyright and other intellectual property rights of whatever nature that subsist or may subsist in any Seller-created software (whether in source or object code), specifications, drawings, plans, designs, flowcharts, and technical documents and Information supplied by Seller to Buyer are and shall be held exclusively by Seller. Buyer agrees to keep confidential and not to modify or make any copy of any such software, specifications, drawings, plans, designs, flowcharts and technical documents and information except as expressly approved in writing by Seller. Buyer is granted a limited non-exclusive, non-sub licensable, non-transferable license to use any software, supplied with or incorporated in the products, only on such products or, if software is provided separately, to use pursuant to Seller instruction for providing goods or services to Buyer's end users. Buyer further agrees not to reverse compile or reverse engineer the software. Buyer retains its intellectual property rights to any supplied information, specifications, plans, designs, flowcharts and technical information provided by Buyer to Seller. All other rights are reserved to Seller.

14. GOVERNMENT END-USERS: If any products or software is acquired by or on behalf of a unit, department, agency or other entity of the U.S. Government (the "Government"), this provision applies. . If a user of a product is Government entity, the use, duplication, reproduction, release, modification, disclosure, or transfer of such product, or of any related documentation of any kind, including technical data, is restricted in accordance with Federal Acquisition Regulation ("FAR") 12.212, Defense Federal Acquisition Regulation Supplement ("DFARS") 227.7202, subparagraph (c)(1)(ii) of the Rights in Technical Data and Computer Software clause at DFARS 252.227-7013 or subparagraphs (c)(1) and (2) of the Commercial Computer Software-Restricted Rights at 48 CFR 52.227-19, as applicable. Any software licensed or otherwise provided hereunder (i) was developed at private expense and no part of it was developed with Government funds; (ii) is a trade secret of Seller for all purposes of the Freedom of Information Act; (iii) is "commercial computer software" subject to limited utilization as provided in the contract between the vendor and the governmental entity; and (iv) in all respects is proprietary data belonging solely to Seller. When regulations of the Department of Defense (DOD) are applicable, this software is sold only with "Restricted Rights" as that term to defined in the DOD Supplement to the Federal Acquisition Regulations, 52.227-7013. Use, duplication or disclosure is subject to restrictions of the Rights In Technical Data and

Computer Software clause at 52.227-7013 Manufacturer: Gemalto, Inc. If this software was acquired under a GSA Schedule, the Government has agreed to refrain from changing or removing any Insignia or lettering from the software that is provided or from producing copies of manuals or disks (except one hard disk copy and one backup or archival copy) and (i) title to and ownership of the software and related documentation and any reproductions thereof shall remain with Seller; (ii) use of this software and related documentation shall be limited to the facility for which it is acquired; and (iii) if use of the software is discontinued at the Installation specified in the purchase/delivery order and the Government desires to use it at another location it may do so by giving prior notice to Seller, specifying the type of computer and new locations site

15. WAIVER OF JURY TRIAL: BUYER AND SELLER EACH IRREVOCABLY WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THESE TERMS AND CONDITIONS.

16. MODIFICATIONS: These Terms and Conditions constitute the entire agreement between the parties relating to the sale of the products, software or services described in a quotation, and no addition to or modification of any provision herein, shall be binding upon Seller unless made in writing and signed by a duly authorized officer of Seller. Buyer has not relied on any representations, oral or written, except as are made in or expressly referenced by this document or Seller's quotation.

17. GOVERNING LAW: The validity, performance, and construction of this Agreement shall be governed by the laws of the State of New York. The provisions of the United Nations Convention on Contracts for the International Sale of Goods (CISG) shall be excluded.

18. EXPORT LAW: Regardless of any disclosure by Buyer to Seller of the contemplated destination of the products; Buyer shall not export, directly or indirectly, any product acquired hereunder (or the direct product of any software product) without first obtaining an export license from the US Department of Commerce or other agency of the US Government as required.

19. TEST PRODUCTS: The provisions of Sections 8, 9, 12, and do not apply for Test Products purchased from Gemalto. Test cards, and the related software used with the test cards, (collectively, "Test Products") are provided "as is, with all faults". GEMALTO DISCLAIMS ALL LIABILITY FOR TEST PRODUCTS. Test Products are not intended for commercial use, only internal test environments.

**End of Terms and Conditions**