

## **SUPPLEMENTAL TERMS AND CONDITIONS OF SALE FOR SILICON PRODUCTS**

**1) SCOPE.** These terms and conditions apply to all bids, quotations and orders for the sale of the Silicon family of products (“*Silicon Products*”) by DigitalPersona, Inc. d/b/a Crossmatch (“*Crossmatch*”). These terms and conditions represent the sole understanding between Crossmatch and Purchaser with respect to the purchase and sale of the Silicon Products. Crossmatch's failure to object to provisions contained in any communication from Purchaser shall not be a waiver of these terms and conditions.

**2) DEFINITIONS.** For the purpose of this Agreement, “Products” means as follows:

“*Silicon Products*” include Application Specific Standard Products, Custom or Semicustom Products, Prototype or Pre-production Units and Development Kits and Evaluation Units in the Silicon Product family.

“*Application Specific Standard Silicon Products*” (hereinafter referred to as “Standard Products”) are those Silicon Products manufactured to Crossmatch’s (or its supplier's) specifications and intended for use in a specific application but available for sale to all customers. Silicon fingerprint sensor chips fall within this category of Product.

“*Custom*” or “*Semicustom Silicon Products*” are those Silicon Products manufactured in whole or in part to a specific customer's specifications and identified by a distinctive custom part number.

“*Prototype or Pre-Production Units*” are sample sensor chips in the Silicon Product family provided as engineering evaluation units which have not been fully qualified and/or manufactured in production quantities, have not been commercially introduced/released, are provided “AS IS” and without a Product warranty.

“*Development Kits and Engineering Evaluation Units*” are those Silicon Products sold for the purpose of customer application software and hardware development and engineering evaluation.

“*Use Restrictions*” are those permitted uses and restrictions for the Silicon Products. Purchaser **MAY NOT** develop or sell, or enable any of its or their distributors, resellers or sales representatives to sell, any Products for use in or with any devices or components within the Consumer Electronics Field defined as:

- a) personal computers (portable and desktop);
- b) tablet and slate style computing devices;
- c) handheld electronic and/or handheld communication devices (i.e., smartphones, digital music players, multi-function devices, etc.);
- d) any device whose function includes the creation or consumption of digital media;
- e) any component or sub-component used in any of the foregoing; and
- f) any accessory or peripheral device that is suitable for use in any of the products set forth above.

***Exceptions to the Use Restrictions are:***

***Exception 1:*** The Consumer Electronics products are mass storage memory products that connect to computing

devices via an industry standard Universal Serial Bus (USB) Type A or Type B connection and protocol.

***Exception 2:*** The Consumer Electronics products are ultimately sold to commercial or government end users; AND whose sole or predominant function of the products is to provide: (1) secure access to a facility; (2) secure access to commercial or government network services; or (3) government-certified biometric authentication functionality based on the Federal Information Processing Standard Publication 201.

***Exception 3:*** On a case by case basis subject to prior written approval, Company may be permitted to use TouchChip Product Line otherwise restricted in (f) pursuant to a separate written agreement with Crossmatch.

**3) MINIMUM ORDER RELEASE.** Minimum order and shipping release quantities are defined by product-specific minimum line quantities (MLQs) as stated in the Crossmatch’s quote. Orders for less than MLQ (or multiple thereof) will be automatically increased to meet minimum/multiple requirements. Exceptions to the MLQ requirement must be specifically negotiated between Purchaser and Crossmatch.

**4) LIMITED EQUIPMENT WARRANTY.** In addition to the Limited Warranty terms stated in Crossmatch’s Silicon Product Limited Warranty, Crossmatch's warranty does not apply if, and Crossmatch shall have no liability for Silicon Products returned by Purchaser as to which Crossmatch's examination discovers that:

- i) Silicon Product is “burned in” and/or tested for Purchaser by anyone other than Crossmatch unless such procedures have Crossmatch's prior written approval; or
- ii) the Silicon Product is classified as other than a commercial production unit, e.g., a design verification unit, sample, pre-production unit, developmental unit, prototype unit, incomplete (with notice) or “fallout” (i.e. out of specification with notice) unit.

All warranty claims are subject to verification by Crossmatch.

The Limited Warranty terms stated in the Crossmatch Silicon Product Limited Warranty are the only warranties made by Crossmatch for the Silicon Products and shall not be enlarged by representations, descriptions, course of dealing, trade usage, rendering of technical advice, service, samples, models, or otherwise.

### **5) USE RESTRICTIONS**

Purchaser must adhere to the Use Restrictions set forth herein.

**Purchaser must require any of its End Users, developers or sales representatives to comply with the Use Restrictions set forth herein. Purchaser shall provide Crossmatch with the FOU Certification (in the form provided by Crossmatch) signed by each End User or, in the alternative, Purchaser shall provide to Crossmatch a contact name, number and email address for the End User so that Crossmatch may obtain the FOU Certification directly from the End User.**

Any material or repetitive breach of the restrictions contained herein by Purchaser or Purchaser's direct or indirect distributors, Purchasers or sales representatives shall constitute a material breach. The Use Restrictions shall survive any expiration or termination of the Agreement.

When ordering Silicon Products, Purchaser shall provide the End Use for each Silicon Product part number ordered in its purchase order to Crossmatch.

#### **6) SOFTWARE PRODUCT LICENSE**

The software shipped with Silicon Products (or independent and standalone of Silicon Products) is protected by copyright laws and international copyright treaties, as well as other intellectual property laws and treaties. The Silicon Product software is licensed, not sold, and subject to the Use Restrictions, is only authorized for use and distribution in conjunction with subparagraphs i) and ii) below. By installing, copying, or otherwise using the Silicon Product software, Purchaser agrees to be bound by the following terms:

- i) Software - For each purchase of a Silicon Product, the Purchaser obtains one (1) Silicon Product software license that grants distribution/re-distribution rights of the software in conjunction with Silicon Products. The Silicon Product software license is specific and non-transferable, except Purchasers are authorized to permit contracted third party subcontractors and/or designated contract manufacturers the right to use the Silicon Product software for Purchaser's specific applications and production purposes. This applies to individual Product purchases as well as Crossmatch's Silicon Development Kits and Tools. Purchaser may install and use one (1) copy of the Silicon Product software, or in its place, any version for the same operating system but only on a single system, which incorporates Silicon Product. Silicon Product software may only be used in conjunction with the Silicon Product.
- ii) Storage/Network Use - Purchaser may also store or install a copy of the Silicon Product software on a storage device, such as a network server, used only to install or run the Silicon Product software on Purchaser's other computers over an internal network; however, Purchaser must acquire and dedicate a Silicon Product for each separate computer on which the Silicon Product software is installed or run from the storage device. A license for the Silicon Product software may not be shared or used concurrently on different computers or with other biometric reading devices.

Descriptions of other rights and limitations.

- i) Limitations on Reverse Engineering, Decompilation, and Disassembly - Purchaser may not reverse engineer, decompile, or disassemble the Silicon Product software.
- ii) Separation of Components - The Silicon Product software is licensed as a single unit. Its component parts may not be separated for use on more than one computer or for other applications.

- iii) Rental - Purchaser may not rent or lease the Silicon Product software.
- iv) Use - Purchaser may only use Silicon Product software with Silicon Products and in accordance with the Use Restrictions.
- v) Any use restrictions or limitations in Section shall survive any expiration or termination of the Agreement.