

STANDARD TERMS AND CONDITIONS

For the purposes of the AGREEMENT:

“**Agreement**” means these standard Terms and Conditions and any other duly signed agreement, application form and/or warranty referenced to these standard Terms and Conditions, that relate to a specific transaction between Ideco and any customer including a Purchaser, Distributor or Ad hoc customer.

1. DEFINITIONS

For the purposes of this agreement:

- 1.1. “**Ad hoc customer**” means any customer, approved by Ideco that purchases product and services from Ideco that is not a Purchaser or a Distributor. Hereafter known as the Purchaser unless otherwise specified;
- 1.2. “**Application form**” means the application form which shall include, but not be limited to, the details of the transacting parties and associated requirements in respect of the product and shall incorporate the Terms and Conditions contained in this agreement;
- 1.3. “**Customer property**” means items that have been provided to Ideco for replacement or repair;
- 1.4. “**Distributor**” means the entity defined as such in the duly signed agreement, application form or order. Hereafter known as the Purchaser;
- 1.5. “**Purchaser**” means the entity identified as such in the duly signed agreement, application form or order. Hereafter known as the Purchaser;
- 1.6. “**Ideco**” means Ideco Biometric Security Solutions (Proprietary) Limited;
- 1.7. “**Opting out**” means the option for users to request that Ideco remove their data from the database;
- 1.8. “**Order**” means a written order placed on and accepted by Ideco from time to time for the supply of the product;
- 1.9. “**Personal information**” means any data that is provided by individuals and organisations to Ideco in the normal course of business;
- 1.10. “**Product**” means the full range of biometric equipment, related services, training and software applications for use in access control (logical and physical), time and attendance and identity management as distributed by Ideco from time to time;
- 1.11. “**Purchaser**” means Distributors, Purchasers and Ad hoc Customers unless otherwise specified;
- 1.12. “**Surety**” means the duly authorised representative as identified in the application form who will stand surety for the obligations of the Purchaser in terms of the provisions of this agreement;
- 1.13. “**Territory**” means the territory as defined in the application form;
- 1.14. “**Training**” means any training which is necessary with regards to the sale, use and/or functionality of the product. Training will be provided by Ideco at the prevailing price and at a mutually agreed time at Ideco’s premises.

2. SCOPE OF THE AGREEMENT

- 2.1. These Terms and Conditions are applicable to all product purchased from Ideco and it is the obligation of the Purchaser to ensure that they have read and fully understood the clauses contained herein;
- 2.2. Ideco will on acceptance of an order placed by the Purchaser supply the product, services and applications as specified within the accepted order, pursuant to the Terms and Conditions of this agreement and any related duly signed applications, agreements and warranties;
- 2.3. Such supply is expressly limited to the Terms and Conditions of this agreement notwithstanding any contrary provisions contained in the Purchaser’s orders, invoices, acknowledgements or other communications;
- 2.4. The details regarding the product (specifications, price and quantities) shall be contained within the order;
- 2.5. Notwithstanding any of the terms of this agreement all product is provided within the specific manufacturer’s warranty and Ideco makes no additional warranties in regard to such a product;

2.6. Supply of the product shall be contained within the relevant application form and be subject to stock availability.

3. PRICE, PAYMENT AND TERMS

- 3.1. The prices payable for product and service are the prices as listed in the Ideco price list that is applicable at the time of purchase and any deviation from the list price must be in writing and approved by both parties;
- 3.2. Ideco reserves the right to amend its prices without notice;
- 3.3. The Purchaser shall pay in cash the amount specified on the tax invoice issued by Ideco in respect of the supply of the product by payment against collection of the product from Ideco's premises by the Purchaser; or if the Purchaser is a credit approved customer, within the granted credit period as specified on the application form after a tax invoice is issued by Ideco;
- 3.4. All payments to be made by the Purchaser to Ideco shall be made free of deduction, set-off, bank charges or commission;
- 3.5. All prices are quoted ex VAT and or other applicable taxes unless otherwise specified in writing;
- 3.6. Until such time as the Purchaser has paid in full in respect of each unit of the product ordered by the Purchaser, the ownership in and to each unit of the product shall remain with Ideco.

4. SUPPLY OF THE PRODUCT

- 4.1. Ideco may refer a Purchaser to any of the Partners or Distributors within its distribution channel for supply of the product;
- 4.2. The Purchaser acknowledges that it is his sole responsibility to determine that the product ordered is suitable for the purposes of the intended use of the product by the Purchaser and/or its customers;
- 4.3. No order for any of the product shall be processed by Ideco until it has been received in writing by Ideco. Ideco shall be entitled to reasonably refuse any order placed by the Purchaser and Ideco shall under no circumstances be liable to the Purchaser if for any reason Ideco refuses to accept, fails to deliver and/or fails to deliver timeously any order or part thereof placed with Ideco by the Purchaser;
- 4.4. Delivery, and/or performance times given, as the case may be, are merely estimates and are not binding on Ideco;
- 4.5. The risk in and to the product shall pass from Ideco to the Purchaser upon the date of delivery thereof by Ideco to the Purchaser. Any delivery note (be it a copy or an original) signed by the Purchaser or a third party engaged to transport the product shall be conclusive proof that delivery was made to the Purchaser. Any third party engaged in transporting the goods shall be deemed to be the agent of the Purchaser irrespective of which party gave instructions to or paid such third party;
- 4.6. Ideco shall be entitled in its sole discretion to split the delivery of the product ordered by the Purchaser in different quantities and on delivery dates;
- 4.7. The Purchaser irrevocably authorises Ideco to enter the premises of the Purchaser to repossess any product delivered and which the Purchaser has not paid for. The Purchaser indemnifies Ideco against any and all damages whatsoever relating to the removal of repossessed product and agrees to pay any and all costs associated with the repossession of the product.

5. TRAINING AND INSTALLATION OF THE PRODUCT

- 5.1. Ideco provides training which equip Purchasers in regard to the sale, use and/or functionality of the product. This training is provided by Ideco at the prevailing price and at a mutually agreed time at Ideco's premises or at the Purchasers premises as approved by Ideco;
- 5.2. Where applicable to the installation, integration and use of the product the Purchaser is obliged to undergo training and Ideco may refuse to supply Purchasers that have not undergone the necessary training;
- 5.3. Ideco at its own discretion may provide to the Purchaser such assistance as may be required in respect of the initial installations of the product at the cost of the Purchaser including travel and accommodation. In such cases the Purchaser undertakes to provide all necessary infrastructure requirements as specified by Ideco in order for Ideco to perform such installations.

6. PERSONAL INFORMATION

Ideco undertakes to protect all personal information provided to it by applying reasonable information security technology, techniques and processes that are designed to protect such information against unauthorised access or use.

The Ideco Applications that contain the private information of users are designed in such a way as to only permit the data to be used for the original purpose that the data was provided for and where appropriate the users have the option of “opting out” and having their data removed from the active database. However such data may be retained to comply with the law or as agreed to in separate agreements.

7. CUSTOMER PROPERTY

Where Ideco receives property belonging to customers for repair or replacement, Ideco exercises reasonable care to protect such property through sound governance of the receipt, repair or replacement process and the collection and /or despatch of such property as provided for in the terms and conditions of the Ideco Service Centre Agreement and Warranty.

Save for damage caused by Ideco’s negligence, the remedies in this agreement are the Purchaser’s sole and exclusive remedies and liability. Howsoever damages arising out of Ideco’s negligence, relating to or in connection with this agreement, remedies and liability shall not under any circumstances exceed the product purchase price.

8. THE PURCHASER’S OBLIGATIONS

The Purchaser shall:

- 8.1. Read and take full cognisance of all the Terms and Conditions contained herein and by the act of engaging Ideco in a transaction the Purchaser agrees to all of these Terms and Conditions without any reservation;
- 8.2. At all times ensure that its business is conducted in such a manner so as to protect the goodwill and prestige of Ideco and the product and to provide an efficient service to users of the product;
- 8.3. Ensure its personnel have and maintain the required level of sales and technical competency in order to ensure a proper standard of selling and servicing the product;
- 8.4. Not make any representations and/or give any warranties other than those agreed to by Ideco in writing in respect of the functionality and/or use of the product;
- 8.5. Not decompile, reverse engineer, translate or disassemble the whole or any part of the product or not cause or permit anything which may damage or endanger any intellectual property in respect of the product;
- 8.6. Observe all applicable laws, ordinances, decrees, rules and regulations and service standards relating in any manner to the performance by the Purchaser of its obligations in terms of this agreement;
- 8.7. Not have any authority to incur any debt, enter into any agreement, undertake any promise or obligation on behalf of Ideco, nor to bind, or purport to bind Ideco in any way, and shall further not hold itself out as having such authority.

9. LIABILITIES AND LIMITATIONS

- 9.1. The product shall be regarded as having been sold only with the manufacturer’s product specific warranties and all other guarantees and/or warranties, including but not limited to any common law guarantees, are hereby specifically excluded;
- 9.2. All guarantees are immediately null and void should any product be tampered with and/or should the product be installed or operated outside the specifications of the manufacturer in any manner whatsoever;
- 9.3. All claims for defective and/or damaged product shall be submitted by the Purchaser to Ideco within 7 (seven) days of acceptance of receipt of the product by the Purchaser as evidenced by a delivery note signed by the Purchaser. The Purchaser’s sole remedy will be limited exclusively to the replacement and/or correction of the non-conforming item of the product at the expense of Ideco, provided that Ideco shall be entitled to charge a

- 10% (ten *per centum*) handling charge, which shall immediately become due and payable by the Purchaser;
- 9.4. Neither the Purchaser nor any other person shall have any claim against Ideco for any direct, consequential, incidental, indirect or special loss or damages including (without being limited to) business interruption, loss of business information, loss of data or other pecuniary loss, arising from the unavailability of, or interruption in the services, regardless of whether such claim is based on breach of contract, delict, breach of implied warranties or otherwise and even if the possibility of such loss or damages could have been foreseen;
- 9.5. In all cases (and excluding any liability which may not by law be excluded or limited), Ideco's total liability, whether in contract, negligence or otherwise, under or in connection with this agreement will not exceed in aggregate 100% (one hundred *per centum*) of the total fees received by Ideco with respect to the service giving rise to the liability during the 12 (twelve) month period prior to the last cause of action.

10. INDEMNITY

The Purchaser hereby unconditionally and irrevocably indemnifies Ideco and agrees to hold Ideco free from all loss, damages, claims and/or costs, of whatsoever nature suffered or incurred by Ideco or instituted against Ideco as a direct or indirect result of:

- 10.1. The Purchaser's use of the product;
- 10.2. The Purchaser's failure to comply with any provision of this agreement or any other requirements which Ideco may impose from time to time.

11. BREACH

In the event that:

- 11.1. The Purchaser fails to effect payment of any amounts due to Ideco in terms of this agreement on due date;
- 11.2. Either party commits a breach of any of the terms of this agreement and fails to remedy such breach within 14 (fourteen) days of receipt of written notice from the other party, then Ideco or the Purchaser ("the aggrieved party"), as the case may be, shall be entitled without prejudice to any other remedies which the aggrieved party may have in law (including but not limited to specific performance) to cancel this agreement and claim any damages that the aggrieved party may have suffered.

12. INTELLECTUAL PROPERTY INCLUDING COPYRIGHT AND TRADEMARKS

The Purchaser agrees that all ideas, concepts or other intellectual property rights related in any way to the product and/or services as supplied, provided and/or otherwise described by Ideco in any format are the exclusive property of Ideco. The Purchaser agrees that inter alia the methodology and/or branding utilised by Ideco shall constitute part of its intellectual property rights and the Purchaser shall not have any right to utilise such methodology and/or branding without the prior written consent of Ideco.

The Purchaser furthermore acknowledges that any and all of the copyright, trademarks and all other intellectual property rights used or subsisting in or in connection with the product shall vest in and shall be the sole property of Ideco and the Purchaser shall not during or at any time after the completion, expiry or termination of this agreement in any way question or dispute the ownership thereof.

The Purchaser hereby agrees:

- 12.1. To maintain the copyright and other proprietary notices that appear on or in any product and/or any copies of any product as may be supplied by Ideco from time to time and not remove, alter or suppress in any way such notices;
- 12.2. Not to and/or shall not attempt to modify, de-compile, disassemble or otherwise reverse engineer any product as may be supplied by Ideco from time to time;
- 12.3. Not to and/or shall not attempt to use any ideas, concepts or other intellectual property rights of Ideco whether directly or indirectly and/or in conjunction with any third party for any purpose whatsoever other than for the purposes as stipulated in this agreement.

Nothing in this agreement shall be construed as to limit or otherwise prejudice the continuing rights of ownership in, or use of, or further exploitation and development of the intellectual property of Ideco.

13. FORCE MAJEURE

If *force majeure* cause delays in or failure or partial failure of performance by a party of all or any of its obligations hereunder, this agreement, or as the case may be, the effected portion thereof, shall be suspended for the period during which the *force majeure* prevails, but if the *force majeure* affects any material part of the agreement only for a maximum period of 60 (sixty) days, then Ideco shall be entitled on 7 (seven) days written notice to the Purchaser to cancel this agreement. For the purpose hereof, *force majeure* includes strikes, riots, lockouts, fire, floods, drought, sanctions, or any other cause beyond the control of the parties.

14. GENERAL

- 14.1. These standard Terms and Conditions function in conjunction with and any other duly signed agreement, application form and/or warranty referenced to these standard Terms and Conditions, that may relate to a specific transaction between Ideco and any customer including a Purchaser, Distributor or Ad hoc Customer and no addition, variation, or consensual cancellation of this agreement or any of the clauses contained herein shall be of any force or effect unless in writing and signed by or on behalf of the parties;
- 14.2. No indulgence, which Ideco may grant to the Purchaser, shall constitute a waiver of any of the rights of Ideco who shall not thereby be precluded from exercising any rights against the Purchaser which may have arisen in the past or which might arise in the future;
- 14.3. These Terms and Conditions will be governed, construed and take effect in all respects in accordance with the laws of the Republic of South Africa and the parties hereby consent to the exclusive jurisdiction of the South African Courts;
- 14.4. The Purchaser chooses as its *domicilium citandi et executandi* for all purposes arising from this agreement, the address set out in the application form and any notice given by Ideco to the Purchaser at such address by prepaid registered post shall be deemed to have been received by the Purchaser and brought to its notice;
 - 14.4.1. On the 7th (seventh) day after the date of posting;
 - 14.4.2. Within 24 (twenty four) hours of being faxed to the Purchaser;
 - 14.4.3. On being delivered by hand to the Purchaser or any representative of the Purchaser.
- 14.5. The Purchaser shall be liable for all costs as between attorney and own client, which are incurred by Ideco in the pursuance of its rights under this agreement. Such costs shall include the cost of tracing as well as collecting commission;
- 14.6. The Purchaser shall not be entitled to cede or assign this agreement or any of its rights under this agreement nor to delegate any obligation under this agreement to any party without the prior written consent of Ideco;
- 14.7. The invalidity of any part of this agreement will not affect the validity of any other part;
- 14.8. This agreement shall commence on the date of acceptance of an order by Ideco or where applicable on the date of the last signature and continue to be in force for an indefinite period unless terminated by either party giving 90 days written of same.