

SALES POLICIES

Material and services sold by XceedID are subject to the terms and conditions set forth in the sales policy outlined in the following terms. Different terms set forth by the Buyer will not be binding on XceedID unless agreed upon in writing by an authorized officer of XceedID Corporation.

Terms: Terms are 30 days net. Past due invoices will be subject to a service charge of 1.5% per month. Buyer will pay all reasonable collection and attorney's fees incurred by XceedID to enforce past due collection.

Delivery and Title: All shipments will be F.O.B. Shipping Point, and title and risk of loss will pass to the Buyer when accepted by the freight company. XceedID reserves the right to make partial shipments and/or ship from multiple locations unless the Buyer specifies otherwise. XceedID reserves the right to ship via its preferred carrier. Buyer agrees to comply with all applicable export laws, codes and licenses of the U.S. and other applicable jurisdictions in the use and resale of XceedID products including Buyer's acceptance of responsibility for the payment of any relevant taxes or duties, etc.

Security Interest: Buyer grants XceedID a purchase security interest in each product sold by XceedID to Buyer in the amount of the purchase price satisfied by full payment of the invoice amount.

Prices: All previous prices are superseded by this Price List. Prices are subject to change without notice and are in effect as of the shipping/invoice date. Prices exclude any federal, state, local or other governmental taxes applicable to the sale. International sales are subject to applicable transportation and import duties, insurance and licenses.

Change, Cancellation, and Rush Charges

Changes may result in delays of the scheduled ship date. Cancellations and changes will not be allowed when custom material has been prepared or assembled. Custom products include but are not limited to: cards, transponders, tags with custom printing and modified products such as custom colors, size, custom reader configuration or firmware. XceedID reserves the right to treat additions to orders as separate orders and apply charges for changes, cancellations or rush charges.

Returns: Returned material will not be accepted without prior written authorization from XceedID. Prior

authorization will include a Returned Merchandise Authorization Number (RMA) and the Buyer will include a written explanation of problem or defect (with RMA) enclosed in the box and the RMA clearly marked on the outside of the box. Authorized returns must be sent freight prepaid in new, unused condition and will be subject to a minimum 20% restocking charge.

Back Charges: XceedID will not accept responsibility for and will not accept back charges for the cost of material or labor by the Buyer or a third party without prior written approval from XceedID.

Limited Warranty: XceedID warrants that its products are free from defects in materials and workmanship. The warranty applies only to the Buyer and does not extend to any other party. Items not included in XceedID's warranty are conditions in which XceedID has no control, including: catastrophe, improper installation or maintenance, modification, misuse, abuse, alteration, tampering or disassembly, undue electrical discharge or lightning strike, improper storage or use outside its intended and normal manner. Remedy to the buyer will be defined as repair to defective parts or credit or reimbursement for the defective product in an amount not to exceed the purchase price. XceedID reserves the right to replace any product under warranty with new or remanufactured product. XceedID will not be responsible for back charges, labor costs of removal or re-installation of said products. *The foregoing limited warranty is exclusive and in lieu of all other warranties, whether oral, written, implied or statutory.*

XceedID will not be responsible for any loss or damage resulting from its products used in conjunction with other parts or systems not manufactured by XceedID. Refer to this Sales Policy for length of product warranty (lifetime, etc.) for each individual product.



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<u>Model No.</u>	<u>Length of Warranty</u>
XF1100	Limited Lifetime as stated herein
XF1500	Limited Lifetime as stated herein
XF2100	Limited Lifetime as stated herein
XF2110	Limited Lifetime as stated herein (NOTE: Reader Keypad warranty is 5 years from original purchase date)
XF1050	Limited Lifetime as stated herein
XF1060	Limited Lifetime as stated herein

This *Limited Warranty* sets exclusive remedies for claims based on any defect, malfunction, or non-performance of the product. Except as set forth in *Patents* section, the foregoing limited warranty is exclusive and in lieu of all other warranties. All Product – related warranties not specifically set forth in this sales policy, whether express or implied, oral or written, are hereby disclaimed by XceedID, including but not limited to the disclaiming of all warranties of design, merchantability and/or fitness for a particular purpose.

Product Usage Limitation: Buyer agrees not to sell or use product in a manner in which the product is not intended or modify the design for use with other products without the prior consent of XceedID Corporation.

Design Changes: XceedID reserves the right to change or discontinue the manufacturing of any products at any time without prior notice to the Buyer or to make the change to previously purchased units.

Proprietary Information: Buyer agrees that XceedID has and claims proprietary rights in the hardware, firmware, software, and ancillary products, knowledge and designs that constitute XceedID products and that it will not directly or indirectly cause any such proprietary right to be violated. Intellectual property produced in the development of custom products (such as but not limited to firmware, hardware, and technical documentation) for a buyer will be retained as property of XceedID Corporation and may not be reproduced or redistributed by Buyer without prior

written consent. The proprietary rights are considered transferred from Buyer to XceedID.

Patents: XceedID warrants that products furnished shall be supplied free of any rightful claim of a third party for infringement of any U.S. patent. If such product is deemed to infringe a third party patent, XceedID will, at its own expense and option, either procure for Buyer the right to continue using said product or replace or modify the product with a non-infringing product, or remove the product refunding the purchase price less reasonable depreciation and transportation costs paid by Buyer. This statement does not apply to any product specified to Buyer's design or the use of product in conjunction with any other product in a combination or system not furnished by XceedID as part of a transaction. XceedID assumes no liability for patent infringement for products used in combination with other products and Buyer will hold XceedID harmless against infringement arising from such claims.

Force Majeure: XceedID will not be held liable for delay, loss, damage or failure to perform due to causes beyond its reasonable control. Such causes may include but are not limited to natural disasters (floods, etc.), war, intervention of government authorities, strikes or labor disputes, unforeseen material shortages, transportation work slowdowns, vehicle accidents, Buyer acts, etc. In the event of such an occurrence beyond its reasonable control, XceedID will make adjustments to best reflect the new estimate of completion time. The Buyer's receipt of goods or services shall constitute acceptance and, therefore, a waiver of any claims for delay.

Disclaimer: XceedID makes no claims or warranties of any kind regarding product's or company's ability or effectiveness to detect or prevent physical injury or death, property damage, theft or loss of any kind. XceedID does not represent that the product cannot be circumvented or compromised. XceedID will not be liable for any personal injury, death, property damage or loss of any kind to purchaser or others, whether directly, indirectly, incidentally, or otherwise, caused by the operation, non-operation, functioning, malfunctioning or misuse of the product.

Applicable Governing Law: Terms and conditions of these policies will be subject to the laws of the State of Colorado – Jefferson County.