

1. SCOPE OF THESE SERVICE TERMS AND DEFINITIONS

1.1. These Service Terms shall apply to the provision of software customization, repair and replacement work and other services ("Service(s)") provided under the title of EasyService for Nordic ID wireless handheld data collection devices ("Product(s)") performed by Nordic ID to any customer entity or company ("Customer") unless otherwise agreed in a duly signed written agreement. "Nordic ID" means Nordic ID Oy, a company duly organized under the laws of Finland or any entity or company partly or wholly owned by Nordic ID Oy selling Services to Customer ("Nordic ID Affiliate").

1.2 Any term or condition in any order or other document furnished by Customer at any time, which is inconsistent with or in addition to these Service Terms is hereby expressly rejected and Nordic ID's acceptance of any order is made in reliance on Customer's consent to these Service Terms.

1.3 The following definitions shall have the following meaning:

"Contract" shall mean these Service Terms together with a written service form of Nordic ID signed by Customer and accepted by Nordic ID inclusive of service contract number and other possible appendices for the Services to which these Service Terms are referred to or attached. A Contract is concluded when Nordic ID accepts the service form or the parties sign other written agreement regarding the Services.

"Information" shall mean technical, financial and commercial information and data of confidential nature relating to a party's or its affiliate's, customers and/or other contractors respective businesses, finances, planning, facilities, products, techniques and processes and shall include, but is not limited to, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, tracings, diagrams, models, samples, flow charts, data, computer programs, disks, diskettes, tapes, marketing plans, customer names and other technical, financial or commercial information whether in tangible or in intangible form and whether identified as confidential or not.

"Specification" means written instructions or specifications provided by Customer and approved by Nordic ID in writing and which specify the functional and technical features of the software or part of the software for ensuring that the software is suitable for its intended use by Customer.

2. SERVICES

2.1 Subject to the terms and conditions of these Service Terms Nordic ID and during the validity of the Contract, Nordic ID undertakes to carry out at Nordic ID's cost and expense Services that covers either (at Nordic ID's sole discretion) the repair or replacement of defects, damages and normal wear and tear in spare parts, accessories and components, including without limitation to hand straps, styluses and data connectors, as detected in the Product. The wear and tear spare parts, accessories and components covered by the Service shall be separately listed per each Product and agreed between the parties in writing. Nordic ID shall, either directly or through a third party perform the Services with trained personnel using due care and professional diligence in accordance with and subject to these Service Terms.

2.2 Subject to the Contract, Customer may define one customer specific software customization per each Contract in compliance with Specification. The customized software shall be installed to the Product before the Product is returned to the Customer. Software items must be verified with Nordic ID and additional charges will apply to the software verification process or changes. Software shall consist of maximum one file of each type for CE based hand terminals: image, bootloader, PAK file and for RF-series hand terminals: Firmware, EEprom and language pack. The Customer shall be responsible for the Specification and for ensuring that the customized software is suitable for its intended use. Customized software is provided on "as is" basis without warranty or liability of any kind. Changes in the device hardware may cause incompatibility with software components. Customer is liable of modifying their defined software to comply with the necessary hardware changes.

2.3 The software in the Product(s) (whether customized or standard) will only be used as an integrated part of the Products. Customer agrees not to distribute or otherwise use the software as a stand-alone product. Customer agrees not to copy, reproduce, modify, reverse engineer, disassemble, decompile, otherwise attempt to derive source

codes from the object code of software or damage any software or make such software available to any third party. Nordic ID or its licensor has and maintains to have title and all other rights to the software. This Section prescribes the sole right to the software granted to Customer. Nordic ID's separate license terms provided shall prevail over this Section.

2.4 Nordic ID is continuously developing Products and this may entail changing and upgrading the components and software to meet newer technology. Nordic ID thus reserves the right to change spare parts, accessories, components and software used in the Service. Products may further be Serviced or manufactured with spare parts, accessories, components, or subassemblies that originate from returned Products and that have been tested as meeting applicable specifications for equivalent new material and Products. Nordic ID may also use comparable product or part of product, when replacing a defective Product or part of the Product.

2.5 Optional only for Next Day Device Delivery Package: Customer shall define the size of their Service pool by purchasing a set of device units in accordance with Nordic ID general terms of sales and with separately agreed prices. The Customer shall own these devices and Nordic ID shall store these device units in the agreed upon Nordic ID service centre. In case of a device unit failure Customer shall send a written device return request (form supplied by Nordic ID) to the agreed upon Nordic ID service centre. Nordic ID shall deliver to the Customer a device unit from the service pool in accordance with the terms and conditions as defined in section 4. Customer shall return the defective device unit with terms defined in chapter 4. Customer is responsible of monitoring their service device pool to ensure device units are available for return. Upon termination of EasyService contract Customer's device units are delivered to Customer within 14 days of termination at Customer's reasonable cost.

3. SUBCONTRACTS

Nordic ID shall be entitled to engage subcontractors or other third parties to perform the Services or any part thereof.

4. DELIVERY

4.1 When delivering Nordic ID products and Nordic ID accessories for the Service, Customer shall supply a proof of purchase and sale for the Products in question. Customer shall be responsible for the shipment of Products to Nordic ID or its authorized service supplier and for all costs and risks associated with this transportation unless otherwise stated. The return shipment to Customer's centralized service depot shall be at Nordic ID's expense unless Nordic ID determines that there is no defect in the Product or where Nordic ID determines that the Product is not eligible for EasyService repair. The Customer undertakes to comply with Nordic ID's reasonable instructions regarding the return shipment of the Products.

4.2 Repair time is 3 days. This refers to time consumed in Nordic ID repair process.

4.3 In case of next day device delivery or two way express shipment package is included Nordic ID shall use applicable express (next day) shipping agent and applicable service level to deliver serviced devices to customer and arrange a shipping agent account for the customer to use for delivering Nordic ID devices to service at Nordic ID's expense. In case of two way express shipment, shipping agent for the customer to use for delivering Nordic ID devices to service will be express (next day), in case of next day device delivery this will best suitable shipping agent. In case of shipping agent service level has not been as agreed on customer delivery to Nordic ID service centre, the cost of this particular shipment will be invoiced from customer.

4.4 Nordic ID uses all commercially reasonable efforts to perform the Services and delivery in accordance with the turnaround times defined. However such turnaround times and other time schedules will be regarded as estimates only and Nordic ID will not be liable for any loss or damage incurred by Customer due to its failure to meet the time schedule. The delivery term is Nordic ID's facility as designated by Nordic ID (Incoterms 2000) unless otherwise stated in the Nordic ID order confirmation.

4.5 Nordic ID's service form shall be completed and used when delivering Products to Nordic ID or its service supplier. Service form must state the

number of service contract. Service form is available at request from Nordic ID.

5. PRICE

5.1 The price for the Services shall be the price agreed upon in the Contract. If no price has been agreed upon, the price shall be the current list price of Nordic ID for the Services. List prices are subject to changes without prior notice. If it is established, that the correction of the defect, deficiency or error reported by Customer is not covered by Service, Nordic ID shall be entitled to charge for diagnosis and location of the defect, deficiency or error in accordance with the agreed pricing principles.

5.2 All prices are net prices and indicated in Euros unless otherwise stated in the Contract. The prices do not include any special services or taxes, duties, charges or fees, which shall all be borne and paid by Customer.

6. PAYMENT TERMS

6.1 Nordic ID shall invoice the recurring Services beforehand as specified in the cover sheet. Nonrecurring Services shall be invoiced after the Service has been performed. A payment is effected when received to the bank account of Nordic ID. Customer is not entitled to deduct any amounts due and payable to Nordic ID whether by set-off or otherwise without the prior written permission of Nordic ID.

6.2 The late payment interest is eleven (11) per cent or the amount defined by the applicable law, whichever is higher. Nordic ID is entitled to withhold from performing the Service in case the Customer fails to pay invoices when due. In addition to the late payment interest, Nordic ID shall be entitled to reasonable collection costs.

7. WARRANTY AND EXCLUSIONS

7.1 Nordic ID warrants that the Service will be carried out by qualified personnel in a professional manner conforming to generally accepted industry standards and practices.

7.2 Nordic ID warrants that spare parts (i.e. parts, components or subassemblies used in the Service) are free from defects in workmanship and materials at the date of shipment of a repaired Product to Customer.

7.3 Nordic ID's obligations under this warranty are limited to cover only repair (or replacement if Nordic ID finds this suitable) of defective spare parts, accessories or component or redoing the Service for a period of ninety (90) days from the date of shipment to Customer.

7.4 Except for the Service applying solely to the repaired or replaced spare parts, accessories or component as provided above, the forementioned provisions do not extend the original service period of any Product that has either been repaired or replaced by Nordic ID.

7.5 The Service obligations shall not apply, and shall not be relied upon by Customer, in the event of the Product has been

a) customized, repaired, tampered with, altered or modified, except by Nordic ID's authorized service personnel;

b) used in connection non-supplier spare parts, accessories, components or devices, except approved expressly or supplied by Nordic ID's authorized service personnel;

c) subjected to misuse (such as use of the Product for other purposes than for its intended use, use in contradiction with the user manual or rough handling), negligence, improper storage, exposure to water, moisture battery leakage, other liquids or dampness;

d) subjected to unusual or not reasonably foreseeable physical or electrical stress, abuse, or accident, or forces or exposure beyond normal use within the specified operational and environmental parameters; nor shall the above EasyService provisions apply to any expendable or limited-life consumable items, such as batteries, supplied with the Product.

7.6 EXCEPT AS EXPRESSLY PROVIDED IN SECTIONS 7.1 TO 7.5 NORDIC ID EXPRESSLY DISCLAIMS AND EXCLUDES ALL REPRESENTATIONS, CONDITIONS, WARRANTIES OR GUARANTEES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, ORAL OR WRITTEN, WITH RESPECT TO THIS AGREEMENT AND THE PRODUCTS, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, ALL OTHER OBLIGATIONS AND LIABILITIES OF NORDIC ID WITH RESPECT TO ANY DEFECT OR

DEFICIENCY APPLICABLE TO, OR RESULTING DIRECTLY OR INDIRECTLY FROM, THE PRODUCTS OR ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE.

8. LIMITATIONS OF LIABILITY

8.1 Nothing in these Service Terms and the Contract excludes either party's liability for death or personal injury resulting from negligence, fraud or willful misconduct, to pay sums properly due and owing to the other party in the course of normal performance of this Agreement or for any liability which cannot be excluded or limited under applicable law.

8.2 Subject to Section 8.1, the parties do not accept any liability under or in relation to the Contract or its subject matter (whether such liability arises due to negligence, breach of contract, misrepresentation or for any other reason) for any: (i) loss of profits; (ii) loss of sales; (iii) loss of turnover; (iv) loss of or damage to business; (v) loss of or damage to reputation; (vi) loss of contracts; (vii) loss of customers; (viii) loss of, or loss of use of, any software or data; (ix) wasted management or other staff time; (x) losses or liabilities under or in relation to any other contract; or (xi) any indirect, punitive (including, without limitation, willful infringement), incidental, special or consequential loss or damage.

8.3 Subject to Sections 8.1 and 8.2, Nordic ID's total aggregate liability arising from or in connection with the Contract (whether the liability arises because of breach of contract, negligence or for any other reason) will be limited to 15 % of the price actually paid by Customer for the Services.

9. GROUNDS FOR RELIEF (FORCE MAJEURE)

9.1 Neither party will be liable (other than in Respect of any payment obligations) for any failure to perform its obligations under this Agreement where the failure arises from an event beyond the reasonable control of the party concerned (a "Force Majeure Event"). Such causes may include, but are

not limited to, acts of God or of a public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, lock-outs, industrial disputes, riots or civil commotion, acts of terror or specific threats of terrorist activity, transportation or energy shortages, freight embargoes, power failures, or failure of the postal system. For the avoidance of doubt a Force Majeure Event affecting a subcontractor of Nordic ID shall be regarded as Force Majeure Event of Nordic ID.

9.2 Each party will inform the other of any Force Majeure Event within a reasonable period of time following its occurrence. In the above instances, time for performance will be extended for the period of the delay, provided that either party may cancel in writing the undelivered portion of the delayed Service if the delay exceeds 60 days from the agreed time schedule.

9.3 In addition Nordic ID is entitled to cancel the Contract without any liability when the fulfillment of the Contract would become impossible, impracticable or require sacrifices by Nordic ID that would be unreasonable in comparison with the resulting benefit to the Nordic ID.

10. TERM AND TERMINATION

10.1 Service for a specified term shall terminate at the expiry of the term as set out in Contract.

10.2 Any Contract may be terminated with immediate effect by written notice by the non-defaulting party in the event that (i) the other party commits a material breach of a Contract and fails to remedy such breach within thirty (30) days after having been given written notice in respect thereof; or (ii) the other party suffers distress or execution or commits an act of bankruptcy or goes or is put into liquidation (otherwise than solely for the purpose of amalgamation or reconstruction) or if a receiver is appointed over any part of such other party's business or if an administration order is made in respect of such other party. Any Contract may be terminated by written notice upon giving 90 days prior written notice to the other party. Nordic ID shall also be entitled to terminate Contract or

suspend the Service wholly or in part if (i) Customer causes multiple damages or defects to the Products upon gross negligence or willful misconduct, or if (ii) Customer has not paid a due and correct payment within 30 days from a written overdue payment reminder and Customer has not provided Nordic ID with an acceptable guarantee for the payment of the charges under the Agreement. When Contract terminates or when Service is suspended or terminated, Nordic ID shall refund to Customer the payments for the Service, less with the proportion of the price corresponding to the actual time of validity of Contract.

11. GOVERNING LAW AND SETTLEMENT OF DISPUTES

11.1 The Contract shall be governed by and construed in accordance with the law of the place of registration of Nordic ID Affiliate selling the Services, or in case Nordic ID Oy, the Finnish law.

11.2 All disputes arising out of or in connection with these Service Terms shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by a sole (1) arbitrator appointed in accordance with the said Rules. The arbitration shall be held in the city of registration of the Nordic ID Affiliate selling the Services, or in case of sales by Nordic ID Oy, Helsinki, Finland. The language used in arbitration, including the language of the proceedings, the language of the decision, and the reasons supporting it, shall be English. Nothing in this Section 11.2 prevents either party from applying to the courts of any country for injunctive or other equitable relief (i) to prevent or curtail any breach of this Agreement; (ii) in relation to an infringement of Intellectual Property Rights; (iii) in respect of misuse of Information or breach of confidence; (iv) for Nordic ID to reclaim sums owing by Customer to Nordic ID.

12. MISCELLANEOUS

12.1 Each party operates in its own name and for its own account. Neither party has the authority to enter into any undertakings, agreements or commitments whatsoever on behalf of or binding

upon the other party. Neither party may assign any of its rights or obligations without the prior written consent of the other party. However, Nordic ID may assign its rights and obligations without the consent of Customer in the event of a sale, merger or acquisition of Nordic ID.

12.2 Both parties shall comply with all applicable laws and regulations directly relating to the Services and its own operations.

12.3 If any provision of the Contract is held for any reason to be ineffective or unenforceable, this will not affect the validity or enforceability of any other provision of the Contract or the Contract as a whole.

12.4 Each party shall keep confidential and shall not without the prior written consent of the other party copy or disclose to any third party Information received from the other party in connection with the performance of the Services. Each party shall copy and use any such Information solely for the purpose of performing the Services.