

SCB SOLUTIONS, INC.
GENERAL TERMS AND CONDITIONS - Page 1 of 3

THESE GENERAL TERMS AND CONDITIONS ("TERMS") SHALL PREVAIL OVER, SUPERSEDE, AND RENDER NULL AND VOID ANY ADDITIONAL OR DIFFERENT PRINTED TERMS OR CONDITIONS ON CUSTOMER'S ORDER FORMS, OR OTHERWISE COMMUNICATED BY CUSTOMER, IN CONNECTION WITH THE FURNISHING OF PRODUCTS AND/OR SERVICES BY SCB SOLUTIONS.

1. Order Procedure, Acceptance, Cancellation. Customer's orders are offers to purchase and are governed by these Terms. These Terms automatically govern the supply of "Equipment" and/or "Software" (collectively, "Products") and/or "Services" by SCB Solutions. Any proposal by SCB Solutions provided in connection with these Terms is an offer of Products and/or Services on the terms and conditions set forth in these Terms and such proposal ("Proposal"). The earliest of the following acts by the Customer shall constitute unconditional acceptance of these Terms and the Proposal: (i) Customer's counter-signature to the Proposal and issuance of a purchase order conforming to such Proposal; (ii) use of any Products or Services furnished by SCB Solutions in connection with the Proposal; or (iii) payment of the Price (or any portion of the Price) for any Products or Services furnished or to be furnished in connection with the Proposal. If Customer has not manifested its acceptance of the Proposal in accordance with the foregoing within five calendar days of Delivery (as defined below), the Proposal and these Terms shall be deemed accepted in their entirety. Any additional or different term or condition on any order (whether or not such order is preceded by a Proposal), acknowledgement or confirmation form, or otherwise communicated by Customer in accepting the Proposal and the Terms, shall be deemed a material alteration of the Proposal and the Terms, is hereby rejected by SCB Solutions, and shall be deemed null and void. Issuance of this Proposal or Delivery of any Products and/or Services shall not constitute acceptance by SCB Solutions of any terms and conditions proposed by the Customer. Except as set forth in Section 7, no Proposal accepted by Customer, may be cancelled or modified, except with the prior written approval of SCB Solutions, in its sole discretion, and provided that all costs resulting from such cancellation or modification shall be borne by the Customer.

2. Commercial Terms. SCB Solutions delivers Products F.O.B. point of shipment ("Delivery") in accordance with the delivery schedule set forth in SCB Solutions' Delivery Schedule Confirmation or SCB Solutions' standard lead times. Title to all Products passes to Customer upon Delivery, excluding Software supplied with or Licensed Internal Code embedded in the Equipment, which shall be licensed pursuant to Sections 7 and 8. Risk of loss passes to Customer upon Delivery. Title and risk of loss shall transfer in accordance with the foregoing terms, regardless of when Customer makes payment for Products and/or shipping fees and/or related duties or taxes. Notwithstanding the foregoing, until full payment is received, SCB Solutions reserves a purchase money security interest in all Products to secure payment by Customer. SCB Solutions may sign on behalf of Customer and file financing statements to perfect such security interest, and Customer agrees to pay all charges associated with such filings.

3. Prices and Payment. Prices for Products and/or for Services are set forth on the Proposal, or if no prices are specified on the Proposal, shall be SCB Solutions' then current standard Prices at the time of shipment. Customer shall make payment for all Products and Services in accordance with the following terms and conditions: (a) all charges for Products and Services are to be paid within 30 calendar days from the date of invoice; (b) charges for Services commence on the date the relevant Services commence, and are invoiced upon completion of the service or the Services milestone specified in the Proposal; (c) Customer shall pay a late payment charge of 1.5% per month, but not in excess of the lawful maximum, on any past due balance, and if Customer does not pay as provided and the nonpayment continues for 10 days after written notice by SCB Solutions, then SCB Solutions may declare all unpaid charges immediately due; (d) Customer shall pay or reimburse SCB Solutions for all taxes imposed on Customer or SCB Solutions on any interest in the Products or Services, exclusive of taxes on SCB Solutions' net income; and (f) Customer shall pay all transportation and related charges.

3.1 Taxes and Fees. Quoted prices are subject to change without notice and, unless specifically included in a Proposal, do not include any taxes, shipping, duties or other charges or fees. Customer is responsible for all applicable fees and all federal, state, municipal, and other government taxes on the sale and delivery of Products. Exemption certificates, valid in the place of delivery, must be presented to SCB Solutions prior to shipment if they are to be honored.

4. Warranty and Exclusions.

Customer acknowledges and agrees that the purchase price for the Products to be sold hereunder reflects the allocation of risks and the limitations of SCB Solutions' liability hereunder.

4.1 Equipment. SCB Solutions warrants to Customer that the Equipment will perform in accordance with SCB Solutions' specifications for such Equipment, on the date of delivery and during the Warranty Period applicable to the relevant "Warranty Group" described below. For the Warranty Group consisting of smart cards ("Smart Cards"), the Warranty Period is 90 days from SCB Solutions' shipment date, subject to the following Special Conditions: Customer shall return Smart Cards that Customer has determined to be defective to a location specified by SCB Solutions, and subject to confirmation of any defects by SCB Solutions in accordance with SCB Solutions' internal procedures, SCB Solutions shall replace cards determined by SCB Solutions to be defective free of charge if the number of defective cards with respect to any shipment exceeds the "Standard Failure Rate" set forth below; the Standard Failure Rate is set at 0.5% of the Smart Cards delivered by SCB Solutions to Customer; and in addition to any other warranty limitations set forth in the Terms, any Smart Cards with defects resulting from improper handling or maintenance, misuse, or improper storage by the Customer shall not be deemed defective. For the Warranty Group consisting of readers ("Readers"), the Warranty Period is 1 year from SCB Solutions' shipment date, subject to the following Special Conditions: Customer shall return Readers that Customer has determined to be defective to a location specified by SCB Solutions, and subject to confirmation of any defects by SCB Solutions in accordance with SCB Solutions' internal procedures, SCB Solutions shall replace any Readers determined by SCB Solutions to be defective; and in addition to any other warranty limitations set forth in the Terms, any Readers with defects resulting from improper handling or maintenance, misuse, or improper storage by the Customer shall not be deemed defective. Shipment costs associated with the return of Smart Cards or Readers by Customer to the location specified by SCB Solutions shall be borne by Customer and shipment costs for replacement Smart Cards or Readers shall be borne by SCB Solutions. Unless otherwise expressly set forth in the Proposal, for any Equipment manufactured by a third party supplier furnished by SCB Solutions, the applicable warranty, if any, is provided directly by the third party supplier. SCB Solutions provides such third party Equipment "AS IS." SCB Solutions does not warrant that any Equipment will meet Customer's needs or that its operation will be error free or uninterrupted and any Equipment warranty shall extend only to Customer as the original purchaser and shall exclude expendable parts.

4.2 Software. For Software licensed directly by SCB Solutions, SCB Solutions warrants that the Software media is free from defects in workmanship and material under normal use for a period of ninety (90) days from the date of Delivery. For sublicensed Software SCB Solutions provides such Software "AS IS." SCB Solutions does not make any warranty that any Software provided pursuant to these Terms meets Customer's needs or that the operation of such software will be error free or uninterrupted, or that all errors in programming will be corrected.

4.3 Services. SCB Solutions warrants that it shall use reasonable efforts to perform the Services rendered pursuant to these Terms. SCB Solutions makes no other representation or warranty with respect to Services, including but not limited to any warranty as to the results to be obtained by the performance of Services pursuant to these Terms.

4.4 General Customer Warranty Exclusions. The following general exclusions are applicable to all Products and Services provided by SCB Solutions pursuant to these Terms: (a) all warranties set forth herein are subject to the limitations of liability set forth in Section 7, and do not apply to any defects resulting from catastrophe, misuse (including but not limited to any modifications of Products not authorized by SCB Solutions or use of the Products in connection with other products not authorized or recommended by SCB Solutions), fault or negligence attributable to the Customer or third parties, or other such causes external to the Products and/or Services supplied by SCB Solutions; (b) SCB Solutions does not warrant that the functions contained in the Products will operate in combinations which may be selected for use by the Customer, or that the Products will meet the Customer's requirements; (c) SCB Solutions makes no representations or warranties that any Products and/or Services provided pursuant to these Terms will be compatible with other products or services furnished by Customer or any third party (hereinafter, "System"); (d) **CUSTOMER HEREBY ACKNOWLEDGES ITS OBLIGATION TO VERIFY IN ADVANCE OF DELIVERY THAT ANY PRODUCTS SUPPLIED OR SPECIFIED BY SCB SOLUTIONS WILL FUNCTION AS A SYSTEM;** (e) Any representation, proposal or recommendation by SCB Solutions with respect to a System, or as to the capability of a System's performance or capacity to provide an operational result, is hereby disclaimed; and (f) **SCB SOLUTIONS AND ITS SUPPLIERS DISCLAIM ALL EXPRESS AND IMPLIED WARRANTIES, INCLUDING (WITHOUT LIMITATION) THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, NOT SPECIFIED HEREIN, RESPECTING THIS**

AGREEMENT AND THE PRODUCTS AND SERVICES PROVIDED HEREUNDER.

5. Acceptance and Testing. All Products and/or Services are tested by SCB Solutions in accordance with its internal testing procedures, and shall be deemed accepted by Customer upon Delivery of the relevant Products and/or completion of the relevant Services. If the parties agree in writing that any Products and/or Services shall be subject to testing to permit the Customer to determine whether such Products and/or Services substantially conform to the applicable specifications supplied by SCB Solutions, all such testing shall be conducted: (i) by the Customer; (ii) within (30) thirty calendar days of Delivery; (iii) pursuant to a testing procedure agreed in writing by the parties; and (iv) at the sole expense of the Customer. The Products and/or Services shall be deemed accepted by the Customer on: (i) the date of notice to SCB Solutions of the successful completion of such tests; or (ii) within (30) calendar days after Delivery of the Products or completion of the Services, if the Customer fails to complete the testing or the parties fail to agree in writing on the results of such tests.

6. Intellectual Property. The term "SCB Solutions Intellectual Property" shall include: (i) all Software furnished by SCB Solutions; (ii) Licensed Internal Code (defined below); (iii) all documentation furnished by SCB Solutions relating to the use and service of Products; and (iv) all other information relating to SCB Solutions' Products or Services designated by SCB Solutions as confidential and/or proprietary information. All SCB Solutions Intellectual Property furnished to the Customer shall remain confidential and proprietary to SCB Solutions, and is furnished to the Customer exclusively on a license to use basis. Customer shall acquire no rights in SCB Solutions Intellectual Property and shall only use such SCB Solutions Intellectual Property in accordance with these Terms. Customer shall treat all SCB Solutions Intellectual Property as SCB Solutions confidential and proprietary information, except to the extent that such SCB Solutions Intellectual Property has entered the public domain through no act of Customer. Customer shall take all reasonable precautions to maintain the confidentiality of SCB Solutions Intellectual Property, but not less than that employed to protect its own intellectual property. Customer shall not sublicense, sell, rent loan, disclose or otherwise communicate, or make available SCB Solutions Intellectual Property to any third party without the express written consent of SCB Solutions, except to the extent that any resale or sublicense of Products is made on terms substantially consistent with the sale and license terms set forth herein. Customer shall not use SCB Solutions' trademark, trade name or other such designation without SCB Solutions' prior written consent.

LICENSE OF SOFTWARE

7. Software. All Software ordered under these Terms is supplied on a license basis only. The license fees and related charges applicable to the Software shall be those set forth in the Proposal. All updates, revisions or new releases shall be subject to the payment of additional license fees, unless otherwise set forth in the Proposal. Except with respect to Licensed Internal Code, the license terms for all Software licensed directly or sublicensed to Customer by SCB Solutions shall be set forth in a separate license agreement ("Additional License Terms") provided prior to or upon Delivery of the Software. All such Additional License Terms shall be deemed a part of these Terms with respect to the specific Software to which they apply and shall be deemed accepted by Customer upon the earlier of: (i) the use of the Software by the Customer; (ii) payment of any portion of the fees and charges due with respect thereto; or (iii) thirty days from the date of the Delivery of the Software. In the event of any conflict between such Additional License Terms and these Terms, such Additional License Terms shall prevail. If Customer does not wish to accept such Additional License Terms, Customer shall, prior to any use of the Software, return the Software at Customer's expense to SCB Solutions, whereupon the order shall be deemed cancelled.

8. Licensed Internal Code. The use of all Software consisting of "Licensed Internal Code" imbedded or installed in any Equipment shall be limited as follows: (a) Licensed Internal Code means instructions or applications embodied in some discrete device or media that are either imbedded into, are loaded into or are to be loaded remotely into Equipment provided by SCB Solutions, and execute below the external user interface. Customer acknowledges that SCB Solutions or its licensors own all copies of Licensed Internal Code including all copies made from them and that Licensed Internal Code is copyrighted by SCB Solutions or its licensors; (b) SCB Solutions grants Customer a license to use the Licensed Internal Code and authorizes Customer to (i) execute the Licensed Internal Code to enable the Equipment to perform in accordance with SCB Solutions' (or its licensor's) official published specifications, (ii) make a backup or archival copy of the Licensed Internal Code unless one is provided by SCB Solutions, which copy Customer may use only to replace the original in the Equipment, and (iii) execute and display the Licensed Internal Code as necessary to operate the

Equipment and have it maintained; (c) Customer shall include the copyright notices and any legends on each copy of Licensed Internal Code. (d) Customer shall not: (i) otherwise copy, display, adapt, modify or electronically distribute the Licensed Internal Code except as may be authorized by SCB Solutions in writing, (ii) reverse assemble, reverse compile, decode or translate the Licensed Internal Code or (iii) sublicense, assign or lease the Licensed Internal Code; and (e) Customer may transfer possession of the Licensed Internal Code to a third party only with the transfer of the Equipment, and provided that any third party receiving Licensed Internal Code from Customer agrees to be bound by the terms and conditions herein. Customer's license to use the Licensed Internal Code is discontinued when Customer no longer owns or rightfully possesses the Equipment

SERVICES

9. Charges. Unless otherwise specified on a Proposal, all Services performed by SCB Solutions shall be rendered on a time and materials basis, and Customer shall pay SCB Solutions' then current fees for the Services provided along with reasonable out-of-pocket expenditures incurred by SCB Solutions ("Expenditures"). Unless otherwise specified in the statement of work, such Expenditures shall include: travel, living, transportation, services and other such expenses incurred by SCB Solutions. Furthermore, Customer shall pay on a pro rata basis for all work in progress at the time of termination for any reason.

10. Customer Responsibilities. Customer shall designate an individual to serve on a dedicated basis as the project leader who shall be available to SCB Solutions personnel as SCB Solutions requires and shall act as the liaison between Customer, SCB Solutions and all other Customer assigned personnel. All Customer personnel assigned to participate on behalf of Customer will be knowledgeable in their assigned areas and will be responsive to SCB Solutions' requests for information deemed reasonably necessary by SCB Solutions to perform the Services. Tasks on which SCB Solutions personnel assist Customer personnel remain the responsibility of Customer and under the supervision, management and control of Customer. Notwithstanding the foregoing, the parties hereby acknowledge and agree that Customer shall have no right to control the manner, means, or method by which SCB Solutions performs the Services. The Customer shall be entitled only to direct SCB Solutions with respect to the elements of the tasks to be performed by SCB Solutions, and to inform SCB Solutions as to when and where such tasks shall be performed.

11. Personnel Assignment. SCB Solutions has the right to determine the assignment of personnel to any Service obligation, to replace or reassign such personnel or to subcontract to qualified third parties part or all of the performance of such Services.

12. Proprietary Rights. All programs, specifications, works of authorship, inventions, techniques, concepts and ideas developed, subcontract to qualified third parties part or all of the performance of such Services provided or disclosed to the Customer by SCB Solutions pursuant to the provision of the Services are and shall remain the property of SCB Solutions.

GENERAL PROVISIONS

13. Limitation of Remedy. SCB Solutions and Customer are not liable for any indirect, special, or consequential damages or lost profits to anyone arising out of the supply or use of any Products and Services, as well as any other related products, services and documentation supplied by any third party in connection with these Terms. Customer's exclusive remedy and SCB Solutions' entire liability in contract, tort, negligence or otherwise, for Products and Services is as follows: (i) for Equipment under warranty that is defective, to repair or exchange such equipment; (ii) for Software licensed directly by SCB Solutions, to replace any media which does not meet the media warranty in Section 4.2 upon return of the media or if SCB Solutions is unable to deliver media free of such defects, Customer may terminate the license by returning the Software, and any fees for the license will be refunded; and (iii) for Services, to correct, repair or exchange the service, as applicable. If SCB Solutions, the service provider, or Product manufacturer as applicable, are unable to correct, repair or exchange, then SCB Solutions shall pay Customer actual damages not to exceed the charges paid SCB Solutions for (i) the defective Equipment under warranty causing the actual damages or (ii) the inoperable Software or Service during the period causing the actual damages. Notwithstanding the foregoing, in the event of any alteration or modification of Products that is not authorized by SCB Solutions in writing, SCB Solutions assumes no responsibility and shall not be liable in any way for: (i) the proper functioning of the Product; (ii) any warranty obligation applicable to the Product; and (iii) the infringement of any intellectual property right resulting from such alteration or modification. Except for an action for payment of taxes, SCB Solutions and Customer shall not institute any action in any form more than 2 years after the cause of action has arisen, or in the case of nonpayment, more than 2 years from the date of last payment or promise to pay. The limitations of remedy provisions

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in these Terms and warranty exclusion provisions in these Terms apply also to SCB Solutions' suppliers who are intended beneficiaries of such provisions. IT IS HEREBY ACKNOWLEDGED BY CUSTOMER THAT THE LIMITATIONS OF REMEDY PROVISIONS AND WARRANTY EXCLUSION PROVISIONS PERMIT SCB SOLUTIONS TO PROVIDE THE EQUIPMENT, SOFTWARE AND SERVICES AT LOWER RATES THAN IT OTHERWISE COULD, AND SUCH LIMITATIONS ARE REASONABLE.

14. Force Majeure. SCB Solutions is not liable for any failure or delay in performance due to any cause beyond its control or any cause external to any Product or Service, including but not limited to accident, acts of God, fire or water damage, criminal conduct, acts of terrorism, riots, strikes, lightning, electrical disturbances or other similar causes.

15. Geographical Scope. All Customer rights (including but not limited to license rights) and SCB Solutions obligations are valid only in the United States and Canada. Customer shall not export directly or indirectly any technical data, information or items acquired hereunder to any country for which the United States Government (or any agency thereof) requires an export license or other approval without first obtaining such license or approval and control statements.

16. Assignment. Customer may assign these Terms in whole or part only with the prior written consent of SCB Solutions. SCB Solutions may assign these Terms in whole or part and all or part of the payments upon notice to the Customer of any such assignment.

17. Publicity and Confidentiality. Customer shall not publish or permit to be published either alone or in conjunction with any other person any information, article, photograph, illustration or any other material of whatever kind relating to these Terms without prior approval in writing from SCB Solutions. Such consent shall apply to each specific request and relate only to such request, but shall not be unreasonably withheld.

The term "Confidential Information" means any confidential or proprietary information pertaining to or provided by SCB Solutions, including, without limitation, product plans, software, price lists, pricing, discounts, marketing and sales information, business plans, customer and supplier data, financial and technical information, "know-how," trade secrets, and other information, whether such information is in written, oral, electronic, web-based, or other form. You will keep all Confidential Information confidential for a period of three years from the date of SCB Solutions' disclosure to you, and use at least the same degree of care as you use to protect your own confidential information but no less than reasonable care. You may not disclose Confidential Information to any third party without SCB Solutions' prior written consent. You may share Confidential Information with only your employees who have a need to know and who are subject to legally binding obligations of confidentiality no less restrictive than those imposed by this Agreement. These confidentiality obligations do not apply to any Confidential Information that (i) you can demonstrate was in your possession before receipt from SCB Solutions; (ii) is or becomes publicly available through no fault by you; or (iii) you rightfully received from a third party without a duty of confidentiality. If you are required by a government body or court of law to disclose any Confidential Information, you agree to give SCB Solutions reasonable advance notice so that SCB Solutions may contest the disclosure or seek a protective order. You may use the Confidential Information solely for the purpose of, and in connection with, your business relationship with SCB Solutions. Upon SCB Solutions' written request, you will promptly return all Confidential Information, together with all copies, or certify in writing that all such Confidential Information and copies thereof have been destroyed. You acknowledge that damages for improper disclosure of Confidential Information may be irreparable and that SCB Solutions shall be entitled to seek equitable relief, including injunction and preliminary injunction, in addition to all other remedies available at law or in equity.

18. Miscellaneous. SCB Solutions and Customer are independent contractors, and are not partners, agents, employees, or franchisees of each other. No delay or failure of SCB Solutions to exercise any right or remedy constitutes a waiver, and waiver by SCB Solutions of any provision hereof in one instance shall not preclude enforcement thereof on future occasions. Any provision hereof found by a tribunal of competent jurisdiction to be illegal or unenforceable shall be automatically conformed to the minimum requirements of law and all other provisions shall remain in full force and effect to the extent that the intent of the parties is preserved thereby. Any amendment to these Terms shall be in writing and signed by the authorized representatives of both parties. The law of Virginia, excluding conflicts of law rules, shall govern these Terms.

18.1. Compliance. Customer agrees to abide by all laws and regulations applicable to the performance of its obligations under these Terms, including without limitation the U.S. Foreign Corrupt Practices Act and any similar laws or regulations in any applicable jurisdiction. Customer has not made, and will not make, any direct or indirect payment, offer to pay, or authorization to pay, any money, gift, promise to give, or authorization of the giving, of

anything of value to any government official, or the immediate family of any such official, for the purpose of influencing an act or decision of the government or such individual in order to assist, directly or indirectly, Customer or SCB Solutions in obtaining or retaining business, or securing an improper advantage. If Customer delivers the Products to its customer who may use the Products outside the United States, Customer will advise its customer that the Products are controlled for export by the U.S. Department of Commerce and that the Products may require authorization prior to export from the United State or re-export. Customer further agrees to comply with all applicable export and import laws and regulations, including U.S. embargo and sanctions regulations and prohibitions on export for certain end uses or to certain users.

18.2. U.S. Government. SCB Solutions is a distributor of Commercial Items as defined in FAR 2.101. Only those FAR and DFAR clauses which are required to be inserted in subcontracts for Commercial Items and which SCB Solutions has agreed to will apply to these Terms. If the user or licensee of Software provided under these terms is an agency, department, or other entity of the United States Government, the use, duplication, reproduction, release, modification, disclosure, or transfer of the Software, or any related documentation of any kind, including technical data and manuals, is restricted in accordance with Federal Acquisition Regulation 12.212 for civilian purposes and Defense Federal Acquisition Regulation Supplement 227.7202 for military purposes. All other use is prohibited.

19. Term and Termination. These Terms shall remain in effect until terminated for convenience by SCB Solutions on thirty days notice. If Customer fails to perform as provided herein, SCB Solutions has the right to terminate for cause these Terms, in whole or in part, including any rights and obligations with respect to any order, immediately upon notice, and to exercise any other remedy existing at law or in equity. Customer shall pay SCB Solutions all costs and expenses including attorneys' fees incurred in exercising its rights and remedies arising out of any termination by SCB Solutions for cause. Any terms and conditions of these Terms which by their nature extend beyond the termination of the Terms shall remain in effect until fulfilled.

20. Entire Agreement. SCB Solutions shall not be bound to fill any order until the Proposal and these Terms are accepted by Customer in accordance with Section 1. At the time of such acceptance, a contract shall exist in accordance with the terms and conditions of the Proposal and these Terms. Except as set forth on the Proposal and/or any terms specifically incorporated herein by reference, these Terms and the Proposal shall constitute the entire agreement of the parties relating to the Products or Services ordered, and shall supersede all prior agreements and understandings whether oral or written including all negotiations, quotations, non-disclosure agreements, confidentiality agreements or prior proposals.