1. DEFINITIONS – For the purpose of this document, the following definitions shall apply: (a) Intelligent Imaging Innovations (3i), Inc. (b) Products: The equipment, parts, accessories and services to be sold by Intelligent Imaging Innovations (3i) to buyer and listed on the face hereof; (c) Buyer: The person or entity listed on the face hereof who is purchasing the Products and such person’s or entity’s heirs, executors, administrators, successors by merger or consolidation, or permitted assigns; (d) Collateral: The Products and their proceeds, together with any additions, accessions, increases, substitutions and replacements which are subjected to Intelligent Imaging Innovations’ (3i) security interest pursuant to this Agreement.

2. ORDER OF PRECEDENCE – These terms and conditions of sale take precedence over and supersede any additional or different terms and conditions set forth in any purchase order or other communication of Buyer, to which notice of objection is hereby given by Intelligent Imaging Innovations (3i). Intelligent Imaging Innovations’ (3i) acceptance of such purchase order is limited to these terms and conditions, which shall be construed as a counter offer to Buyer, and is expressly made conditional on Buyer’s assent to these terms and conditions. Acceptance by Buyer of the Products or any portion thereof shall be deemed to constitutes Buyer’s assent to all of the terms and conditions set forth herein. Neither Intelligent Imaging Innovations’ (3i) commencement of performance nor delivery shall be deemed or construed as acceptance by Intelligent Imaging Innovations (3i) of Buyer’s additional or different terms and conditions.

3. PRICE – Unless otherwise indicated on the face hereof, prices shown (i) do not include any additional fittings or adjustments and (ii) are net prices FOB Denver, Colorado or such other shipping point as designated by Intelligent Imaging Innovations (3i), exclusive of delivery and installation charges and taxes. Buyer shall pay all delivery charges including, without limitation, rigging and transportation charges, the cost of any transit insurance and the cost of installation. Any tax, fee, levy, assessment, exaction, imposition or other charge imposed by any local, state or federal government now or hereafter levied upon the production, sale, use, import, export, ownership or shipment of the Products, shall be paid for by the Buyer, except for taxes based on Intelligent Imaging Innovations’ (3i) net income.

4. CLAIMS FOR DAMAGE IN TRANSIT - Intelligent Imaging Innovations’ (3i) responsibility shall cease upon delivery of the Products to the carrier FOB or such other shipping point as designated by Intelligent Imaging Innovations (3i). Buyer shall examine all Products carefully immediately upon delivery and before signing any receipt. If the Products are visibly damaged or there is any shortage, Buyer shall note same on the shipping receipt and send notice of such damage or shortage to Intelligent Imaging Innovations (3i) with three (3) days of receipt of delivery. Buyer’s signature on a receipt without notation of damage or shortage or Buyer’s failure to send notice to Intelligent Imaging Innovations (3i) of damage or shortage within such three (3) days shall constitute conclusive evidence of Buyer’s receipt of the Products in satisfactory condition. All risk of loss of or damage to the Products is assumed by Buyer after Intelligent Imaging Innovations (3i) has made delivery of the Products to the carrier for shipment to Buyer, and Buyers’ sole recourse for any loss of or damage to the Products shall be against the carrier.
5. DELIVERY DATES – Delivery dates quoted or acknowledged by Intelligent Imaging Innovations (3i) are not an agreement as to delivery by a specific date but rather are an estimate of the delivery date. Shipments of Products purchased hereunder are subject to Intelligent Imaging Innovations’ (3i) determination of availability. Intelligent Imaging Innovations (3i) shall not be liable for any delay in shipment or any failure to ship Products against an accepted order or for any damages suffered thereby. Buyer’s sole remedy in the event that any delivery of Products is delayed shall be to cancel this Agreement by notice received by Intelligent Imaging Innovations (3i) prior to shipment. Such remedy may only be exercised in the event that delivery of Products is delayed more than sixty (60) days beyond the delivery date stated in the acknowledgement.

6. FAILURE TO TAKE DELIVERY – In the event that Intelligent Imaging Innovations (3i) is ready to ship or has shipped Products conforming to this Agreement to Buyer in accordance with the delivery terms stated herein, and Buyer fails to take delivery or delays delivery or notifies Intelligent Imaging Innovations (3i) that delivery will be delayed or rejected, Intelligent Imaging Innovations (3i) may at its election, treat such as failure delay or notice of delay or rejection as a repudiation of the Agreement by Buyer and pursue all remedies available to it at law, including, without limitation, storage of the Products for the account of Buyer at Buyer’s sole cost and expense in which event all risk of loss or damage to the Products shall be assumed by Buyer and/or cancellation of this Agreement. In the event of cancellation of this Agreement by Intelligent Imaging Innovations (3i), Buyer shall be liable to Intelligent Imaging Innovations (3i) for its damages, including loss of profits and Intelligent Imaging Innovations’ (3i) reasonable attorneys’ fees, court filing fees and other disbursements incurred in collecting such damages.

7. FORCE MAJEURE - Intelligent Imaging Innovations (3i) shall not be liable to Buyer for any delay or failure by Intelligent Imaging Innovations (3i) to perform its obligations hereunder when such delay or failure is directly or indirectly due to accident (in manufacture or otherwise), fire, flood, seizure, riot, war, embargo, labor shortages or difficulties, inadequate transportation facilities, shortage of material or supplies delay or default on the part of Intelligent Imaging Innovations’ (3i) suppliers, regulation or order by government authority, or any other casualty or cause beyond the control of Intelligent Imaging Innovations (3i). Intelligent Imaging Innovations (3i) may at its option cancel this Agreement or delay performance hereunder for any period by necessary due to any of the foregoing, during which time this Agreement shall remain in full force and effect. Intelligent Imaging Innovations (3i) shall have the further right to allocate its available materials and products between its own uses and its customers in such manner as Intelligent Imaging Innovations (3i) may consider fair and reasonable. Intelligent Imaging Innovations (3i) shall have the right to make partial shipments to Buyer and invoice accordingly and Buyer shall be obligated to pay for such partial shipments when invoiced.

8. ACCEPTANCE – Buyer shall be deemed to have accepted the Products upon the earliest of (a) delivery to Buyer if installation by Intelligent Imaging Innovations (3i) is not included in the purchase price; or (b) certification by Intelligent Imaging Innovations (3i) in such form as Intelligent Imaging Innovations (3i) shall prescribe that the Products have been installed and meet Intelligent Imaging Innovations’ (3i) specifications, if installed by Intelligent Imaging Innovations (3i) is included in the
purchase price; or (c) utilization of the Products or any portion thereof by Buyer for any purpose.

9. PAYMENTS - Payment for Products shipped on credit shall be made within thirty (30) days of the shipment date without any deductions or offsets. Payment terms will be strictly enforced on all accounts. Amounts past due are subject to a service charge at the maximum rate of interest permitted by law until paid. Buyer shall pay all of Intelligent Imaging Innovations’ (3i) costs and expenses incurred in the collection of any outstanding amounts, including reasonable collection agency or attorneys’ fees, court filing fees and other disbursements.

10. RETURN OF MERCHANDISE - Intelligent Imaging Innovations (3i) shall not accept any return of products unless previously authorized by Intelligent Imaging Innovations (3i) in writing, whether under warranty or otherwise. Any returns other than under warranty will be subject to a reasonable restocking charge.

11. INSOLVENCY – Except as may otherwise be prohibited by law in the event that Buyer becomes insolvent or unable to pay its debts as they become due, or in the event of any voluntary or involuntary bankruptcy proceedings by or against Buyer, or appointment of a receiver or assignment by Buyer for the benefits of its creditors, Intelligent Imaging Innovations (3i) may elect to cancel any of its obligations hereunder and all obligations of Buyer to Intelligent Imaging Innovations (3i), whether arising out of this Agreement or otherwise, shall immediately become due and payable in full.

12. LIMITED WARRANTY – 12.1 Intelligent Imaging Innovations (3i) warrants that the Products are free from defects in material and workmanship. Upon notice of any defect in material and workmanship, Intelligent Imaging Innovations (3i) shall have the right to inspect the Products and to investigate all claims for the purpose of determining whether the Products are defective. If Intelligent Imaging Innovations (3i) determines that the Products are defective and covered by this limited warranty then Intelligent Imaging Innovations (3i) shall, at its option, have the right either to repair or replace any defective Products. Intelligent Imaging Innovations’ (3i) liability and Buyer’s exclusive remedy, for defective Products shall be limited solely to such repair or replacement. No Products shall be returned to Intelligent Imaging Innovations (3i) without Intelligent Imaging Innovations’ (3i) prior written consent. Subject to the foregoing, the warranty contained herein shall remain in effect for 12 months from the date that the Products are shipped by Intelligent Imaging Innovations (3i), unless a different
warranty period shall be stated on the face hereof. 12.3 Different warranty terms are available for some product types and are incorporated herein if noted on the face hereof. Such different warranty terms supersede the terms hereof only to the extent that they are inconsistent herewith. 12.4 The warranty contained in this section is in lieu of and excludes all other warranties, express or implied by operation of law or otherwise, including any implied warranty of merchantability or fitness for a particular purpose. Loss or damage arising out of or in any way related to the manufacture, sale, delivery or use of the products shall be as provided herein and shall in no case exceed the lesser of the cost of repair or replacement. Intelligent Imaging Innovations (3i) shall not be liable in contract or in tort to buyer or any other person for any special, incidental or consequential damages with respect to Intelligent Imaging Innovations’ (3i) obligations hereunder, such as but not limited to, damage to, loss of, or loss of the use of other property or equipment, loss of profits or revenues or claims of buyer or of customers of buyer for losses of any kind. 12.5 This warranty is non-transferrable and non-assignable and may be enforced by Buyer. 12.6 Intelligent Imaging Innovations (3i) gives no warranty whatsoever with respect to parts with a limited technical lifetime such as data discs and cassettes. Components or products produced by other manufacturers are warranted by Intelligent Imaging Innovations (3i) only to the extent that such components are warranted by the manufacturer supplying such components to Intelligent Imaging Innovations (3i) and to the extent that such warranties may be assigned by Intelligent Imaging Innovations (3i) to Buyer. If Intelligent Imaging Innovations’ (3i) software is included in this Agreement, Intelligent Imaging Innovations (3i) warrants that its software, which is designed for use with a particular hardware product, where properly installed, will not fail to execute its programming instructions due to defects in materials and workmanship. If Intelligent Imaging Innovations (3i) receives notice of a defect during the applicable warranty period, Intelligent Imaging Innovations (3i) will repair or replace software media which do not execute programming instructions due to such defect. Intelligent Imaging Innovations (3i) does not warrant that the operation of the software will be uninterrupted or error-free.

13. PATENT INDEMNITY - Intelligent Imaging Innovations (3i) shall defend or settle any claim made or any suit or proceeding brought against Buyer which is based on an allegation that any Products infringe a third-party patent, provided that Intelligent Imaging Innovations (3i) is timely modified of any such claim, suit or proceeding and is given, by Buyer, all necessary information, cooperation and the sole authority to defend or settle the same at Intelligent Imaging Innovations’ (3i) expense. In the event that the Products are in such suit or proceeding, held to infringe any patent and the use of such Products is enjoined or in the case of a settlement of such suit or proceeding Intelligent Imaging Innovations (3i) shall have the option at its own expense, (i) to procure for Buyer the right to continue the use of the Products or (ii) to modify the same so that the Products become non-infringing or (iii) refund the depreciated value of the Products and accept return thereof. Intelligent Imaging Innovations (3i) shall have no liability for claim of infringement resulting from compliance by Intelligent Imaging Innovations (3i) with Buyer’s designs, specifications or instructions or in the event of modification of the Products by Buyer, or use by Buyer of the Products other than as specified in Intelligent Imaging Innovations’ (3i) publications or use by Buyer of the Products together with products not supplied by Intelligent Imaging Innovations (3i). In no event shall Intelligent Imaging Innovations (3i) be liable under this warranty for any direct, special, incidental, or consequential damages, including loss of profits or revenues, loss of use of equipment, loss of use of property, or claims of Buyer or of customers of Buyer for losses of any kind. Intelligent Imaging Innovations (3i) shall be liable only to the extent of the cost of repair or replacement of the Products in question. In no event shall Intelligent Imaging Innovations (3i) be liable for more than the cost of repair or replacement of the Products in question.
Imaging Innovations (3i) have any liability for any infringement in excess of the purchase price of the infringing Products.

14. NOTICES – All notices, consents, requests, instructions, approvals and other communications hereunder shall be in writing and given by personal delivery or by certified mail return receipt requested, or by express delivery service to the address of Buyer or Intelligent Imaging Innovations (3i) as shown on the face hereof or to such other address as any party hereto may, from time to time, designate in writing. Notices shall be deemed to be effective on the date personally delivered or three (3) days after deposited in the United States mail as certified mail or one day deposited with an express delivery service, as the case may be.

15. APPLICABLE LAW – This agreement shall be governed by and construed under the laws of the State of Colorado applicable to contracts made and to be performed wholly within the State of Colorado.

16. JURISDICTION AND VENUE – Buyer hereby submits to the jurisdiction of the Colorado courts for the resolution of any dispute arising directly or indirectly from this Agreement. The exclusive venue of any action, proceeding or dispute resolution procedure arising directly or indirectly from this Agreement shall be Denver County, Colorado. Buyer waives any objection to venue in Denver County, Colorado and waives any right to assert that Denver County, Colorado is an inconvenient forum.

17. ENTIRE AGREEMENT – This writing is intended by the parties as a final expression of their agreement and as a complete and exclusive statement of its terms. This writing supersedes any previous or contemporaneous communications, representations or agreements by either party whether verbal or written. No representations, understanding or agreements have been relied upon in making this Agreement other than as specifically set forth herein. This Agreement can only be modified in a writing signed by the parties hereto.

18. NO WAIVER – Failure or delay by Intelligent Imaging Innovations (3i) in seeking enforcement of any term or condition hereof at one time shall not constitute a waiver of the right to enforce such term or condition in the future, nor of Intelligent Imaging Innovations’ (3i) right to enforce any other term or condition hereof.

19. SEVERABILITY OF PROVISIONS – In the event that any one or more of the provisions contained in this Agreement are determined to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

20. ASSIGNMENT – No assignment of rights or transfer of obligations under this Agreement shall be made by Intelligent Imaging Innovations (3i) or Buyer without the prior written consent of the other party, provided however that Intelligent Imaging Innovations (3i) may, without the consent of Buyer assign its rights and transfer its obligations under this Agreement to any corporation which is a parent, subsidiary or affiliate of Intelligent Imaging Innovations (3i).
21. QUOTATIONS – Any quotation issued by Intelligent Imaging Innovations (3i) shall not constitute an offer by Intelligent Imaging Innovations (3i) to sell the Products to Buyer and Intelligent Imaging Innovations (3i) reserves the right to withdraw or modify any quotation issued by it at any time without notice to Buyer. Such quotation shall constitute an invitation to Buyer to submit a purchase order to Intelligent Imaging Innovations (3i), which purchase order may be accepted (by Intelligent Imaging Innovations’ (3i) issuance of its acknowledgement) or rejected by Intelligent Imaging Innovations (3i). Any contract for the purchase and sale of the Products between Intelligent Imaging Innovations (3i) and Buyer may only result from Intelligent Imaging Innovations’ (3i) issuance of a written acknowledgement.