

IMAGE DIAGNOSTICS, INC.
PRODUCT PURCHASE TERMS & CONDITIONS

The terms and conditions herein shall apply to all sales of products (and together with related components, and/or other products, offered by Image Diagnostics, Inc., ("IDI") to Buyer.

1. QUOTATIONS, PRICES & PURCHASE ORDERS

(a) Purchase orders shall be made out to Image Diagnostics, Inc., 98 Pratt's Junction Rd., Sterling, MA 01564-0576 and shall be subject to written acceptance only by IDI.

(b) All prices quoted shall be exclusive of the costs of freight, sales tax, use tax, license fees, and other charges related thereto. Buyer shall be responsible for all such costs, taxes and related charges.

(c) Freight charges will be pre-paid by IDI and added to the product invoice unless otherwise mutually agreed to and specified in the IDI quotation.

(d) IDI's typographical and clerical errors in quotations, price lists, or purchase order acceptance documents are subject to correction.

2. PAYMENT TERMS & DEPOSITS

IDI's agreement with an individual Buyer may require a pre-shipment down payment deposit amount which will be credited in full against the purchase price. Payment terms are net 30 days from date of delivery but not more than 45 days from date of shipment, whichever is less. Any modification of these payment terms will be solely at the discretion of IDI and evidenced by IDI confirmation of such in writing. If payment is in arrears by 15 days or more, IDI reserves the right to withhold any and all further shipments.

3. SHIPPING, DELIVERY & RISK OF LOSS

All risk of loss or damage and legal title shall pass to Buyer when the Product is delivered to the Buyer's requested delivery address. Dates indicated for delivery or other performance represent IDI's best estimate. IDI shall not be liable to Buyer for loss or damage due to delivery delays, and Buyer agrees to extend the delivery date for a reasonable period of time in the event of circumstances beyond IDI's reasonable control. Delivery shall be deemed to occur when the Product(s) have been unloaded from the conveying vehicle at the Delivery Address. The Buyer shall provide its own insurance on the Product from that time.

4. INSTALLATION, ACCEPTANCE, PAYMENT & CANCELLATIONS

(a) The unpaid balance of the purchase price shall be due 30 days from the invoice date. Past due amounts shall be subject to a service charge of 1.5% per month. Buyer's failure to make any payment when due shall absolve IDI from any obligations to provide service, spare parts or any undelivered items for the period of the failure to pay.

(b) Buyer shall be responsible for having the site fully ready to receive the Product on the estimated delivery date. If the site is not fully ready to receive the Product, Buyer shall be responsible for selecting and paying for warehousing and storage.

(c) Each Product shall be deemed accepted by the Customer unless notice of nonconformity is received within 14 days of installation. Use of any Product by Buyer or any of its agents or employees for any purpose (other than to determine that it meets specifications) after delivery thereof, shall constitute acceptance of the Product by the Buyer.

(d) Order Cancellations and Restocking Fees: In the event an order is canceled prior to delivery, or in the event that the Buyer takes delivery of the Product(s) and subsequently decides to return such Product(s) IDI reserves the right to charge a restocking fee not to exceed 10% of selling price and/or any applicable freight charges. IDI also reserves the right to charge additional restocking fees if the PRODUCT is not returned in "like-new" conditions. All cancellations must be directed to IDI in writing. No cancellations or returns will be accepted after the Buyer has accepted the Product(s).

(e) IDI shall retain a purchase-money security interest in the Products until all payments due from the Buyer have been received by IDI. IDI may file appropriate documentation in appropriate governmental offices to perfect such security interest and Buyer shall, at IDI's request, sign documents and otherwise cooperate with IDI in perfecting such security interest. Buyer's failure to so cooperate shall be a material breach of this Agreement.

5. WARRANTY

(a) IDI warrants that the Covered Products conform to the manufacturer's published specifications and are free from defects in material or workmanship. The duration of the warranty is 36 months on parts and 12 months on labor from the date of delivery (except where otherwise defined in IDI's prevailing Official Product Warranty document). Warranty service will include both parts and labor at no charge. IDI's Official Product Warranty terms and conditions are detailed in a separate document which is available to Buyer on request. The prevailing version of

IDI's Official Product Warranty in effect at the date of purchase order shall be made part of the Purchase Terms and Conditions contained herein and shall contain the sole and exclusive terms and conditions of IDI's Product Warranty.

(b) Warranty of Title, Patents and Copyrights: IDI warrants that it has good title to the Covered Products free of any encumbrance and that the Covered Products shall be delivered free from the rightful claim of any third person for infringement of patent or copyright. IDI will defend Buyer against any claim of infringement and will pay resulting costs, damages and attorney fees finally awarded, provided that (i) Buyer promptly notifies IDI in writing of any claim and (ii) IDI has sole control of the defense and all related settlement negotiations. If a claim arises, Buyer will allow IDI, at IDI's option and expense, to procure the right for Buyer to continue using the Covered Products, to replace or modify the Covered Products so that they become non-infringing or to grant Buyer a refund of the purchase price in exchange for the return to IDI of the infringing Covered Product.

6. INDEMNITY

As an express condition of sale, Buyer agrees to indemnify IDI and to hold IDI harmless from any damage or injury whatsoever resulting from or in any way related to: (i) any fault or neglect of others not parties hereto; (ii) any fault or neglect of Buyer, its employees, agents or licensees; and (iii) use or operation of the Product by Buyer, its agents, employees or licensees, prior to Product acceptance by Buyer. Buyer shall so indemnify IDI notwithstanding any fault or neglect attributable to IDI, provided, however, if it is determined, in accordance with applicable law, that any fault or neglect of IDI, its employees or agents, materially contributes to damage or injury, to third parties resulting from or related to any of the causes set forth in clauses (i) or (ii) hereinabove, IDI shall be responsible in such proportion as reflects its relative fault thereof.

7. MISCELLANEOUS

(a) Force Majeure: Notwithstanding any other provision of this Agreement, no default, delay, or failure to perform by either party shall be considered a breach of this Agreement if an event or cause is shown to be due entirely to causes beyond reasonable control of such party. Such events or causes include, but are not limited to, strikes, lockouts, labor disputes, default of common carrier, riots, civil disturbance, actions or in-actions of suppliers or government authorities, severe weather, earthquakes, fire, acts of God, or other such causes.

(b) Compliance with Law: The parties shall comply with all applicable statutes, rules, regulations and standards of any and all governmental authorities and regulatory and accreditation bodies relating to physicians, Buyer, and IDI. Both parties acknowledge their respective obligations under this Agreement to maintain the security and confidentiality of individually identifiable health information and agree to comply with applicable federal and state health information confidentiality laws and regulations.

(c) Severability: In the event that any of the provisions of this Agreement, are determined to be unenforceable or illegal in any respect under the laws of any state or of the United States of America, such unenforceable provision(s) shall be deemed as removed from this Agreement and the remainder of this Agreement shall remain in effect and unchanged.

(d) Disputes and Governing Laws: All disputes under any contract concerning Products not otherwise resolved between Buyer and IDI shall be resolved in a court of competent jurisdiction. No action, regardless of form, arising out of, or in any way connected with, any Product or service furnished, or to be furnished, may be brought by Buyer more than one (1) year after the cause of action has accrued to Buyer.

(e) Assignment: Buyer shall not assign or transfer its rights or obligations under this Agreement or any attachment, exhibit hereto or the like or any transaction or relationship with IDI arising under or governed by this Agreement or any such attachment, exhibit, etc. or incorporated by reference herein or incorporating this Agreement, in whole or in part to any third party without the prior written consent of IDI, nor shall any assignment with such consent ever operate to release Buyer from any obligation to IDI hereunder or otherwise.

(f) Confidentiality. The parties agree to make no use of information identified as Confidential by the other party except for the purpose of this Agreement. Confidential Information includes, but is not limited to, drawings, specifications and technical materials of or related to the Product(s), IDI quotations and product pricing and the terms and conditions of this Purchase Agreement. Such Confidential Information shall not be disclosed to third parties without permission of the owner. These obligations shall not apply to a party's Confidential Information to the extent that such information (i) was already legally in the possession and control of the receiving party prior to its receipt from the delivering party; (ii) is independently derived by the receiving party without use of the delivery party's Confidential Information; or (iii) is lawfully obtained from a third party under no obligation of confidentiality to the delivering party. The provisions of this section will survive any termination of this Agreement.