Retail Sales Agreement

AVI Systems Inc., 2300 E 54th Street N, Suite 2 Sioux Falls, SD, 57104 | Phone: (605)782-4141, Fax: (605)782-4142

Proposal Number: 1019580
Prepared For: Brookings County
Attn: Shawn Plowman

Prepared By: Charles Risty
Phone: (605)782-4153
Email: chuck.risty@avisystems.com

Proposal Date: October 06, 2020

Courtroom B Crestron DMPS and Audio Processor

BILL TO

Attn: Shawn Plowman

Brookings County
520 3rd St. Suite 100
Brookings, SD, 57006
Phone: (605)696-8250
Email:
Customer Number: BRC0022

SITE

Attn: Shawn Plowman

Brookings County
520 3rd St. Suite 100
Brookings, SD, 57006
Phone: (605)696-8250
Email:

COMMENTS

PRODUCTS AND SERVICES SUMMARY

Equipment	$10,796.25
Integration	$7,856.73
PRO Support	$6,047.00
Shipping & Handling	$203.00
Tax	$0.00
Grand Total	$24,902.98

Unless otherwise specified. The prices quoted reflect a discount for a cash payment (i.e., check, wire transfer) made by Customer in full within the time stated for payment on each invoice. Discount only applies to new items included on the invoice, and only applies if the balance on the invoice is paid in full.

All returned equipment is subject to a restocking charge. The prices are valid for 30 days and may be locked in by signing this Retail Sales Agreement.

Overdue balances are subject to a finance charge of 1.5% per month, or interest at the highest rate permitted by applicable law. In the event AVI must pursue collection of unpaid invoices, Customer agrees to pay all of AVI's costs of collection, including its attorneys' fees.

INVOICING AND PAYMENT TERMS

Customer and AVI have agreed on the payment method of CASH. Payment must be remitted by stated method. To the extent Customer seeks to use of any payment methods other than stated, and that payment method results in an increased transaction cost to AVI, the new payment must be approved in writing, and the Customer shall be responsible for paying the increased transaction cost to AVI associated with the change in payment method. Payments shall be made 30 days from invoice date. So long as the invoice has been sent and the Customer's payment is made within the terms work will continue.

AVI uses progress billing, and invoices for equipment and services allocated to the contract on a monthly basis. Unless otherwise specified, all items quoted (goods and services) as well as applicable out of pocket expenses (permits, licenses, shipping, etc.) are invoiced in summary (including applicable sales taxes due for each category of invoiced items).

Customer is to make payments to the following "Remit to" address:

AVI Systems
NW8393 PO Box 1450
Minneapolis, MN 55485-8393

If Payment Method is ACH: Customer must make all payments in the form of bank wire transfers or electronic funds transfers through an automated clearinghouse with electronic remittance detail, in accordance with the payment instructions AVI Systems provides on its invoice to Customer.

A monthly summary of detailed equipment received is available upon request. Equipment received may be different than equipment billed based on agreed billing method.

TAXES AND DELIVERY

Unless stated otherwise in the "Products and Services Summary" above, AVI will add and include all applicable taxes, permit fees, license fees, and delivery charges to the amount of each invoice. Taxes will be calculated according to the state law(s) in which the product(s) and/or service(s) are provided. Unless Customer provides a valid tax exemption certificate for any tax exemption(s) claimed, AVI shall invoice for and collect all applicable taxes in accordance with state law(s), and Customer will be responsible for seeking a tax credit/refund from the applicable taxing authority.

AGREEMENT TO QUOTE AND DOCUMENTS CONSTITUTING YOUR CONTRACT WITH AVI

Customer hereby accepts the above quote for goods and/or services from AVI. When duly executed and returned to AVI, AVI's Credit Department will check Customer's credit and approve the terms. After approval by AVI's Credit Department and signature by AVI, this Retail Sales Agreement will, together with the AVI General Terms & Conditions (which can be found at http://www.avisystems.com/TermsofSale) form a binding agreement between Customer and AVI. (This Retail Sales Agreement and the AVI General Terms & Conditions of Sale (the "T&Cs") are referred to collectively as the "Agreement"). If not defined in this Agreement, all capitalized terms shall have the meaning given to them in the T&Cs. Should AVI's Credit Department determine at any point prior to AVI commencing work that Customer's credit is not adequate, or should it otherwise disapprove of the commercial terms, AVI reserves the right to terminate the Agreement without cause and without penalty to AVI.

AGREED AND ACCEPTED BY

Company	**AVI Systems, Inc.** Company
Signature	Signature
Printed Name	Printed Name
Date	Date

CONFIDENTIAL INFORMATION

The company listed in the "Prepared For" line has requested this confidential price quotation, and shall be deemed "Confidential Information" as that term is defined in the T&Cs. This information and document is confidential and is intended solely for the private use of the customer identified above. Customer agrees it will not disseminate copies of this quote to any third party without the prior written consent of AVI. Sharing a copy of this quote, or any portion of the Agreement with any competitor of AVI is a violation of this confidentiality provision. If you are not the intended recipient of this quote (i.e., the customer), you are not properly in possession of this document and you should immediately destroy all copies of it.

SERVICES TO BE PROVIDED

INTEGRATION SERVICES

INTEGRATION SCOPE OF WORK

A. SUMMARY: Courtroom B: AVI Systems will replace the existing Crestron touch panel, Crestron DMPS with a new DMPS3-4K-350, and the existing Nexia DSP with a Tesira Forte Dan VT DSP. The existing Group 310 codec will be integrated into the new DSP so that the room speakers and mics can be used in a video conference. Owner's VOIP telephone system will also be integrated into the new DSP so that the room speakers and mics can be used in an audio conference. Owner will be responsible for providing a connection to the VOIP system at the equipment rack. A new UPS will also be installed. All other equipment (mics, speakers, amp, DM transmitters & receivers, etc. will remain and will be integrated into the new equipment. The new system will be completely reprogrammed. (Designation OFE below indicates existing owner furnished equipment to be re-used)

B. SYSTEM DESCRIPTION:

- Displays:
  - OFE wall mounted Samsung LC70LE745 display
- Source Devices:
  - Two OFE Crestron 201-C transmitters at counsel tables
- Audio:
  - Four OFE ceiling speakers
  - One OFE JBL Control 2P powered speaker at court reporter's desk
  - 4 OFE hardwired mics
  - Two OFE wireless mics
  - OFE Williams sound assisted listening transmitter
  - New Tesira Forte Dan VT DSP
  - OFE Mixer Amplifier
- Conferencing:
  - OFE Polycom Group 310 codec and display on mobile cart
- Switching:
  - New Crestron DMPS
- Controls:
  - New Crestron touch panel located at same location on bench as existing touch panel
- Equipment Location:
  - All equipment will be installed in OFE equipment rack

C. EXCLUSIONS: The following work is **not included** in our Scope of Work:

- All conduits, high voltage, wiring panels, breakers, relays, boxes, receptacles, etc.
- VOIP connection at rack location
- Concrete saw cutting and/or core drilling
- Fire wall, ceiling, roof and floor penetration
- Necessary gypsum board replacement and/or repair
- Necessary ceiling tile or T-bar modifications, replacements and/or repair
- Structural support of equipment *AVI Systems not responsible for building related vibrations
- Installation of ceiling mounted projection screen
- All millwork (moldings, trim, cut outs, etc.)
- Patching and Painting
- Permits (unless specifically provided for and identified within the contract)
- Unless otherwise stated the pricing in this agreement does not include prevailing wage or union labor
- Unless specifically noted lifts and scaffolding are not included

D. CONSTRUCTION CONSIDERATIONS: Intentionally Left Blank

E. NOTICE: THIS SCOPE OF WORK IS DELIVERED ON THE BASIS OF THE FOLLOWING ASSUMPTIONS:

- The room(s) match(es) the drawings provided.
- Site preparation by the Customer and their contractors includes electrical and data placement per AVI Systems specification.
- Site preparation will be verified by AVI Systems project manager or representative before scheduling of the installation. All work areas should be clean and dust free prior to the beginning of on-site integration of electronic equipment.
- Customer communication of readiness will be considered accurate and executable by AVI Systems project manager.
- In the event of any arrival to site that AVI Systems is not able to execute work efficiently and definably progress, the Customer will be charged a fee to reimburse AVI Systems for all lost time and inefficiencies. At this time, the Customer will be presented a Contract Change Order and will/may halt work until acceptance by the Customer and rescheduling of the integration effort is agreed upon.
- Rescheduling and redeployment of AVI Systems technicians due to unacceptable site preparation may cause scheduling delays of up to 10 business days.
- There is ready access to the building / facility and the room(s) for equipment and materials.
- There is secure storage for equipment during a multi-day integration.
- If Customer furnished equipment and existing cabling is to be used, AVI Systems assumes that these items are in good working condition at this time and will integrate into the designed solution. Any repair, replacement and/or configuration of these items that may be necessary will be made at an additional cost.
- All Network configurations including IP addresses are to be provided, operational and functional before AVI Systems integration begins. AVI Systems will not be responsible for testing the LAN connections.
- Cable or Satellite drops must be in place with converter boxes operational before the completion of integration. Any delay resulting in extra work caused by late arrival of these items will result in a change order for time and materials.
- Document review / feedback on drawings / correspondence will be completed by the Customer within two business days (unless otherwise noted).
- The documented Change Control process will be used to the maximum extent possible – the Customer will have an assigned person with the authority to communicate/approve project Field Directed Change Orders and Contract Change Orders (see Appendix).
- In developing a comprehensive proposal for equipment and integration services AVI Systems' Sales Representatives and Engineering teams must make some assumptions regarding the physical construction of your facility, the availability of technical infrastructure and site conditions for installation. If any of the conditions we have indicated in the site survey form are incorrect or have changed for your particular project or project site, please let your Sales representative know as soon as possible. Conditions of the site found during integration effort which are different from those documented may have an effect on the price of the system solution, integration or services. To ensure that you have an accurate proposal based on your facility and specific to the conditions of your project, please review all project documentation carefully.

F. INTEGRATION PROJECT MANAGEMENT PROCESSES

AVI Systems will follow a foundational project management process which may include the following actions/deliverables (based on the size/complexity/duration of the integration project):

- Site Survey – performed prior to Retail Sales Agreement and attached
- Project Welcome Notice – emailed upon receipt of Purchase Order
- Project Kick-Off meeting with Customer Representative(s) – either by phone or in-person
- Project Status reviews – informal or formal – either by phone or in-person (based on the size/complexity/duration of the project)
- Project Change Control – comprised of Field Directed Change Order and/or Contract Change Order submittals (see Appendix)
- Notice of Substantial Completion (see Appendix) – at Customer walk-through – prior to Service transition

G. KNOWLEDGE TRANSFER (TRAINING)

This is geared specifically towards the end-user / operator. The purpose of this knowledge transfer is to provide operators with the necessary knowledge to confidently and comfortably operate all aspects of the integrated system. Areas covered include the following:

- Equipment and system overview
- Equipment operation and function
- Equipment start up, stop, and shut down
- Equipment automatic and manual operation
- Discussion and documentation relating to control system operation
- Discussion and documentation relating to system processor and its control applications
- Powering up, powering down AV system via control system
- Manual operation of display systems, audio system and all other related components
- Use/operation of patch panels, when and where to be used
- Who to call when help is required

H. AVI SYSTEMS INTEGRATION SERVICES RESPONSIBILITIES

AVI Systems will provide services/work for the project as described above in the Scope of Work or per the attached separate Scope of Work document detailing the scope of work to be performed.

- Provide equipment, materials and service items per the contract products and services detail.
- Provide systems equipment integration and supervisory responsibility of the equipment integration.
- Provide systems configuration, checkout and testing.
- Provide project timeline schedules.
- Provide necessary information, as requested, to the owner or other parties involved with this project to ensure that proper AC electrical power and cableways and/or conduits are provided to properly integrate the equipment within the facilities.
- Provide manufacturer supplied equipment documentation.
- Provide final documentation and "as built" system drawings (CAD) - if purchased.
- Provide system training following integration to the designated project leader or team.

I. CUSTOMER INTEGRATION SERVICES RESPONSIBILITIES

- Provide for the construction or modification of the facilities for soundproofing, lighting, electrical, HVAC, structural support of equipment, and decorating as appropriate. Includes installation of ceiling mounted projection screen.
- Provide for the ordering, provisioning, installation, wiring and verification of any Data Network (LAN, WAN, T1, ISDN, etc.) and Telephone Line (Analog or Digital) equipment and services prior to on-site integration.
- Provide all necessary cableways and/or conduits required to facilitate AV systems wiring.
- Provide all necessary conduit, wiring and devices for technical power to the AV systems equipment.
- Provide reasonable accesses of AVI Systems personnel to the facilities during periods of integration, testing and training, including off hours and weekends.
- Provide a secure area to house all integration materials and equipment.
- Provide a project leader who will be available for consultation and meetings.
- Provide timely review and approval of all documentation (Technical Reports, Drawings, Contracts, etc.).

CUSTOMER CARE

CUSTOMER CARE SERVICES TO BE PROVIDED

Customer Care is the ongoing care and maintenance services delivered to keep your System(s) functioning as originally designed and installed. AVI Systems will perform the services below, as further described in Definitions, for covered Systems.

Customer Care Entitlement Matrix

Entitlement	Definition	System Support	Unified Communi-cations	Digital Media	Service Level
Incident Management	AVI Systems provides Priority Support to troubleshoot, remediate,	Included	Included	Included	Remote initiation within two (2) business hours, Monday

	and escalate all Incidents through to resolution.				through Friday during standard hours (8am-5pm local time, excluding holidays)
Remote Support	AVI Systems provides remote Priority Support for supported systems to diagnose and resolve incidents.	Included	Included	Included	Remote response within (8) business hours, Monday through Friday during standard hours (8am-5pm local time, excluding holidays)
Onsite Support	AVI Systems provides Priority Support for technician dispatch to the client location to diagnose and resolve an Incident.	Included	Not Included	Not Included	Onsite response within eight (8) business hours, Monday through Friday during standard hours (8am-5pm local time, excluding holidays)
Advanced Parts Replacement	AVI Systems provides advanced replacement of failed hardware components. Does not include Consumables or Obsolete Equipment.	Included	Included	Included	Repair and/or replacement is manufacturer dependent. Loaner Equipment on Best Effort basis
Software Update Assistance	AVI Systems provides labor to implement updates of existing software to correct software errors and/or resolve incidents	Included	Included	Included	
System Training	AVI Systems conducts user training to cover operation of the system and how to contact AVI Systems for support. Technical, Administrative, or Product Specific training is available separate from this agreement.	Included	Not Included	Not Included	Remote user training, scheduled at least one (1) week in advance
System Health Checks	AVI Systems personnel perform preventative maintenance. Includes cleaning, adjustments, functional tests, and replacement of parts to keep the system equipment in efficient operating condition.	Included	Not Included	Not Included	Two (2) System Health Checks per year, each scheduled at least one (1) week in advance
Asset Management	AVI Systems tracks asset information for Systems.	Included	Included	Included	

CUSTOMER CARE DEFINITIONS

System – Defined as the items listed in the Products and Services Detail section of this Agreement or listed on an attached Equipment List with the exception of Consumables, Owner Furnished Equipment, and Obsolete Equipment.

Priority Support – Means all work under AVI Systems support agreements with Customers is scheduled ahead of any other on-demand work.

Remote Support – Means a service whereby remote calls made to communications and terminal equipment via Customer provided IP connection to determine failures and remedies. Only available where equipment is capable and configured by AVI Systems to provide same.

Onsite Support - Service level response assumes client location is within 60 miles of an AVI Systems Service Center. Additional travel costs may apply if the client location is beyond 60 miles of an AVI Systems Service Center.

Consumables – Means parts such as recording media, batteries, projection lamps and bulbs, etc. Consumables are parts that are not included under this Agreement.

Obsolete Equipment – Defined as items (though possibly still in use) that are outdated with no manufacturer support or parts availability, or products with formal end of life as defined by their manufacturer. Obsolete Equipment are parts that are not included under this Agreement.

Loaner Equipment – Defined as table top LCD projectors and flat screen monitors under 50". Table top projectors are not integrated into a system. Flat screen monitors will be installed onto a wall if reasonably possible.

Best Effort – Means AVI Systems strives to provide the Service or repair any Incident in an appropriate and generally accepted manner using the resources available but makes no promise in this reference.

Advanced Parts Replacement - Provides for recycling of equipment covered in a system or consumables with no additional fees. Includes coverage for shipping to/from manufacturer for equipment sent to for warranty diagnosis, repair or exchange

Software Update Assistance – Defined as revisions of existing software which provide maintenance to correct software errors. Assumes software is provided at no charge by the manufacturer or covered under a valid manufacturer maintenance contract. Cascading software dependencies may impact ability to issue updates. Software and features which require additional licensing are not included under this Agreement. Changes to custom templates or scripts after initial deployment are available separate from this agreement.

CUSTOMER CARE - UNIFIED COMMUNICATIONS

Remote Technical Support

- Help Desk phone number: 866-836-8277
- Help Desk email: ucsupport@avisystems.com

SYSTEM SUPPORT TERMS

Coverage Dates – Unless otherwise stated, the service coverage date will be effective as of substantial completion or System Support Agreement invoice date; whichever is applicable. Coverage will extend for the duration specified by the corresponding line item description found in the Product and Services Detail section of this Agreement. AVI Systems reserves the right to withhold services until the invoice is paid in full.

Exclusions – For situations where AVI Systems is providing service or support under this Agreement, no cost service, maintenance or repair shall not apply to the Equipment if any person other than an AVI Systems technician or other person authorized by AVI Systems, without AVI Systems prior written consent, improperly wires, integrates, repairs, modifies or adjusts the Equipment or performs any maintenance service on it during the term of this Agreement. Furthermore, any Equipment service, maintenance or repair shall not apply if AVI Systems determines, in its sole discretion, that the problems with the Equipment were caused by (a) Customer's negligence; or (b) theft, abuse, fire, flood, wind, lighting, unreasonable power line surges or brownouts, or acts of God or public enemy; or (c) use of any equipment for other than the ordinary use for which such equipment was designed or the purpose for which such equipment was intended, or (d) operation of equipment within an unsuitable operating environment, or (e) failure to provide a suitable operating environment as prescribed by equipment manufacturer specifications, including, without limitation, with respect to electrical power, air conditioning and humidity control.

Systems Support Terms are in addition to AVI Systems' General Terms and Conditions of Sale.

UNIFIED COMMUNICATIONS TERMS

Coverage Dates – Unless otherwise stated, the service coverage start date for Unified Communications Support Services for new unified communications infrastructure equipment will be the shipped date from the manufacturer and coverage will extend for the duration of time specified by the corresponding line item description found in the Product and Services Detail section of this Agreement. The start date for Unified Communications Support Services purchased to cover existing equipment are established by the manufacturer and the coverage will extend for the duration specified by the corresponding line item description found in the Product and Services Detail section of this Agreement.

Unified Communications Terms are in addition to AVI Systems' General Terms and Conditions of Sale.

PRODUCTS AND SERVICES DETAIL

PRODUCTS:

Mfg	Description	Qty	Price	Extended
	Base Upgrade - Processor, Touch Panel, DSP			
BIAMP	Fixed I/O DSP with 12 analog inputs, 8 analog outputs, 8 channels configurable USB audio, 32 x 32 ch	1	$2,623.75	$2,623.75
CRESTRON	3-Series® 4K DigitalMedia™ Presentation System 350 with AirMedia®	1	$6,750.00	$6,750.00
CRESTRON	7 in. Touch Screen, Black Smooth	1	$875.00	$875.00
CRESTRON	Tabletop Kit for TSW-760 and TSS-7, Black Smooth	1	$125.00	$125.00
APC	AV Black J Type 1kVA Power Conditioner with Battery Backup 120V Retail	1	$422.50	$422.50
	Programming			$5,100.16
	On Site Integration			$2,756.57
	Sub-Total: Base Upgrade - Processor, Touch Panel, DSP			**$18,652.98**
	Option DECLINED - Replace Mics & Assisted Listening			
SHURE	Cardioid-18" Desktop Gooseneck Condenser Microphone, Attached 10´ XLR Cable, Logic Functions, Progra	4	$249.38	$997.52
SHURE	Dual Combo System with (2) SLXD1 Bodypacks and SLXD4D Receiver	1	$1,067.56	$1,067.56
SHURE	Microflex® Cardioid Lavalier Microphone	2	$98.56	$197.12
WILLIAMS SOUND	WaveCAST	1	$808.44	$808.44
	Programming			$1,115.66
	On Site Integration			$2,148.82
	Shipping & Handling			$148.00
	Sub-Total: Option - Replace Mics & Assisted Listening			**$6,483.12**
	Option DECLINED - Amp, Crestron Tx/Rx, & Reporter's Speaker			
CROWN	4x 60W mixeramplifier	1	$341.25	$341.25
CRESTRON	DigitalMedia 8G+® Transmitter 201	2	$812.50	$1,625.00
JBL	CONTROL 2P MASTER POWERED SPEAKER	1	$151.81	$151.81
	Programming			$318.76
	On Site Integration			$1,366.83
	Shipping & Handling			$91.00
	Sub-Total: Option - Amp, Crestron Tx/Rx, & Reporter's Speaker			**$3,894.65**

PRO SUPPORT:

Model #	Mfg	Description	Qty	Price	Extended
AVISSA3YR	AVI SYSTEMS	3 Year System Support Agreement	1.0000	$6,047.00	$6,047.00

Refer to Page 1 for the Grand Total that includes Taxes, and Shipping & Handling.

AVI Systems General Terms and Conditions of Sale

The following General Terms & Conditions of Sale (the "T&Cs") in combination with either (a) a signed Retail Sales Agreement or (b) Quote under which AVI Systems, Inc ("AVI") agrees to supply goods or services constitute a binding contract (the "Agreement") between AVI and the entity identified on page one of the Retail Sales Agreement or Quote (the "Customer"). In the absence of a separately negotiated "Master Services Agreement" between AVI and Customer signed in "wet ink" by the Chief Executive Officer or Chief Financial Officer of AVI, these T&C's shall apply. Any terms and conditions set forth in any correspondence, purchase order or Internet based form from Customer to AVI which purport to constitute terms and conditions which are in addition to those set forth in this Agreement or which attempt to establish conflicting terms and conditions to those set forth in this Agreement are expressly rejected by AVI unless the same has been manually countersigned in wet ink by an Officer of AVI.

1. Changes In The Scope of Work – Where a Scope of Work is included with this Agreement, costs resulting from changes in the scope of this project by the Customer, including any additional requirements or restrictions placed on AVI by the Customer or its representatives, will be added to the contract price. When AVI becomes aware of the nature and impact of the change, a contract Change Order will be submitted for review and approval by the Customer before work continues. AVI has the right to suspend the work on the project pending Customer's written approval of the Change Order.

2. Ownership and Use of Documents and Electronic Data – Where applicable, drawings, specifications, other documents, and electronic data furnished by AVI for the associated project under this Agreement are instruments of the services provided. These items are "Confidential Information" as defined in this Agreement and AVI shall retain all common law, statutory and other reserved rights, including any copyright in these instruments. These instruments of service are furnished for use solely with respect to the associated project under this Agreement. The Customer shall be permitted to retain copies of any drawings, specifications, other documents, and electronic data furnished by AVI for information and reference in connection with the associated project and for no other purpose.

3. Proprietary Protection of Programs – Where applicable this Agreement does not cause any transfer of title, or intellectual rights, in control systems programs, or any materials produced in connection therewith, including any source code. Any applications or programs supplied by AVI are provided, and are authorized for installation, execution, and use only in machine-readable object code form. This Agreement is expressly limited to the use of the programs by the Customer for the equipment in connection with the associated project. Customer agrees that it will not seek to reverse-engineer any program to obtain source codes, and that it will not disclose the programs source codes or configuration files to any third party, without the written consent of AVI. The programs, source codes and configuration files, together with AVI' know-how and integration and configuration techniques, furnished hereunder are proprietary to AVI, and were developed at its private expense. If Customer is a branch of the United States government, for purposes of this Agreement any software furnished by AVI hereunder shall be deemed "restricted computer software", and any data, including installation and systems configuration information, shall be deemed "limited rights data", as those terms are defined in FAR 52.227-14 of the Code of Federal regulations.

4. Shipping and Handling and Taxes – The prices shown are F.O.B. manufacturer's plant or AVI's office depending on where items are located when direction is issued to ship to the point of integration. The Customer, in accordance with AVI's current shipping and billing practices, will pay all destination charges. In addition to the prices on this Agreement, the Customer agrees to pay amounts equal to any sales tax invoiced by AVI, or (where applicable) any use or personal property taxes resulting from this Agreement or any activities hereunder. Customer will defend, indemnify and hold harmless AVI against any claims by any tax authority for all unpaid taxes or for any sales tax exemption claimed by Customer.

5. Title – Where applicable, title to the Equipment passes to the Customer on the earlier of: (a) the date of shipment from AVI to Customer, or (b) the date on which AVI transmits its invoice to Customer.

6. Security Interest – In addition to any mechanics' lien rights, the Customer, for value received, hereby grants to AVI a security interest under the Minnesota commercial code together with the a security interest under the law(s) of the state(s) in which work is performed or equipment is delivered. This security interest shall extend to all Equipment, plus any additions and replacements of such Equipment, and all accessories, parts and connecting Equipment now or hereafter affixed thereto. This security interest will be satisfied by payment in full unless otherwise provided for in an installment payment agreement. The security interest shall be security for all sums owed by Customer under this Agreement. A copy of this Agreement may be filed as a financing statement with the appropriate authority at any time after signature of the Customer. Such filing does not constitute acceptance of this Agreement by AVI

7. Risk of Loss or Damage – Notwithstanding Customer's payment of the purchase price for Equipment, all risk of loss or damage shall transfer from AVI to Customer upon transfer of Title to Customer. Customer shall be responsible for securing insurance on Equipment from this point forward.

8. Receiving/Integration – Unless the Agreement expressly includes integration services by AVI, the Customer agrees to furnish all services required for receiving, unpacking and placing Equipment in the desired location along with integration. Packaging materials shall be the property of the Customer.

9. Equipment Warranties – To the extent AVI receives any warranties from a manufacturer on Equipment; it will pass them through to Customer to the full extent permitted by the terms of each warranty. Factory warranties vary by manufacturer, and no additional warranties are expressed or implied.

10. General Warranties – Each Party represents and warrants to the other that: (i) it has full right, power and authority to enter into and fully perform its obligations under this Agreement, including without limitation the right to bind any party it purports to bind to this Agreement; (ii) the execution, delivery and performance of this Agreement by that Party does not conflict with any other agreement to which it is a Party or by which it is bound, and (iii) it will comply with all applicable laws in its discharge of its obligations under this Agreement. AVI warrants, for a period of 90 days from Substantial Completion, the systems integration to be free from defects in workmanship. CUSTOMER WARRANTS THAT IT HAS NOT RELIED ON ANY

INFORMATION OR REPRESENTATION PROVIDED BY OR ON BEHALF OF AVI WHICH IS NOT EXPRESSLY INCLUDED IN THESE GENERAL TERMS AND CONDITIONS OR THE RETAIL SALES AGREEMENT. EXCEPT AS EXPRESSLY SET FORTH HEREIN. AVI DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES WITH REGARD TO THE EQUIPMENT, MATERIALS AND SERVICES PROVIDED BY AVI, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON INFRINGEMENT AND TITLE.

11. Indemnification – Customer shall defend, indemnify and hold harmless AVI against all damages, claims, liabilities, losses and other expenses, including without limitation reasonable attorneys' fees and costs, (whether or not a lawsuit or other proceeding is commenced), that arise in whole or in part from: (a) any negligent act or omission of Customer, its agents, or subcontractors, (b) Customer's failure to fully conform to all laws, ordinances, rules and regulations which affect the Agreement, or (c) Customer's breach of this Agreement. If Customer fails to promptly indemnify and defend such claims and/or pay AVI's expenses, as provided above, AVI shall have the right to defend itself, and in that case, Customer shall reimburse AVI for all of its reasonable attorneys' fees, costs and damages incurred in settling or defending such claims within thirty (30) days of each of AVI's written requests. AVI shall indemnify and hold harmless Customer against all damages, claims, liabilities, losses and other expenses, including without limitation reasonable attorneys' fees and costs, (whether or not a lawsuit or other proceeding is commenced), to the extent that the same is finally determined to be the result of (a) any grossly negligence or willful misconduct of AVI , its agents, or subcontractors, (b) AVI's failure to fully conform to any material law, ordinance, rule or regulation which affects the Agreement, or (c) AVI's uncured material breach of this Agreement.

12. Remedies – Upon default as provided herein, AVI shall have all the rights and remedies of a secured party under the Minnesota commercial code and under any other applicable laws. Any requirements of reasonable notice by AVI to Customer, or to any guarantors or sureties of Customer shall be met if such notice is mailed, postage prepaid, to the address of the party to be notified shown on the first page of this Agreement (or to such other mailing address as that party later furnishes in writing to AVI) at least ten calendar days before the time of the event or contemplated action by AVI set forth in said notice. The rights and remedies herein conferred upon AVI, shall be cumulative and not alternative and shall be in addition to and not in substitution of or in derogation of rights and remedies conferred by the Minnesota commercial code and other applicable laws.

13. Limitation of Remedies for Equipment – AVI's entire liability and the Customer's sole and exclusive remedy in all situations involving performance or nonperformance of Equipment furnished under this Agreement, shall be the adjustment or repair of the Equipment or replacement of its parts by AVI, or, at AVI option, replacement of the Equipment.

14. Limitation on Liability – EXCEPT IN CIRCUMSTANCES INVOLVING ITS GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, THE TOTAL LIABILITY OF A AVI UNDER THIS AGREEMENT FOR ANY CAUSE SHALL NOT EXCEED (EITHER FOR ANY SINGLE LOSS OR ALL LOSSES IN THE AGGREGATE) THE NET AMOUNT ACTUALLY PAID BY CUSTOMER TO AVI UNDER THIS AGREEMENT DURING THE TWELVE (12) MONTH PERIOD PRIOR TO THE DATE ON WHICH AVI'S LIABILITY FOR THE FIRST SUCH LOSS FIRST AROSE.

15. No Consequential Damages – AVI SHALL NOT HAVE ANY LIABILITY TO CUSTOMER OR TO ANY OTHER PERSON OR ORGANIZATION FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, PUNITIVE OR SPECIAL DAMAGES OF ANY DESCRIPTION (INCLUDING WITHOUT LIMITATION LOST PROFITS OR LOSS OR INTERRUPTION OF BUSINESS), WHETHER BASED ON CONTRACT, NEGLIGENCE, TORT, OR ANY OTHER LEGAL THEORY, REGARDLESS OF WHETHER ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND IRRESPECTIVE OF THE NUMBER OR NATURE OF CLAIMS.

16. Acceleration of Obligations and Default – Payment in full for all "Equipment," which is defined as all goods identified in the section of the Agreement with the same title, as well for any and all other amounts due to AVI shall be due within the terms of the Agreement. Upon the occurrence of any event of default by Customer, AVI may, at its option, with or without notice, declare the whole unpaid balance of any obligation secured by this Agreement immediately due and payable and may declare Customer to be in default under this Agreement.

17. Choice of Law, Venue and Attorney's Fees – This Agreement shall be governed by the laws of the State of Minnesota in the United States of America without reference to or use of any conflicts of laws provisions therein. For the purpose of resolving conflicts related to or arising out of this Agreement, the Parties expressly agree that venue shall be in the State of Minnesota in the United States of America only, and, in addition, the Parties hereby consent to the exclusive jurisdiction of the federal and state courts located in Hennepin County, Minnesota in the United States of America and waive any right to assert in any such proceeding that Customer is not subject to the jurisdiction of such court or that the venue of such proceeding is improper or an inconvenient forum. The Parties specifically disclaim application (i) of the United Nations Convention on the International Sale of Goods, 1980, and (ii) of Article 2 of the Uniform Commercial Code as codified. In the event AVI must take action to enforce its rights under the Agreement, the court shall award AVI the attorney's fees it incurred to enforce its rights under this Agreement.

18. General – Headings are for reference purposes only and shall not affect the meaning or interpretation of this Agreement. The Parties acknowledge and agree that the Agreement has been negotiated by the Parties and that each had the opportunity to consult with its respective counsel, and shall be interpreted fairly in accordance with its terms and without any strict construction in favor of or against either Party based on draftsmanship of the Agreement. This Agreement is not assignable by Customer without the prior written consent of AVI. Any attempt by Customer to assign any of the rights, duties, or obligations of this Agreement without such consent is void. AVI reserves the right to assign this Agreement to other parties in order to fulfill all warranties and obligations expressed herein, or upon the sale of all or substantially all of AVI's assets or business. This Agreement can only be modified by a written agreement duly signed by persons authorized to sign agreements on behalf of the Customer and of AVI, and variance from the terms and conditions of the Agreement in any order or other written notification from the Customer will be of no effect. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. AVI is not responsible for any delay in, or failure to, fulfill its obligations under this Agreement due to causes such as natural disaster, war, emergency conditions, labor strike, acts of terrorism, the substantial inoperability of the Internet, the inability to obtain supplies, or any other reason or any other cause or condition beyond AVI's reasonable control. Except as otherwise stated in the Agreement, AVI is not obliged to provide any services hereunder for Equipment located outside the United States or Puerto Rico. Scheduled completion dates are subject to change based on material shortages caused by shortages in cable and materials that are industry wide.

19. Confidentiality. The term "Confidential Information" shall mean the inventions, trade secrets, computer software in both object and source code, algorithms, documentation, know how, technology, ideas, and all other business, customer, technical, and financial information owned by AVI or the Customer, which is designated as confidential, or communicated in such a manner or under such circumstances as would reasonably enable a person or organization to ascertain its confidential nature. All the Confidential Information of a party to this Agreement shall be maintained in confidence by the other party, and neither party shall, during the term of this Agreement or for a period of three (3) years subsequent to the termination of this Agreement, divulge to any person or organization, or use in any manner whatsoever, directly or indirectly, for any reason whatsoever, any of the Confidential Information of the other party without receiving the prior written consent of the other party. AVI and the Customer shall take such actions as may be reasonably necessary to ensure that its employees and agents are bound by the provisions of this Section, which actions shall, as may be reasonably requested by either party, include the execution of written confidentiality agreements with the employees and agents of the other party. The provisions of this Section shall not have application to any information that (i) becomes lawfully available to the public; (ii) is received without restriction from another person or organization lawfully in possession of such information; (iii) was rightfully in the possession of a party without restriction prior to its disclosure; or (iv) is independently developed by a party or its employees or agents without access to the other party's similar information.

20. Nonsolicitation - To the extent permitted by applicable law, during the term of this Agreement and for a period of one (1) year after the termination this Agreement, each Party agrees that it shall not knowingly solicit or attempt to solicit any of the other Party's executive employees or employees who are key to such Party's performance of its obligations under this Agreement ("Covered Employees"). Notwithstanding the foregoing, nothing herein shall prevent either Party from hiring as an employee any person who responds to an advertisement for employment placed in the ordinary course of business by that Party and/or who initiates contact with that party without any direct solicitation of that person by that Party or its agents.

21. Price Quotations and Time to Install – AVI often installs systems at the end of a construction project. The price quoted contemplates that AVI shall have access to the location for the time shown for AVI to complete its work after the work of all other contractors is substantially complete which means, generally, all other trades are no longer generating dust in the location, and final carpeting/flooring is installed (the "Prepared Area") Failure to give AVI access to the Prepared Area for the amount of time shown for the installation may result in increased installation costs, typically in a manner proportionate to the reduction of time given to AVI to complete its work compared to the original schedule.

22. Price Quotations – Unless otherwise specified, all prices quoted reflect a discount for a cash payment (i.e., check, wire transfer) made by Customer in full within the terms of each invoice. Payment in other forms, including credit card, p-card, or other non-cash payments shall be subject to a convenience above the cash price. Please speak to your AVI representative if you have any questions in this regard.