



TO: Quantum3D Independence IDX 4000 Customers

DATE: December 20, 2010

SUBJECT: End of Life (EOL) Notice No. 051-0002-00 for Independence® IDX 4000

Dear Valued Quantum3D Customer,

This letter provides End-of-Life (EOL) Notice that the Quantum3D (“Q3D”) Independence IDX 4000 (“IDX 4000”) Image Generator, and its various derivative models, is being discontinued in the near future. The purpose of this letter is to provide IDX 4000 customers with the means to manage the life cycle of their IDX 4000 Image Generator by providing timely notice of product discontinuation and an opportunity for you to participate in the IDX 4000 EOL Program. This program provides a period of time and a process for you to order additional spares and/or enter into out-of-warranty or extended warranty contracts for your existing systems.

Please note that the issuance of this letter marks the beginning of the EOL Time Table, which strictly governs the availability of spare parts, out-of-warranty and extended warranty service. The details of this Timetable are described in Table 1 IDX 4000 EOL Timetable, below:

NO.	ITEM	DATE	COMMENT
1.	EOL Notification	December 20, 2010	The effective date of this letter.
2	Deadline for Executed Out-of-Warranty (T&M) and Extended Warranty Contracts	January 29, 2011	The date by which customers must be on contract with Q3D for Out-of-Warranty (T&M) or Extended Warranty service for IDX 4000 image generators.

Table 1 - IDX 4000 EOL Timetable

Due to the limited market lifetime of PC components, Quantum3D reserves the right to substitute equivalent form/fit/function components that may have larger capacity and/or higher performance than originally supplied components.

Components purchased as Spares (Logical Replacement Units) will carry a 90 Days Return to Factory Warranty unless all Associated Systems are still under Standard or Extended Warranty. The Spares will carry the greater of 90 Days RTF or the Standard Warranty. If the associated existing Systems are under Extended Warranty, then you may purchase an Extended Warranty on the Spares at the Extended Warranty Rates listed below.

If you have an In-Warranty system covered by Standard or Extended Warranty, then you may extend the warranty up to 1 Year of Additional Extended Warranty. The price for the Extended Warranty is 10.0% of the Net Price Paid for the system for each year of extension.

If your system is Out of Warranty, it will cost 1% of the net purchase price per elapsed month since the system was under warranty and the effective date of the new warranty.



Quantum3D Notification No. #051-0002-00:
Independence IDX 4000 End-of-Life Notice

To express your interest in participating in the IDX4000 EOL program, or if you have any questions about the content or Time Table of this EOL Notice, please contact your Q3D Sales Representative or contact Quantum3D Sales Administration at +1 (408)600-2500, via electronic mail to sales@quantum3d.com or via U.S. Mail to:

Quantum3D Sales Administration
5400 Hellyer Avenue
San Jose, CA 95138

Please note that a lack of response by customers per Table 1 IDX 4000 EOL Timetable, above, will be construed by Q3D as a lack of interest on the customer's part relative to participating in the EOL program, which in turn may preclude Q3D from providing systems, spares or support for customer's systems due to limited supplies of key components. Accordingly, Q3D encourages customers interested in participating in the EOL program to contact your Q3D Sales Representative at your earliest convenience.

Sincerely,

A handwritten signature in blue ink that reads "Arthur Yan".

Arthur Yan,
President & C.O.O.