CNC SHOP AND SERVICE TERMS AND CONDITIONS OF SALE OF GOODS

CNC Shop and Service (the "Seller") reserved the right to change these Terms and Conditions of sale at any time. The terms and conditions applicable to an order shall be those in effect at the time the order is placed.

1. Definitions:

"Agreement" means these CNC Shop and Service terms and conditions relating to the sale of goods, together with the Sellers proposal, order acknowledgement, the system model and accessories as stated in the quotation, build schedule, together with any agreed upon amendments thereto, which shall comprise the entire agreement.

"Build Schedule" means the approved timetable established between the buyer and seller utilizing designs, resources and processes to manufacture the system.

"Buyer" means the person or entity that is buying or contracting to buy the goods and services.

"Component parts" means a constituent part of a system or an accessory used in conjunction with the system.

"Consumables" means any part that is consumed within the cutting process.

"End user" means the person or entity which ultimately uses or possesses the good with intention of resale.

"Goods" means any saleable item manufactured by the seller or listed in the sellers product list including systems, component parts and consumables.

"Order acknowledgement" means a written document generated by the seller, or any of the actions taken by the seller as set forth in Section 2 of these terms and conditions, that authorize the sale of goods as agreed by buyer and seller.

"Product list" means the published list of products offered for sale buy the seller either on the Dynatoch.com website, on printed materials offered by CNC Shop and Service or as listed on a quotation.

"Price" means the amount agreed to by the seller and buyer for the goods as outlined in the order acknowledgement or the agreement.

"Purchase order" means a document generated by the buyer authorizing the purchase of goods by the buyer.

"Request for quote" means buyers request to seller for information pertaining to the purchase of goods.

"Seller" means CNC Shop and Service LLC.

"Sellers proposal" means the document generated by the seller itemizing a system and/or other goods or services to be offered for sale to the buyer including quotation forms. All terms set forth in the

proposal or quotation shall be Incorporated into the agreement upon order acknowledgement and shall be deemed to be part of the agreement.

"System" means an automated cutting system that is for sale or is being contracted to be sold by seller that is built to the buyers specifications.

2. SCOPE AND THE TERMS OF CONDITIONS

These terms and conditions apply to any purchase or request for goods or services by buyer to seller. Buyers purchase order and/or acceptance of sellers goods and/or services constitutes buyers unconditional acceptance of these terms and conditions. Sellers issuance of written order acknowledgement, its commencement of work on the goods or services, or shipment of the goods to the buyer, whichever occurs first, shall constitute buyers order acknowledgement and acceptance of buyers request for goods and/or services, and the formation of the agreement, subject to these terms and conditions. All sales buy seller of any goods and/or services are governed by and made expressly condition on buyers acceptance of these terms and conditions. No conditions, usage of trade, course of dealing, understanding, or agreement purporting to modify, explain, or supplement these terms and conditions shall be binding unless made in writing and signed by seller. No other terms and no modifications of these terms and conditions shall be binding or enforceable unless expressly agreed to in writing by seller. ANY ADDITIONAL OR DIFFERENT TERMS PROPOSED IN BUYERS PURCHASE ORDER OR ANY OTHER FORM ARE HEREBY DEEMED TO BE MATERIAL ALTERATIONS, AND NOTICE OF SELLERS EXPRESS OBJECTION TO AND REJECTION OF SUCH TERMS IS HEREBY GIVEN. Sellers failure to object to any conflicting, contrary, or additional conditions in buyers request for quote or purchase order, shall not be deemed an acceptance of such conditions or a waiver of any of the conditions hereof. In the event there is a conflict between sellers order acknowledgement, sellers proposal of invoice(s), and these terms and conditions, the order acknowledgement shall prevail and control.

Seller reserves the right to revise the terms and conditions from time to time at sellers sole discretion. The terms and conditions applicable to a given order shall be the version in effect at the time of the sellers acceptance of the agreement. Any changes or amendments to these terms and conditions shall become effective on the date when such revised terms and conditions of sale are posted on the sellers website. Seller shall not be obliged to notify buyer separately of such changes. It is the buyers responsibility to check the sellers website to verify whether a revised version of the terms and conditions has been posted.

SYSTEM BUILD PROCEEDURE

Prior to order acknowledgement and throughout the quotation process, the buyer and seller shall work together to determine the buyers system specifications. These include the product line, machine size, accessories, components and price. These will be listed on the quotation form by the seller to the buyer. Seller reserves the right to modify the agreement and price as the design and specifications change or additional items are added to the quotation. The order acknowledgement buy the buyer shall refer to the quotation number and date in order to identify which quote and version the buyer is selecting. This quotation shall then be used as the basis for the production order.

Upon order acknowledgement and receipt of the required payment, the order will be placed into the production schedule and a proposed completion date will be set. The seller will make every effort to

meet the completion date however conditions such as weather, utilities, component back orders, or supplier delays may affect the final date.

BUYER CHANGE ORDERS

Any requests for changes that occur after the order has been entered into the production schedule, may effect the completion dates and will incur addition or reduction of the system price. A written estimate (Change estimate) detailing the costs associated with the changes along with modifications to the completion date will be supplied by the seller to the buyer. This may Include previously purchased goods for a particular order that can no longer be used due to the changes. Upon sellers receipt of buyers signed change estimate, such changes shall be implemented immediately provided it is received within 5 days of the issuance of the change estimate. These modifications shall be deemed part of the agreement. Any additional costs, fees and/or expenses incurred by the seller due to implementation of the modified system specification shall be paid by the buyer in accordance with the agreement as amended. If the changes result in a price reduction, the final payment for the system shall be reduced by that amount. If the buyer has paid in full before the changes were made, CNC Shop and Service will refund the difference when the system is ready for shipment.

Buyers failure to provide the seller with a signed change estimate within the prescribed time frame shall result in sellers denial of buyers request for change and system production shall proceed with the original specification and schedule.

SYSTEM INSTALLATION

Unless provided in the production order, the system will be installed by the buyer. Such installation Includes uncrating, placement, levelling, securing, utility connections, gas supply, grounding as specified by the seller.

Ventilation system installation required for air tables is the responsibility of the buyer. The installation of utilities and safety requirements as specified by the federal state and local law required at the installation site are the responsibility of the buyer.

When on site installation is Included in the agreement, CNC Shop and Service will provide one service technician to assist and supervise the buyers employees or subcontractor in installation of the system. This will Include testing the system to insure operation and performance is acceptable to the customer before completing installation, training in use of the CNC Shop and Service software and instruction on maintenance of the system. Upon completion of installation, the buyer will be provided with an approval form indicating that the installation and training are acceptable. If the system is not acceptable to the buyer, the seller shall make all reasonable efforts to correct deficiencies described by the buyer and confirmed by the seller. Buyers unreasonable withholding of approval of the system installation shall constitute a breach and shall be grounds for seller to invoke the remedies provided for in these terms and conditions or by applicable law.

4. System Price and Payments

Prices quoted are valid for 30 days from the quoted date. Seller reserved the right to change the pricing of goods at any time. Purchasers of earlier designed goods are in no way entitled to exchange for or

upgrade to redesigned goods (including software), except at the sole discretion of the seller and at an exchange rate or upgrade price determined by the seller.

System price shall be set forth in the order acknowledgement. System price does not Include any federal, state, or local sales, use, excise, gross receipts, value added or other taxes which may now or hereafter be applicable. Buyer agrees to pay or reimburse seller for any such taxes that seller or it's suppliers are required to pay or collect in connection with the agreement. Any additional taxes, charges or fees not Included in an order, may be invoiced separately to buyer. Payment for such additional taxes, charges or fees are net thirty (30) days from date of the invoice.

A deposit payment as specified in the order agreement is required before the system is placed into the production schedule. Unless otherwise stated in the order agreement, payment in full (100%) is required before the system will be shipped. It is the buyers responsibility to pay the amounts at the times and in the manner delineated in an order. Buyer is required to comply with all payment schedules in a timely manner irrespective of whether Seller issues an invoice to the buyer as a reminder of buyers payment obligations. The failure of the buyer to make payments in the amount and manner specified constitutes a waiver of the buyers right to demand sellers performance under the agreement. If the buyer shall fail to perform it's obligations to make payment when due under these terms and conditions, then in addition to any other remedies set forth herein or available under applicable law, seller reserves the right to bill late payment charges of 1.5% per month on buyers past due invoices as well as to revoke payment terms on future orders.

Should seller determine, in it's sole discretion, that buyers credit has become impaired or it's financial condition has become such that the credit extended to the buyer for the system should be curtailed or eliminated, seller shall have the right to require full payment in advance of the payment schedule set forth in this section.

5. System Shipping and Delivery and Shipping charges

In the absence of shipping and packaging instructions, seller shall use own discretion in the choice of carrier and method of packaging. Seller shall not be responsible for insuring shipments unless specifically requested by buyer and any insurance on special packaging so requested shall be at the buyers expense and valuation.

Unless otherwise agreed in writing by buyer and seller, upon completion of system production and receipt of all required payments by buyer, seller shall authorize system shipment to buyers location as indicated in the agreement. Upon contacting the shipping broker or contractor, the seller will have deemed to have completed the system build. Any delays by the shipping company to pick up or deliver the system shall not be deemed the sellers responsibility. Seller shall not be liable for any penalties or damages of any kind if the shipment is delayed by circumstances outside of sellers control.

All shipping charges including special packaging, customs broker, freight forwarder fees, warehouse, terminal charges, insurance, inspection, storage, special notifications, and special equipment handling charges shall be invoiced to the buyer unless otherwise agreed in writing by the seller. Payment for such charges shall be net thirty (30) days from the date of invoice. All domestic shipments shall be made Free On Board ["FOB"] Origin: sellers point of manufacture.

If buyer is responsible for any delay in system shipment, seller reserves the right to charge the buyer additional fees for system storage to be determined at sellers discretion.

6. INSPECTION AND ACCEPTANCE

Upon buyers receipt of the goods, buyer shall immediately inspect the goods. Unless buyer provides seller with written notice of any claim for shortage, overcharge, or damage of goods within ten (10) days from invoice date, such goods shall be deemed finally inspected, checked and accepted by buyer, and no allowances shall be made thereafter.

7. SYSTEM TRANSFER OF TITLE AND RISK LOSS

Transfer of title and risk loss of the system shall transfer from seller to buyer upon tender of the system to the first carrier at sellers facility and claims for loss or damage thereafter shall be made by buyer directly with such carrier.

8. BUYERS PROPERTY FOR THE SYSTEM

Buyer may, during the system production process, provide the seller with equipment owned by buyer such as plasma power source or other accessories. Such items are the legal property of the buyer. Seller shall maintain such items in good working order and shall ensure that these items are clearly marked and stored as being legal property of the buyer and that any use of the same is restricted to the production of the buyers system.

POST INSTALLATION SERVICE AND SUPPORT

If provided for in the agreement, following system installation and within six (6) months of shipment, seller shall make a technical representative available to the buyer to conduct training for operational and maintenance personnel. Such training shall be conducted only to the extent provided for in the agreement. Seller will not have any obligation to provide training after six (6) months from the date of shipment. Seller will not refund any amounts previously paid by buyer if buyer does not complete training within one year of the date of system shipment.

After installation, whether by the buyer or assisted by CNC Shop and Service if in the agreement, all maintenance and service shall be carried out by the buyer. CNC Shop and Service will provide phone support at no charge, during normal business hours to assist in determining and correcting system problems. It is required that the buyer provide qualified maintenance personnel capable of following directions, using a volt-ohm-amp meter (provided by buyer), and replacing parts. Failure to supply such personnel does not obligate CNC Shop and Service to provide on site personnel. If the buyer does not have qualified personnel and sub-contracts maintenance to others, CNC Shop and Service is not responsible for charges incurred in servicing the system.

Replacement parts under warranty will be shipped by UPS ground. If the buyer desires overnight shipment, the increased shipping will be charged to the buyer. The seller may, at it's discretion waive the shipping charges but this does not obligate the seller in the future.

On site service is not Included in any system sale. The seller MAY provide such service at no charge at it's sole discretion on a case-by-case basis and is not obligated to do so. On site service will be scheduled

based on available personnel, flights and parts at the earliest opportunity. Rates for on site service will be quoted at the time of request.

10. 3rd PARTY PRODUCTS AND SERVICES

Products such as, but not limited to, software packages, plasma or laser systems may be Included in the system. Such products will be covered by the manufacturer or suppliers warranty only. CNC Shop and Service does not take responsibility for these products or the support thereof. CNC Shop and Service will assist the buyer in obtaining training or licensing of software packages.

Licensing of 3rd party software is handled by the buyer and supplier.

In regards to plasma or laser hardware issues, CNC Shop and Service will act as the primary point of contact for the buyer. CNC Shop and Service will work by phone with the buyers maintenance personnel to determine the cause and remedy. CNC Shop and Service will act on behalf of the buyer to the manufacturer of these components. In cases where the system requires replacement parts, these will be shipped by the supplier to the seller or buyer for installation. Where available, the supplier may have a service center where the repairs may be performed. The buyer will be responsible for transporting the item to the service center or returning it to CNC Shop and Service for service.

11. RETURNS

All returns shall be subject to these terms and conditions. Any goods to be returned for full or partial refund must be in new, unused (except for bench testing), and in saleable condition and approved for return by seller. Goods that, in sellers judgement, have been used or modified, or kits that have missing components will be subject to a ten (10%) restocking fee.

12. STATEMENT OF WARRANTY

Except for consumables or those parts customarily replaced due to wear during the course of normal operation, seller warrants it's system to be free from defects in material or workmanship for a period of two (2) years from the date of system shipment. This warranty does not Include routine mechanical, electrical and electronic adjustment such as described in the instruction manuals furnished with the system. Such adjustments are the responsibility of the buyer.

This warranty specifically excludes all 3rd party components, component parts or software not manufactured by the seller. See item 10.

This warranty is void if the system has been subjected to improper installation, improper care or abnormal operations or if repairs or modifications have been undertaken without the written approval of the seller. This warranty does not cover repair or replacement of electrical components that have been subjected to improper voltages or improper grounding. Failure to follow sellers recommended maintenance or repair procedures also voids the warranty. Buyer shall contact seller immediately upon discovery of any defect or other basis of warranty coverage. The sole obligation of the seller hereunder is to replace or repair at the sellers option, any part the seller determines to be defective. At sellers request, any defective parts or components shall be returned to the seller.

Warranty coverage is available only to the initial end user and is non-transferable unless agreed to in writing by the seller.

The warranties set forth herein are the only warranties provided by seller with respect to the system and components parts. Seller will not accept any responsibility or liability for repairs made by the buyer or 3rd party that are done incorrectly, carelessly or in a negligent manner. Sellers responsibility under this warranty shall not exceed the cost of repairing or replacing the goods, or refunding the buyer or end user an amount equal to the total purchase price of the goods, whichever remedy the seller chooses st it's discretion. Seller will not be liable for any consequential damages caused by any defect or the time involved to correct the defect. Buyer assumes all risk whatsoever as to the result of the use of goods, whether used alone or in combination with any other products or substances. Seller makes no other warranties expressed or implied including, but not limited to, any implied warranties of merchantability or fitness for a particular purpose, which are expressly disclaimed.

The exclusive remedies set forth herein shall not be deemed to have failed of their essential purpose so long as the seller is willing and able to repair or replace defective goods as set forth herein. Any cause of action for breach of the forgoing warranty must be brought within one year from the date the alleged breach was discovered or should have been discovered, whichever occurs first.

13. INTELLECTUAL PROPERTY INDEMNITY

If the buyer asks the seller to produce any goods based on designs, specifications or requirements provided by the buyer, or asks the seller to produce a product to which the buyer represents that buyer has ownership rights and/or has a license to have built for buyer, then buyer agrees to defend and indemnify seller against any claims, suits, proceedings (whether in court or out of court) of all types whatsoever against seller and shall indemnify seller all costs, damages, judgements, settlement and compromises including court costs and attorney fees arising out of the infringement or claimed infringement of any patent, trademark, service mark, trade secret, copyright, moral rights or other claims of violation of intellectual property any where in the world either by buyers request to produce said product or misrepresentation of ownership of such rights.

14. COMPLIANCE WITH LAWS

Buyer shall at his own expense comply with all applicable laws, regulations and other requirements of every applicable governmental authority, agency, or instrumentality and assume all liabilities or obligations imposed there with respect to buyers performance any agreements to which these terms and conditions apply in whole or in part and to the use of sellers goods. Without limiting the generality of the forgoing, buyer represents and warrants that it complies with the following laws and tules and regulations, if applicable, to the manufacture of goods: (a) Federal Occupational Health and Safety Act of 1970; (b) Fair Labor Standards Act of 1938; (c) EC Directive on the Restriction on the use of certain hazardous Substances in electrical and electronic equipment; (d) EC Directive on Waste Electrical and Electronic Equipment; and (e) Laws regarding discrimination as to age, race, color, religious creed, sex, ancestry or national origin, physical or mental disability or veteran status.

Buyer shall comply with all applicable laws and regulations with respect to the business conducted with seller, including (without limitation) all applicable "Anti-bribery Laws" which prohibit payment or transfer directly or indirectly of anything of value to governments, government officials, state-owned enterprises, political parties, political party officials, or relatives or associates of such officials, in connection with obtaining or maintaining business or an improper business advantage.

The US Government also imposes and enforces prohibitions on the payment or transfer of anything of value (either directly or indirectly) to governments, government officials, political parties, political party officials, or relatives or associates of such officials, in connection with obtaining or maintaining business. This US Law is referred to as the Foreign Corrupt Practices Act (FCPA), and can are application to conduct of a US Corporations foreign subsidiaries, employees and agents. A summary of the law and related information can be found at http://www.Justice.gov/criminal/fraud/fcps Buyer warrants that:

- A. It is familiar with the provisions and restrictions contained in the FCPA
- B. It shall comply with the FPCA in all respects. It shall not offer or promise, gov, demand, seek or accept, directly or indirectly, any gift or payment, consideration or benefit in kind which would or could be construed as an illegal or corrupt practice.

Buyer acknowledges that the goods and technical data, if any, which are purchased or received under these terms and conditions may be subject to the export controls of the US Export Administration Regulation, the US Department of Treasury Office of Foreign Assets Control, The US Department of State, and other US agencies, as well as the export control regulations of foreign countries. Buyer Acknowledges and agrees that the material and technical data, if any, which buyer purchased or received under these terms and conditions, shall not be used for any prohibited purpose or transferred to a prohibited person or entity. Furthermore none of the underlying information, software, or technology may be transferred or otherwise exported or re-exported to countries upon which the United States maintains an embargo, or to or by a national resident thereof, or any person or entity on the US Department of Treasury's list of specifically Designated Nationals or the US Department of Commerce's lists of parties of concern (collectively, "Designated Nationals") or for any restricted enduse. Any diversion contrary to US law is prohibited.

By purchasing goods from the seller, buyer represents and warrants that the buyer is not located in, under the control of, or a national or resident of an embargoed country or designated national, and that you shall not re-export, divert or transfer the goods you purchased from the seller to an embargoed country, person, or entity. Buyer agrees to comply strictly with all US export laws and assume sole responsibility for obtaining licenses to export or re-export as required.

Buyer further represents and warrants that buyer shall comply strictly with all legal requirements established under these controls and cooperate fully with seller in any official or unofficial audit or inspection that relates to these controls; and not export, re-export, divert, transfer or disclose directly or indirectly any purchased items or related technical information, document or material or direct products thereof to any country, entity, person or end-user so restricted by the US Export Administration Regulations or any other law or regulation as modified by time to time or to any national resident thereof. Seller makes no representation that any items purchased from seller are appropriate for the use intended or available for use in other locations. Buyer is solely responsible for compliance with all applicable laws, including without limitation export and import regulations of the United States and other countries.

15. LIMITAION ON CAUSES OF ACTION

Any action by buyer for breach of the agreement must be commenced within eighteen (18) months of the date of the alleged breach of the agreement without regard to the date the breach was discovered.

Any action not brought within eighteen (18) months shall be barred without regard to any other limitation period set forth by law or statute.

16. LIMITATIONS ON LIABILITY

IN NO EVENT SHALL SELLER BE LIABLE TO BUYER FOR ANY LLCIDENTAL, CONSEQUENTIAL, INDIRECT, STATUTORY, SPECIAL, EXEMPLARY OR PUNATIVE DAMAGES LLCLUDING BUT NOT LIMITED TO, LOST PROFITS, LOST OF USE, LOSS OF TIME, LLCOVINIENCE, LOSS OF BUSINESS OPPORTUNITIES, DAMAGE TO GOOD WILL OR REPUTATION OR LOSS OF DATA ARISING OUT OF OR RESULTING FROM THE SALE, DELIVERY, SERVICING, USE OR LOSS OF THE GOODS SOLD HEREUNDER, REGARDLESS OF WHEATHER SUCH LIABILITY IS BASED ON BREACH OF CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE AND EVEN IF ADVISED OF THE POSSIBILITYOF SUCH DAMAGES IN ADVANCE OR IF SUCH DAMAGES COULD HAVE BEEN REASONABLY FORSEEN AND EVEN IF REMEDY SET FORTH HEREIN IS FOUND TO HAVE FAILED OF ITS ESSENTIAL PURPOSE. NOTWITHSTANDING ANYTHING CONTAINED HEREIN, IN NO EVENT, REGARDLESS OF THE FORM OF THE CLAIM OR CAUSE OF ACTION, SHALL SELLER'S AGGREGATE LIABILITY TO BUYER EXCEED THE PRICE PAID BY BUYER FOR THE GOODS OR SYSTEM GIVING RISE TO SUCH DAMAGES.

17. RELATIONSHIP OF THE PARTIES

The relationship of the seller and buyer is that of independent contractors. Sellers relationship with buyer shall not be construed to be that of employer and employee, joint venture or agency of any kind. Unless otherwise specified in these terms and conditions, buyer agrees to pay, and shall solely bear, all of it's incurred expenses in conjunction with this agreement including without limitation all travel, lodging, and entertainment expenses. Buyer shall have no right to enter into any contracts or commitments in the name of or on behalf of seller or to bind seller in any respect whatsoever.

18. SOFTWARE

Goods sold by seller may Include the appropriately licensed software normally provided therewith by the manufacturer. Software shall remain property of the licensor. The terms and conditions of any software license covering the software are Incorporated herein by reference and supersede anything to the contrary herein. Buyer and end user agree to be bound by such terms and conditions, particularly those limiting the use and transfer of the software. Except as otherwise permitted herein, buyer and end user shall use the software only with the goods and shall not copy, remove, sublicense, rent transfer, assign, sell, alter, modify, or encumber the software without licensors prior written consent. Software is warranted only to the extent provided for directly by the licensor. Seller makes no warranty as to the performance of any software. Buyer and/or end user shall be fully responsible for, and shall indemnify, hold harmless, and if so requested by seller, defend seller from and against all matters whatsoever arising out of or in connection with or relating to software, including without limitation, the ownership, copyrights, licensing, licensing terms, licensed quantities, warranties, functionality, fitness for use, operation, installation, malicious or criminal use and/or de-installation thereof.

19. DISPUTES AND APPLICABLE LAW

In the event of any controversy, claim, or dispute arising out of or relating to this agreement, seller and buyer shall seek to solve the matter amicably through mutual discussions to be initiated by written notice by the aggrieved party to the other party as promptly as possible after a dispute arises. Such

discussions are to be conducted diligently in good faith by both buyer and seller. Such discussions may be conducted over the telephone, or at a meeting or meetings held at the offices of the seller or at such other locations as parties agree. If the dispute cannot be resolved through mutual discussions as et forth above, either party may commence an action to resolve the dispute in the federal or state courts.

20. ASSIGNMENT

Buyer may not assign any of buyer's rights or obligations under this agreement without the express written consent of seller.

21. ENTIRE AGREEMENT; MODIFICATION

This agreement is the final and exclusive agreement between the parties and supersedes any and all other prior and contemporaneous negotiations and agreements, whether oral or written relating to the subject matter hereof. The agreement may not be varied, modified, altered or amended unless agreed to in writing by buyer and seller.

22. NO WAIVER

No waiver will be binding unless made in writing and signed by the party making eth waiver. No waiver of any breach by the other party of any provision hereof shall be deemed a waiver of any other, preceding or succeeding breach of the same or any other provision, nor will any waiver constitute an continuing waiver. The delay by or failure of a party to enforce any provision of this agreement shall not be construed as a waiver of that provision, nor shall it prevent that party from thereafter enforcing that provision or any provision hereof.

23. SEVERABILITY

If any provision in an agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless remain in full force without being impaired or invalidated in any way.