

GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY

1. Sales Agreement. The sale of products by Dantec Dynamics Inc. ("Dantec Dynamics") is governed by these terms and conditions ("Terms and Conditions"). Dantec Dynamics' offer to sell products to the buyer ("Buyer") is expressly limited by Buyer's acceptance of these Terms and Conditions, as evidenced by Buyer's issuance of a purchase order for product(s), or Buyer's acceptance of any product under the purchase order, or Buyer's payment for any product under the purchase order. Terms, if any, included on any Buyer's purchase orders, acknowledgment forms or other documents shall not apply and are hereby voided, except any such terms that are expressly agreed to in writing by Dantec Dynamics.

Any offers to sell products by Dantec Dynamics must be in writing to be valid, and all such offers shall be valid for thirty (30) days from issuance, unless otherwise set forth in such offer. Such offers shall be deemed accepted only upon Dantec Dynamics' receipt of Buyer's written acceptance, provided that Dantec Dynamics receives such acceptance within one (1) week of the expiration of such time limit (such accepted offer, an "Order").

Dantec Dynamics shall not be liable for any errors or miscalculations in Buyer's Orders.

Buyer may not cancel any Order without Dantec Dynamics' prior written approval, such approval at Dantec Dynamics' sole discretion. In the event Dantec Dynamics expressly agrees in writing to permit Buyer to cancel an Order, Buyer will compensate Dantec Dynamics for all costs and losses attributable to the cancellation. Subject to the warranty set forth in Section 9, products purchased under these Terms and Conditions are not returnable.

2. Prices. All prices include air freight packing, but exclude (and Buyer shall be solely responsible for) costs of loading, shipping, delivery, insurance, installation and commissioning. Prices do not include any fees, taxes or duties relating to the shipment and delivery of any of the products, including without limitations value-added tax (VAT), duty, import and export tariffs and other forms of taxes and excise duties in the United States and/or the recipient country.

If the currency fixed in an Order is devaluated, such that the rate of exchange between the currency chosen and United States dollars

varies by more than two percent (2%), Dantec Dynamics may, at its sole discretion, suspend all performance under the Order and notify Buyer of any price adjustment resulting from the devaluation. Buyer must then notify Dantec Dynamics in writing within eight (8) days of the date of Dantec Dynamics' notification whether Buyer wishes to purchase the products at the adjusted price. If Buyer fails to notify Dantec Dynamics during such 8-day period, then Buyer's order will be automatically cancelled. Dantec Dynamics shall not be liable for any costs or losses of Buyer attributable to such cancellation.

3. Time of Delivery. The estimated date of delivery shall be stated in Dantec Dynamics' initial offer to sell products to Buyer and Dantec Dynamics will use commercially reasonable efforts to deliver the products within the estimated time to the extent possible. Delivery dates are estimates only and Dantec Dynamics does not guarantee delivery of products on or by any estimated delivery date. In no event shall Dantec Dynamics be liable to Buyer for any costs, fees, penalties or price reductions as a result of any failure to deliver products in accordance with any estimated delivery dates.

Partial deliveries by Dantec Dynamics are permitted unless otherwise upon agreed in writing by the parties.

4. Delivery. Delivery shall be made Ex Works (EXW) (Incoterms 2010), Dantec Dynamics' shipping point. Unless otherwise agreed upon by the parties in writing, Buyer shall arrange for transportation and transport insurance. If Buyer fails to arrange for transportation, Dantec Dynamics will choose a method of transportation that it deems appropriate. In all cases Buyer is responsible for all expenses involved in the shipment and delivery of products (including without limitation loading, freight, shipping, insurance, forwarding and handling charges).

5. Title Transfer. Title to products shall pass to Buyer as soon as the products have been placed with a transport agent.

6. Drawings, Descriptive Documents, etc. Dantec Dynamics reserves the right to alter measurements and dimensions as well as the design and description of any products. All data included in catalogues, prospects, circulars, advertisements, illustrated matter and price lists are approximate and shall not be binding unless

otherwise agreed upon in writing by the parties. Drawings, descriptive documents, parts lists and other documentation (collectively, "Documentation") provided or made available to Buyer by Dantec Dynamics are confidential information of Dantec Dynamics and may be used by Buyer only in connection with the use of the products. Buyer may not copy Documentation or disclose Documentation to any third party.

7. Use of Dantec Dynamics' Products. Buyer acknowledges and agrees that the products must be used in accordance with all instructions provided by Dantec Dynamics and, where stated, products must be operated only by personnel who have received the appropriate training. Any Dantec Dynamics products that are to be connected to an electricity supply must be operated only by appropriately trained and qualified personnel, and must not be made available to any personnel without the proper training and qualifications.

8. Rights and Software. Buyer shall not copy Dantec Dynamics' software or any related documentation, other than as is necessary for back-up copies. Buyer shall not assign any rights in the software. Dantec Dynamics grants to Buyer a limited, non-exclusive license to use the software provided with the products solely for the purpose of operating the products in accordance with Dantec Dynamics' written documentation. Notwithstanding that title to the products may pass to Buyer, Dantec Dynamics shall remain the exclusive owner of all intellectual property rights of whatever nature including, without limitation, copyrights, patents and patentable inventions, know-how, trade secrets, trademarks and design rights (whether registered, registrable or otherwise) embodied in or otherwise relating to the products (including any software contained therein). Unless otherwise expressly agreed in writing by Dantec Dynamics, all rights (including all intellectual property rights) in and to any customizations, modifications or enhancements made by Dantec Dynamics to the products or the software and any design or development work undertaken by Dantec Dynamics, whether for or on behalf of Buyer, shall be the exclusive property of Dantec Dynamics. Other than as permitted by applicable law, Buyer shall not reverse engineer the products or any part thereof. Buyer shall not remove any proprietary notices and/or branding contained in or otherwise affixed to the products.

9. Warranty, Remedying Defects and Shortcomings, Complaints. For a period of

one (1) year following the date of delivery, and subject to the other provisions of this Section 9, Dantec Dynamics warrants that all new products that are both (a) manufactured by Dantec Dynamics and (b) purchased directly from Dantec Dynamics (or an authorized distributor of Dantec Dynamics) shall be free of material defects in materials and workmanship. Buyer's sole and exclusive remedy, and Dantec Dynamics' sole and exclusive obligation, in the event of any failure of this warranty shall be for Dantec Dynamics to, at its option, repair or replace such products free of charge. In no event shall Dantec Dynamics be liable for ordinary wear and tear. For probes, fibers and similar accessories produced by Dantec Dynamics, the foregoing warranty shall apply only for a period of three (3) months following the date of delivery.

Dantec Dynamics does not provide any warranty for third party parts, components or products (including without limitation computers, lasers, traverses, and cameras) that are not manufactured by Dantec Dynamics. Such parts, components or products may be warranted by third parties on a "pass through" basis.

The foregoing remedies shall not apply to any product failure caused in whole or in part by (i) Buyer's failure to operate, maintain or service the products in accordance with Dantec's Documentation, (ii) any alteration, modification or repair made to the products other than by Dantec Dynamics, or (iii) use of the products for a purpose other than that for which it is intended.

In order to get the benefit of the foregoing warranty, Buyer must immediately inspect the products upon receipt and notify Dantec Dynamics in writing immediately after discovering any defect or shortcoming. Buyer shall not ship products back to Dantec Dynamics for any reason without Dantec Dynamics' prior written consent. Notwithstanding such consent, Dantec Dynamics reserves the right to inspect the products at its facility and to refuse, at its sole discretion, to accept the return of any item if Dantec Dynamics determines that the products' warranty is not applicable for the reasons set forth above. Any defective products or parts forwarded by Buyer to Dantec Dynamics for repairs or replacement, shall be carriage paid and at Buyer's risk. Buyer must clearly indicate the nature of the defect or shortcoming.

The remedy obligations of this Section 9 shall apply to any replacement products or parts only

for the same duration of time as for the replaced products or parts.

THE FOREGOING EXPRESS WARRANTIES ARE THE EXCLUSIVE TERMS AVAILABLE TO BUYER AND EXTEND ONLY TO THE ORIGINAL CUSTOMER OF DANTEC DYNAMICS OR DANTEC DYNAMICS' AUTHORIZED DISTRIBUTOR, AS THE CASE MAY BE. THE CORRECTION OF ANY DEFECT IN OR FAILURE OF PRODUCTS BY REPAIR OR REPLACEMENT IN ACCORDANCE WITH DANTEC DYNAMICS' POLICIES AS DESCRIBED HEREIN SHALL BE DANTEC DYNAMICS' SOLE AND EXCLUSIVE OBLIGATION AND THE SOLE AND EXCLUSIVE REMEDY OF BUYER FOR ANY AND ALL LOSSES, DELAYS OR DAMAGES RESULTING FROM THE PURCHASE OR USE OF DANTEC DYNAMICS' PRODUCTS. OTHER THAN THE LIMITED WARRANTY SPECIFICALLY STATED HEREIN, DANTEC DYNAMICS DISCLAIMS ALL WARRANTIES WITH RESPECT TO DANTEC DYNAMICS' PRODUCTS, INCLUDING THE PERFORMANCE THEREOF AND ANY SERVICES PROVIDED TO BUYER, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY ARISING FROM A COURSE OF DEALING OR USAGE OF TRADE, NON-INFRINGEMENT AND ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR USE.

10. Limitation of Liability. Dantec Dynamics shall not be liable under any contract, tort, strict liability, negligence or other legal or equitable claim or theory for any special, incidental, consequential or indirect damages or for loss of goodwill or business profits, lost revenue, work stoppage, computer failure or malfunction, or for any and all other exemplary or punitive damages arising hereunder or from the use of products, including, without limitation, any such loss or damage relating to personal injury or property damage, even if Dantec Dynamics has been advised or was aware of the possibility of such loss or damages. In no event shall Dantec Dynamics' total aggregate liability for any and all damages, losses or liabilities arising hereunder or from the products exceed the amounts actually received by Dantec Dynamics from Buyer with respect to the product giving rise to the liability. Buyer shall indemnify Dantec Dynamics for any liability arising from Buyer's (including its employees' and agents') use of the

products sold (directly or indirectly) by Dantec Dynamics.

11. Payment. Payment shall be due on the date indicated in Dantec Dynamics' invoice.

For late payments, Dantec Dynamics may, at its sole discretion, charge interest at the market rate in force in the United States accruing from the date the payment was due until payment thereof in full together with such interest. The market rate of interest shall be defined as lesser of two percent (2%) above the prime rate as reported in *The Wall Street Journal*, Eastern Edition, and the maximum rate permitted by applicable law. Buyer may not withhold or set off any payment as a consequence of any counterclaims of Buyer.

12. Force Majeure. Dantec Dynamics shall not be liable for failure to perform or for delay in performance due to fire, flood, strike, or other labor difficulty, act of God, act of any governmental authority, riot, embargo, fuel or energy shortage, wrecks or delays in transportation, inability to obtain necessary labor, materials, or manufacturing facilities from usual sources, or due to any cause beyond Dantec Dynamics' reasonable control. In the event of a delay in performance due to any such cause, the estimated date of delivery or time for completion of performance will be extended by a period of time reasonably necessary to overcome the effect of such delay. If Dantec Dynamics reasonably determines that any such delay in performance is likely to extend for a period of ninety (90) days or more, Dantec Dynamics shall have the right to cancel the applicable order upon notice to Buyer with no liability or further obligation to Buyer with respect to such order.

13. Venue. These Terms and Conditions and any dispute arising hereunder shall be governed by laws of the State of New York, without respect to its conflict of laws rules. Each party hereby consents to personal jurisdiction in any action brought in any such court in the State of New York, consents to service of process by mail made upon such party at its address stated above and waives any objection to venue in any such court or to any claim that any such court is an inconvenient forum.

14. Other Agreements. These Terms and Conditions shall apply to all sales by Dantec Dynamics and may only be modified or amended by a writing executed by an authorized officer of Dantec Dynamics.