

SALES ORDER AGREEMENT

THIS AGREEMENT (the "Agreement") is effective as of _____ (the "Effective Date"), by and between **REVOLUTION MACHINE TOOLS, INC.**, a Utah corporation having a principal place of business at 385 North 700 West, North Salt Lake, UT 84054, on behalf of itself and its affiliates or subsidiaries (hereinafter the "Seller") and _____ a _____ having its principal place of business at _____, _____, _____, _____, on behalf of itself and its affiliates or subsidiaries (hereinafter the "Buyer"). Collectively the **Seller** and the **Buyer** are sometimes referred to herein as a "Party" and the "Parties."

Whereas Seller is the manufacturer and/or distributor of certain products, and components, and services and whereas, Buyer wishes to purchase the same from Seller and Seller wishes to sell to Buyer, such products, components, and service, solely upon the terms and conditions contained in this Sales Order Agreement, and on no other terms, unless mutually agreed in writing.

NOW, THEREFORE, in consideration of the mutual promises and conditions set forth herein, and intending to be legally bound, the Parties agree as follows:

1. SCOPE AND TERM

1.1 The Scope. This Agreement sets forth the terms under which the Seller may procure machines, parts and tooling (collectively "Components") and manufacture, assemble, test, inspect, install, train, and configure these parts and Components into finished goods ("Product, Products, and/or Products and Services") in accordance with the specifications according to the Sales Order. ("Sales Order").

2. PRICING

2.1 Pricing. All prices are (a) Seller's current prices and are subject to change without notice at any time prior to acceptance of Buyer's Sales order; (b) subject to all federal, state and local taxes upon the production, sales or shipment of the Products or Services sold hereunder, now or hereafter becoming effective, and if not included in the invoice, such amount may be invoiced later, and Buyer shall pay all such taxes. Price quotations shall be good only for a period of thirty (30) days from the date of such quote. Prices are stated and payable in U.S. dollars.

2.2 Exclusions from Price. Prices specifically exclude (a) export licensing of the Product and payment of broker's fees, duties, tariffs, and other similar charges; (b) taxes or charges imposed by any taxing authority upon the manufacture, sale, Shipment storage, "value add" or use of the Product; and (c) setup, tooling, or non-recurring engineering activities. (d) equipment price does not include any services such as installation, training, labor, parts or repair, unless so stated in the Sales Order. Installation and service will be billed at the current service rates unless so stated in the Sales Order.

2.3 Other Price Adjustments: (a) The Buyer acknowledges that the Prices set forth in the Sales Order are based on the current market and industry rate. The Seller is providing fair and accurate pricing per the intended quote or sales order. In the event the Buyer does not purchase Products within the quoted term of thirty (30) days from the date of the quote, the Product pricing may be

readjusted or re-assessed per the market and industry rate. (b) The Buyer acknowledges that the Prices are based on the Specifications and the assumptions set forth in the Seller's quotation. In the event the Seller experiences an increase or decrease in cost as a result of changes in the pricing assumptions or the Specifications, or any other unforeseen event, the Seller shall propose such cost changes during the quotation process and may request additional costs during the sales order process. Any changes in pricing must be provided to the Buyer in writing. If the Sales Order has already been executed by both parties the change in pricing will be added and/or billed as an additional charge. (c) The Buyer hereby grants the Seller a security interest in all Products purchased under this Agreement, including any proceeds derived from their sale or use. This security interest serves as collateral to secure all obligations of the Buyer to the Seller. The Buyer acknowledges and agrees that the Seller is authorized to file any UCC financing statements or other documents necessary to perfect and protect its security interest. The Buyer further agrees to cooperate with the Seller and take any measures reasonably required to ensure the security interest is properly perfected and enforceable.

3. PAYMENT TERMS

3.1 Payment Terms. Are based on the Products purchased by the Buyer and outlined per the Sales Order. Any deviation from the Sellers' standard Payment Terms must be approved in writing by an executive member of the Seller's organization and documented on the Sales Order. For Payment Terms see section 3.2. A Sales order will not commence and is nor an active Sales Order until the Seller has confirmed receipt of the correlating monetary deposit from the Buyer as identified in the Standard Payment Terms.

3.2 Standard Payment Terms are as follows:

(a) Non-Stock New Machine Orders: The Buyer agrees to pay a Thirty percent (30%) deposit in order to initiate a Sales Order and to pay a Seventy percent (70%) remainder payment upon Buyer receiving a shipment ready notice for the Sales Order. The Buyer agrees that One Hundred percent (100%) of the total Sales Order cost must be paid to the Seller in full prior to shipment of the Products in the Sales Order.

(b) Stock New Machine Orders: The Buyer agrees to pay One Hundred Percent (100%) of the total Sales Order cost in full prior to shipment of the Products in the Sales Order.

(c) Stock Used/Trade Machine Orders: The Buyer agrees to pay One Hundred Percent (100%) of the total Sales Order cost in full prior to shipment of the Products in the Sales Order.

(d) Parts, Tooling & Accessories Ordered: The Buyer agrees to pay One Hundred Percent (100%) of the total Sales Order cost in full when the Sales Order is placed.

The Buyer agrees to pay for all parts, tooling & accessories, plus shipping charges that are in addition to, or not a part of, an initial Sales Order.

Unless otherwise stated in writing, all payments shall be made in U.S. Dollars. If Buyer pays with a credit card, a 3.5 % fee will be added to the total transaction amount. Buyer agrees to pay this 3.5% fee. Any invoices that go unpaid within a listed NET time frame are subject to a 1.5% per month finance charge (18% annual, with no compounding interest). The Buyer may be charged a Storage Fee if an invoice is not paid and the unpaid invoice causes a delay to Machine delivery.

3.3 Credit Limit. The Seller does not offer a Line of Credit option internally. The Seller can recommend 3rd party finance companies that the Buyer can use as needed. The Seller holds no guarantee of approval, nor funded amounts.

4. ORDER ACCEPTANCE

4.1 General.

- i) All Sales Orders are subject to acceptance at the Seller's discretion. The Payment Terms set forth in this Agreement shall be deemed accepted by the Buyer upon the Seller's receipt of the Sales Order from the Buyer. No term or condition set forth by the Buyer that conflicts with, is inconsistent with, or adds to the terms of this Agreement shall be binding on the Seller. In the event of any conflict or inconsistency between the terms and conditions of the Buyer's Sales Order or any purchase documentation and this Agreement, the terms of this Agreement shall prevail. The Seller hereby expressly objects to and rejects any such conflicting, inconsistent, or additional conditions.
- ii) The Seller may, at its option, make changes to the designs, specifications or components of the Seller Products. The Buyer may not make any changes in the designs or specifications for the Seller Products unless the Seller has provided written approval, in which event the Seller may impose additional charges to implement such changes.
- iii) The Seller may refuse acceptance of any Sales Order. The Seller agrees to provide the Buyer with a written explanation for any refused Sales Order.

4.2 Suspension or Cancellation. The Buyer may not suspend or cancel orders placed with the Seller, except with the Seller's prior written consent and then only if the Buyer reimburses the Seller for all losses incurred due to such suspension or cancellation, including without limitation, all incidental and consequential damages and expenses arising therefrom. Direction from the Buyer to suspend or cancel any order may be treated as repudiation, making the Buyer immediately liable for loss, expense and other damages sustained.

4.3 Payment. The payment terms outlined in (section 3) apply to each of the Seller's Products.

4.4 Delivery. The Buyer agrees to provide shipping instructions with each Sales Order. The Seller Products shall be delivered Free on Board (FOB) Origin to the address provided in the Buyer's Sales Order. **FOB Origin** means that risk of loss and title to the Seller Products shall be transferred to the Buyer at the time of pick-up from the Seller's facilities. The Buyer shall be solely responsible for all shipping, insurance, handling, and freight costs to deliver the Seller Products to the destination, as well as any other associated costs and expenses. All timeframes provided by the Seller, whether verbally or in writing, are good faith estimates of the expected delivery date for the Seller Products. The Seller shall use reasonable efforts to fill the Buyer's Sales Orders within the time stated but in no event shall the Seller be liable for any damages associated with the Seller's inability to meet any such timeframes or deadlines, including but not limited to incidental or consequential damages arising

therefrom. The Buyer acknowledges acceptance to this Agreement constitutes a waiver of any claim for delay. All freight charges, insurance premiums, duties and taxes are the responsibility of the Buyer.

4.5 Inspection upon delivery. Upon arrival of the Seller Products at the Buyer's desired site, the Seller Products shall be inspected for operational use, missing items, and any damage (excluding damage that may have been caused during transit, outlined in section 4.4) The inspections are to be performed by authorized personnel of the Buyer or appointed by the Buyer. The Buyer shall notify the Seller in writing of any claims identified in the inspection within ten (10) days after taking possession of the Products. Failure by the Buyer to give written notice within the allotted time shall be deemed to be a waiver of any such claim. If the Buyer rejects any delivery, the Buyer agrees to pay for all freight costs.

4.6 Installation. (a) If the Buyer purchases any Products requiring Service (i.e., installation and training) ~~and~~ or if the Buyer chooses to add Service (installation and training) to their Sales Order, the Buyer shall, at its expense, make all arrangements and connections necessary to install and operate the Products sold. If Buyer does not have all arrangements and connections ready when a service technician arrives for installation, the Buyer will be billed for an additional installation fee and the technicians will return at a future date. (b) If the Buyer opts out or refuses to add Service (installation and training) to their Sales Order the Buyer agrees that the Buyer thereby forfeits any right to claim, demands, suits, cause of action, claims and expenses, including any and all attorney fees and associated costs that arise directly or indirectly from the Buyer's or Buyer's subcontracted/hired failure to properly install the Products. (c) The Seller has no responsibility for labor or work performed by the Buyer or others, of any nature, relating to design, use, manufacturing, fabrication, installation, or provision of the Products.

4.7 Machine Specifications; Buyer Verification
Revolution Machine Tools machines are sold based upon the specifications provided by Seller at the time of sale. Buyer acknowledges and agrees that it is Buyer's sole responsibility to review and verify that the specifications, capabilities, configuration, tooling requirements, processing methods, and material characteristics of the applicable machine are suitable for Buyer's intended applications, production requirements, and desired cycle rates. Buyer further acknowledges that cycle rates may vary based on numerous factors outside of Seller's control, including without limitation tooling, operator practices, programming, material type and condition, part geometry, maintenance, setup, environmental conditions, and Buyer's manufacturing processes. Seller shall not be liable or responsible for any modifications, variations, or discrepancies in machine specifications, nor for any claims, damages, losses, or liabilities of any kind arising out of or related to such specifications, including but not limited to claims pertaining to performance, suitability, or application. Accordingly, Seller makes no representation, warranty, guarantee, or assurance, express or implied, that any machine will achieve any particular cycle rate, production output, throughput, efficiency level, or other performance result for Buyer's specific tooling, processes, materials, parts, applications, or desired outcomes, unless expressly stated in a separate written agreement signed by an Executive of Revolution Machine Tools.

4.8 Returns. The Seller does not offer a return policy on Products unless an executive of the Seller has provided written approval. In the event Products are to be returned, the Buyer agrees to pay all return freight costs, and the Buyer may be subject to a 30% re-stocking fee. All Sales Orders for Products that include customizations or modifications to the Products shall be considered custom Sales Orders and are sold on a non-returnable basis. Custom or modified Products manufactured to the Buyer's specifications are non-returnable and non-refundable under all circumstances. This includes Products altered in design, function, or size based on the Buyer's request. Altered or noticeably used Products or parts of Products are not eligible for return.

4.9 Changes to Ownership. The Buyer agrees and understands that if any purchased Products from the Seller are resold within the warranty timeframe the Buyer of the resold Products will forfeit any remaining warranty. The Buyer shall not assign or transfer this Agreement or any interest in it or monies payable to the Seller or 3rd party financing entity without written consent of the Seller.

5. WARRANTY

5.1 Limited Warranty. The Seller warrants that the Products will be free of defects due to material and workmanship for the period of twelve (12) months, beginning on the date of delivery to an original Buyer.-This warranty may be modified only by a written document signed by an executive of the Seller. The Buyer shall contact the Seller immediately in the case of a warranty claim, the Buyer agrees to provide requested media and documentation required to file a warranty claim. Warranty claims will be reviewed within 30 days of receipt of all required documentation. The Buyer assumes responsibility for time delays in the return of Products, parts or components, and shall cover the costs of any needed expedited shipping expenses. The Seller reserves the right to determine warranty coverage after investigating the warranty claim in its entirety. Labor costs are covered under warranty only if the machine has been installed and commissioned by a certified or authorized Revolution Machine Tools technician.

Used Products are sold as is, with no warranty.

5.2 Exclusions from Warranty.

All procedures and recommendations outlined in the Product operating manuals must be strictly followed by all operators, technicians and maintenance staff. This limited warranty does not apply to Products that have defects or failures resulting from:

(a) The end users/customers' design changes of Products including, design functionality failures, failures relating to the functioning of Products in the manner for the intended purpose or in the specific end user/customers' environment;

(b) accident, disaster, neglect, abuse, or end users/customers' negligent actions such as misuse, improper handling, testing, storage, lack of maintenance or installation including improper handling in accordance with static sensitive electronic device handling requirements;

(c) alterations, modifications or repairs by the Buyer, the end user/customer, or third parties without the Seller's prior written approval or

(d) defective Buyer-provided test equipment and/or test software, and/or improperly setup network and/or system requirements.

(e) failure and/or defects in die sets, tooling, or saw blades;

(f) perform periodic or routine maintenance and proper setup,

(g) repair or replacement of the parts, components, or systems of Products due to normal wear and tear,

(h) defects or damage to the parts, components, or systems of Products or finished goods of an end user or customer resulting from misuse, abuse, neglect, or accidents,

(i) defects or damage to the parts, components, or systems of Products or finished goods of an end user or customer resulting from improper or unauthorized alterations, modifications, or changes,

(j) any parts, components, or systems of Products that have not been installed and/or maintained in accordance with the instruction manual or technical guidelines provided by Seller, and

(k) electrical components, including but not limited to controls, drives, motors, sensors, and power-supply items, are not covered under this Limited Warranty.

(l) if a Product has been subject to neglect, faulty installation, abuse, accident, fire, earthquake, flood or other acts of God or acts of nature.

This Limited Warranty does not include travel, or labor costs associated with repair or installation of parts supplied under this Limited Warranty.

EXCLUSION OF OTHER WARRANTIES. THE FOREGOING LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. ANY AND ALL OTHER EXPRESS, STATUTORY OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE ARE EXPRESSLY DISCLAIMED. NO WARRANTY IS MADE WHICH EXTENDS BEYOND THAT WHICH IS EXPRESSLY CONTAINED HEREIN.

5.3 Remedy. THE SOLE REMEDY UNDER THIS LIMITED WARRANTY (PER SELLER DISCRETION) SHALL BE VIRTUAL SUPPORT, ONSITE REPAIR, COMPONENT REPLACEMENT AND IN SOME CASES MAY BE PRODUCT REPLACEMENT. THIS LIMITED WARRANTY IS THE SOLE WARRANTY GIVEN BY THE SELLER AND IS IN LIEU OF ANY OTHER WARRANTIES EITHER EXPRESS OR IMPLIED. THE SELLER DOES NOT MAKE ANY WARRANTIES REGARDING MERCHANTABILITY, NONINFRINGEMENT, (OR SIMILAR LEGISLATION), OR FITNESS FOR A PARTICULAR PURPOSE, AND SPECIFICALLY DISCLAIMS ANY SUCH WARRANTY, EXPRESS OR IMPLIED.

EACH OF THE RIGHTS AND REMEDIES OF THE SELLER UNDER THIS AGREEMENT IS CUMULATIVE AND IN ADDITION TO ANY OTHER OR FURTHER REMEDIES PROVIDED UNDER THIS AGREEMENT OR AT LAW OR EQUITY.

Seller. The Buyer agrees that all Seller's Products and/or Components will be anchored to a floor during operation.

6. FORCE MAJUERE

6.1 Force Majeure. The Seller shall not be responsible for any delay in the delivery of, or failure to deliver, Goods due to causes beyond Seller's reasonable control including, without limitation, acts of God, acts of war or terrorism, enemy actions, hostilities, strikes, labor difficulties, embargoes, non-delivery or late delivery of materials, parts and equipment or transportation delays not caused by the fault of Seller, delays caused by civil authorities, governmental regulations or orders, fire, lightening, natural disasters or any other cause beyond Seller's reasonable control. In the event of any such delay, performance will be postponed by an accommodating length of time that may be deemed as reasonably necessary to compensate for the delay.

7. INDEMNIFICATION AND LIMITATION OF LIABILITY

7.1 Limitation of Liability. IN NO EVENT SHALL SELLER BE LIABLE TO BUYER OR ANY OTHER PARTY FOR ANY INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS OR DOWN TIME) ARISING FROM OR IN MANNER CONNECTED WITH THE GOODS, ANY BREACH BY SELLER OR ITS AGENTS OF THIS AGREEMENT, OR ANY OTHER CAUSE WHATSOEVER, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY OF LIABILITY.

BUYER'S REMEDY WITH RESPECT TO ANY CLAIM ARISING UNDER THIS AGREEMENT IS STRICTLY LIMITED TO NO MORE THAN THE AMOUNT PAID BY THE BUYER FOR THE PRODUCTS.

7.2 Liability Around Risk of Harm. The parties hereto have requested that these provisions and all judicial proceedings relating hereto are to be drafted or conducted in English. (a) Buyer agrees that the Buyer is solely responsible for the Product that the Buyer purchases or has built for the Buyer. This includes the operation, safety, and reliability of the Product. (b) Buyer agrees to be fully responsible for any mistakes, errors, material loss, personal damage or secondary damages, caused by any circumstances relating to the use of the Product that the Buyer purchases. (c) Buyer shall accept full liability for the operation and use of the Product that the Buyer operates, or that are operated by others who may use the Product. The Buyer accepts the responsibility to caution others who may operate a Product, and the Buyer agrees to compensate the Seller for any losses due to any legal action brought against Seller by others who have purchased the Product through the Buyer. (d) the Buyer agrees to fully accept the above statements in this clause and will comply, at all times, with standard operating procedures.

Warning on point of operation guards: Buyer agrees that the Buyer has the responsibility to maintain and insure the usage of proper and appropriate point of operation guards. The Buyer agrees to indemnify, defend and hold the Seller harmless from any and all claims, losses, liabilities, injuries and expenses (including, without limitation, attorney's fees or cost on a solicitor and/or client basis, costs and expenses) related in any manner in whole or in part, to the providing, maintenance, usage, of point of operation guards and/or parts constructed on or about the Seller's Products and/or Components purchased from the

The Buyer acknowledges that it is responsible for ensuring compliance with the Occupational Safety and Health Act of 1970 (OSHA) and all applicable safety and health regulations, including the General Duty Clause, which requires workplaces to be free from serious recognized hazards. The Buyer shall be familiar with and conform to OSHA directives relevant to the operation, maintenance, and use of the Seller's Products or Components distributed under this Agreement. The Seller assumes no responsibility for the Buyer's compliance with these standards.

7.3 Governing Law. The validity, interpretation and performance of this Sales Order Agreement shall be governed by the laws of the State of Utah, excluding its conflict of law rules. In the event of breach of this Sales Order Agreement both Parties agree to address the breach in written notice first and if further escalation is needed both parties agree to follow the following; (a) Mediation, if both parties do not come to an agreement, (b) arbitration, if either party is not satisfied with the outcome, then the parties may enter into (c) litigation. In the event legal action is necessary to recover monies due from the Buyer or to enforce any provision of this Agreement, the Buyer shall be liable to the Seller for all costs and expenses associated therewith, including the Seller's actual attorney's fees and costs.

8. GENERAL

8.1 Termination. Either Party may terminate this Agreement: (a) Immediately, if the other Party materially breaches this Agreement and fails to cure such breach within thirty (30) days after receiving written notice. (b) Upon mutual written agreement of both Parties. (c) By the Seller, if the Buyer becomes insolvent, files for bankruptcy, or fails to meet payment obligations under this Agreement. In the event of termination, the Buyer shall remain responsible for all fees and costs incurred prior to the effective termination date.

8.2 Prevailing Terms and Conditions. By signing any Quote or otherwise accepting RMT's terms and conditions, the Buyer expressly agrees that RMT's terms and conditions exclusively govern the transaction and supersede, override, and replace any and all terms and conditions contained in the Buyer's purchase order or in any other document, communication, or correspondence issued by the Buyer, regardless of timing or form. No Buyer-proposed terms shall be valid or binding on RMT unless expressly accepted in a separate written instrument signed by the CEO of RMT, and no other RMT employee or representative is authorized to modify or waive this requirement.

8.3 Intellectual Property Rights. The Seller retains all right, title, and interest in and to any intellectual property, including but not limited to designs, patents, trademarks, copyrights, trade secrets, and proprietary information, used in or associated with the Products and Services. The Buyer is granted a limited, non-exclusive, non-transferable license to use such intellectual property solely as necessary for the intended operation of the Products. The Buyer shall not reverse-engineer, disassemble, or otherwise attempt to derive the source code, design, or methodology of the Products without the prior written consent of the Seller.

8.4 Insurance. The Buyer agrees to maintain sufficient insurance coverage, including but not limited to liability, property, and casualty insurance, to cover potential damages or losses related to the Products. Upon request, the Buyer shall provide proof of such insurance to the Seller.

8.5 Change Orders. Any changes to the specifications, scope of work, or delivery schedule must be requested in writing by the Buyer and approved in writing by the Seller. The Seller reserves the right to adjust pricing, timelines, and other terms based on the scope of the requested changes. Additional charges may apply for such changes, and a separate written agreement shall outline these adjustments.

[BUYER, COMPANY NAME]

By: _____

Its: _____

REVOLUTION MACHINE TOOLS, INC.

By: _____

Its: _____