CAPITAL CONNECTION, INC.
...7 E. Virginia Street, Suite 1 • Tallahassee, Florida 32301
(8... • 1-800-342-8062 • Fax (850) 222-1222

P96000078541

MNTCC / ELHP Acquisition Corp.

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___ Art of Inc. File Merger
___ LTD Partnership File
___ Foreign Corp. File
___ L.C. File
___ Fictitious Name File
___ Trade/Service Mark
✓ Merger File
___ Art. of Amend. File
___ RA Resignation
___ Dissolution / Withdrawal
___ Annual Report / Reinstatement
___ Cert. Copy
✓ Photo Copy
___ Certificate of Good Standing
___ Certificate of Status
___ Certificate of Fictitious Name
___ Corp Record Search
___ Officer Search
___ Fictitious Search
___ Fictitious Owner Search
___ Vehicle Search
___ Driving Record
___ UCC 1 or 3 File
___ UCC 11 Search
___ UCC 11 Retrieval
___ Courier

FILED
01 OCT 10 PM 12:09
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

RECEIVED
01 OCT 10 AM 10:44
DIVISION OF CORPORATION

DR
10/10/01

Signature

Requested by:

Name	Date	Time
SL	10/10/01	9:41

Walk-In ______ Will Pick Up ______

ARTICLES OF MERGER
Merger Sheet

MERGING:

FLASHPOINT, INC., a Florida corporation P96000078541

INTO

MNTCC/FLHP ACQUISITION CORP., a Nevada entity not qualified in Florida.

File date: October 10, 2001

Corporate Specialist: Annette Ramsey

ARTICLES OF MERGER
(Profit Corporations)

The following articles of merger are submitted in accordance with the Florida Business Corporation Act, pursuant to section 607.1105, F.S.

FILED
01 OCT 10 PM 12:09
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

First: The name and jurisdiction of the **surviving** corporation:

Name	Jurisdiction
MNTCC/FLHP Acquisition Corp.	Nevada

Second: The name and jurisdiction of each **merging** corporation:

Name	Jurisdiction
FlashPoint, Inc.	**Florida**

Third: The Plan of Merger is attached.

Fourth: The merger shall become effective on the date the Articles of Merger are filed with the Florida Department of State

OR ____/____/____ (Enter a specific date. NOTE: An effective date cannot be prior to the date of filing or more than 90 days in the future.)

Fifth: Adoption of Merger by **surviving** corporation - **(COMPLETE ONLY ONE STATEMENT)**
The Plan of Merger was adopted by the shareholders of the surviving corporation on August 23, 2001.

The Plan of Merger was adopted by the board of directors of the surviving corporation on ____________________ and shareholder approval was not required.

Sixth: Adoption of Merger by **merging** corporation(s) **(COMPLETE ONLY ONE STATEMENT)**
The Plan of Merger was adopted by the shareholders of the merging corporation(s) on August 24, 2001.

The Plan of Merger was adopted by the board of directors of the merging corporation(s) on ____________________ and shareholder approval was not required.

(Attach additional sheets if necessary)

Seventh: SIGNATURES FOR EACH CORPORATION

Name of Corporation	Signature	Typed or Printed Name of Individual & Title
FlashPoint, Inc.	[signature]	Stephen A. Michael, President
MNTCC/FLHP Acquisition Corp.	[signature]	Frank Bauer, President

AGREEMENT OF MERGER AND PLAN OF REORGANIZATION

BY AND AMONG

Metronet Communications Company

MNTCC/FLHP Acquisition Corp.

FlashPoint, Inc.

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AGREEMENT OF MERGER AND PLAN OF REORGANIZATION

This AGREEMENT OF MERGER AND PLAN OF REORGANIZATION (this "Agreement") is made and entered into as of August 24, 2001 among Metronet Communications Company, a Nevada corporation ("Metronet"), a Nevada corporation, MNTCC/FLHP Acquisition Corp., a Nevada corporation ("MNTCC/FLHP Acquisition Corp.") and FlashPoint, Inc., a Florida corporation ("FlashPoint").

RECITALS

A. The Board of Directors of each of FlashPoint, Metronet and MNTCC/FLHP Acquisition Corp. believe it is in the best interests of each company and their respective stockholders that FlashPoint and MNTCC/FLHP Acquisition Corp. combine into a single company through the statutory merger of FlashPoint with and into MNTCC/FLHP Acquisition Corp. (the "Merger") and, in furtherance thereof, have approved the Merger.

B. Pursuant to the Merger, among other things, the outstanding shares of Capital Stock of FlashPoint ("FlashPoint Common Stock") shall be converted into shares of Common Stock of Metronet ("Metronet Common Stock") as determined herein.

C. FlashPoint, Metronet and MNTCC/FLHP Acquisition Corp. desire to make certain representations and warranties and other agreements in connection with the Merger.

D. The parties intend, by executing this Agreement, to adopt a plan of reorganization within the meaning of Section 368 of the Internal Revenue Code of 1986, as amended (the "Code").

NOW, THEREFORE, in consideration of the covenants, promises and representations set forth herein, and for other good and valuable consideration, the parties agree as follows:

ARTICLE I
THE MERGER

1.1 ***The Merger.*** At the Effective Time (as defined in Section 1.2) and subject to and upon the terms and conditions of this Agreement and Nevada and Florida Laws, FlashPoint shall be merged with and into MNTCC/FLHP Acquisition Corp., the separate corporate existence of FlashPoint shall cease and MNTCC/FLHP Acquisition Corp. shall continue as the surviving corporation. MNTCC/FLHP Acquisition Corp., as the surviving corporation after the Merger is hereinafter sometimes referred to as the "Surviving Corporation."

1.2 ***Effective Time.*** As promptly as practicable after the satisfaction or waiver of the conditions set forth in Article XI, the parties hereto shall cause the Merger to be consummated by filing a Certificate of Merger (the "Certificate of Merger") with the Secretaries of State of the State of Nevada and Florida, in such form as required by, and executed in accordance with the relevant provisions of Nevada and Florida Law (the time of such filing being the "Effective Time"). The closing of the transactions contemplated hereby (the "Closing") shall take place on or before August 24, 2001, at 10:00 a.m. at the offices of FlashPoint Counsel, on the date of the Effective Time (the "Closing Date").

1.3 ***Effect of the Merger.*** At the Effective Time, the effect of the Merger shall be as provided under Nevada and Florida Laws. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time all the property, rights, privileges, powers and franchises of

FlashPoint and MNTCC/FLHP Acquisition Corp. shall vest in the Surviving Corporation, and all debts, liabilities and duties of FlashPoint and MNTCC/FLHP Acquisition Corp. shall become the debts, liabilities and duties of the Surviving Corporation. Further, at the Effective Time, MNTCC/FLHP Acquisition Corp. shall be a wholly owned subsidiary of Metronet and the shareholders of FlashPoint, immediately before the Effective Time, shall become holders of shares of Metronet Common Stock as herein provided.

1.4 ***Articles of Incorporation: Bylaws.***

(a) At the Effective Time the Articles of Incorporation of MNTCC/FLHP Acquisition Corp., as in effect immediately prior to the Effective Time, shall be the Articles of Incorporation of the Surviving Corporation until thereafter amended as provided by law and such Articles of Incorporation. Further, as soon as practicable following the Merger, the Articles of Incorporation of Metronet shall be amended to change the name from Metronet Communications Company to "FlashPoint International, Inc," or such other name as may be selected by FlashPoint and the Articles of Incorporation of MNTCC/FLHP Acquisition Corp. shall be amended to change the name from MNTCC/FLHP Acquisition Corp. to "FlashPoint, Inc." or such other same as may be selected by FlashPoint.

(b) The Bylaws of MNTCC/FLHP Acquisition Corp., as in effect immediately prior to the Effective Time, shall be the Bylaws of the Surviving Corporation until thereafter amended.

1.5 ***Directors and Officers.*** The directors of FlashPoint, immediately prior to the Effective Time, shall be the initial directors of the Surviving Corporation and Metronet, each to hold office in accordance with the Articles of Incorporation and Bylaws of said entity, and the officers of FlashPoint, immediately prior to the Effective Time, shall be the initial officers of the Surviving Corporation and Metronet, in each case until their respective successors are duly elected or appointed and qualified.

1.6 ***Shares to Be Issued in Merger: Effect on Capital Stock.*** The number of shares of Metronet Common Stock to be issued (including Metronet shares to be reserved for issuance upon exercise of the FlashPoint's stock options assumed by Metronet and the earn-out shares) in exchange for the acquisition by MNTCC/FLHP Acquisition Corp. of all outstanding FlashPoint Common Stock shall be as follows:

(i) ***Shares to be Issued at Closing.*** Metronet shall issue to the FlashPoint Shareholders 7,000,000 shares of Metronet's Common Stock which shall represent not less than 69% of the outstanding Common Stock of Metronet, immediately following the closing of this Merger.

(ii) ***Earn-Out Shares***. The FlashPoint Shareholders shall have an entitlement to receive up to 4,000,000 additional shares of fully paid and non-assessable common stock of Metronet (the "Earn-Out Shares") subject to and condition upon the satisfaction by FlashPoint of certain revenue requirements set forth on Schedule 1.6(ii) to this Agreement (the "Revenue Requirements"). The entitlement to said Earn-Out Shares is fixed and irrevocable and is subject only to the satisfaction of the Revenue Requirements set forth in Schedule 1.6(ii). Upon issuance, the Earn-Out Shares shall be restricted in accordance with state and federal securities laws, provided however, that on the demand of the FlashPoint Shareholders, Metronet, at its expense, shall file a registration statement to register the shares with the U.S. Securities and Exchange Commission.

(iii) *FlashPoint Stock Options.* Metronet shall honor the existing outstanding FlashPoint Options for the purchase of 1,000,000 shares at $1.00 per share by issuing to the holders thereof like kind options for the purchase of 1,000,000 Metronet shares at $1.00 per share in the form attached hereto in Schedule 1.6(iii).

The maximum number of shares of Metronet Common Stock issued and outstanding immediately before the Effective Time plus all vested rights and options to acquire shares of Metronet capital stock at the Effective Time, shall be 3,074,000 shares.

(a) *Conversion of FlashPoint Common Stock.* Each share of common stock of FlashPoint (the "FlashPoint Common Stock") issued and outstanding immediately prior to the Effective Time (other than any Dissenting Shares [as defined and to the extent provided in Section 1.7(a)) will be canceled and extinguished and be converted automatically into the right to receive that number of shares of Metronet Common Stock equal to the Exchange Ratio (as defined below), upon surrender of the certificate representing such share of FlashPoint Common Stock in the manner provided in Section 1.8.

(b) *Stock Options.* At the Effective Time, the two Options outstanding, each for the purchase of 500,000 shares of FlashPoint Common Stock at $1.00 per share shall be assumed by Metronet and Metronet shall issue to the Holders thereof, like kind options, each for the purchase of 500,000 Metronet shares at $1.00 per share in the form attached hereto in Schedule 1.6(iii).

(c) *Capital Stock of MNTCC/FLHP Acquisition Corp.* Each share of common stock, par value $.001 per share, of MNTCC/FLHP Acquisition Corp. issued and outstanding immediately prior to the Effective Time shall be owned by Metronet. Each stock certificate of MNTCC/FLHP Acquisition Corp. evidencing ownership of any such shares shall continue to evidence ownership of such shares of capital stock of the Surviving Corporation.

(d) *Adjustments to Exchange Ratio.* The Exchange Ratio shall be adjusted to reflect fully the effect of any stock split, reverse split, stock dividend (including any dividend or distribution of securities convertible into Metronet Common Stock or FlashPoint Common Stock), reorganization, recapitalization or other like change with respect to Metronet Common Stock or FlashPoint Common Stock occurring after the date hereof and prior to the Effective Time.

(e) *Fractional Shares.* No fraction of a share of Metronet Common Stock will be issued, but in lieu thereof each holder of shares of FlashPoint Stock who would otherwise be entitled to a fraction of a share of Metronet Common Stock (after aggregating all fractional shares of Metronet to be received by such holder) shall be entitled to receive from Metronet a whole share of Metronet Common Stock.

(f) *Exchange Ratio.* The "Exchange Ratio" shall mean the ratio of one share of Metronet Common Stock to be issued hereunder for the one share of FlashPoint Common Stock surrendered pursuant to this Agreement.

1.7 ***Dissenting Shares.***

(a) Notwithstanding any provision of this Agreement to the contrary, any shares of capital stock of FlashPoint held by a holder who has demanded and perfected appraisal rights for such shares in accordance with Florida Law and who, as of the Effective Time, has not effectively withdrawn such appraisal rights ("Dissenting Shares"), shall not be converted into or represent a right to receive Metronet Common Stock pursuant to Section 1.6, but the holder thereof shall only be entitled to such rights as are granted by Florida Law.

(b) Notwithstanding the provisions of subsection (a), if any holder of shares of capital stock of FlashPoint who demands appraisal of such shares under Florida Law shall effectively withdraw the right to appraisal, then, as of the later of the Effective Time and the occurrence of such event, such holder's shares shall automatically be converted into and represent only the right to receive Metronet Common Stock, without interest thereon, upon surrender of the certificate representing such shares.

(c) FlashPoint shall give Metronet: (i) prompt notice of any written demands for appraisal of any shares of capital stock of FlashPoint, withdrawals of such demands, and any other instruments served pursuant to Florida Law and received by FlashPoint; and (ii) the opportunity to participate in all negotiations and proceedings which take place prior to the Effective Time with respect to demands for appraisal under Florida Law. FlashPoint shall not, except with the prior written consent of Metronet, voluntarily make any payment before the Effective Time with respect to any demands for appraisal of capital stock of FlashPoint or offer to settle or settle any such demands.

1.8 ***Surrender of Certificates.***

(a) *Exchange Agent.* Prior to the Effective Time, Metronet shall designate a bank or act as its own exchange agent (the "Exchange Agent") in the Merger.

(b) *Metronet to Provide Metronet Common Stock.* Promptly after the Effective Time, Metronet shall make available to the Exchange Agent for exchange in accordance with this Article I the shares of Metronet Common Stock issuable pursuant to Section 1.6 in exchange for outstanding shares of FlashPoint Stock.

(c) *Exchange Procedures.* Promptly after the Effective Time, the Surviving Corporation shall cause to be mailed to each holder of record of a certificate or certificates (the "Certificates") which, immediately prior to the Effective Time, represented outstanding shares of FlashPoint Common Stock whose shares were converted into the right to receive shares of Metronet Common Stock pursuant to Section 1.6: (i) a letter of transmittal (which shall specify that delivery shall be effected, and risk of loss and title to the Certificates shall pass, only upon delivery of the Certificates to the Exchange Agent and shall be in such form and have such other provisions as Metronet may reasonably specify); and (ii) instructions for use in effecting the surrender of the Certificates in exchange for certificates representing shares of Metronet Common Stock. Upon surrender of a Certificate for cancellation to the Exchange Agent or to such other agent or agents as may be appointed by Metronet, together with such letter of transmittal, duly completed and validly executed in accordance with the instructions thereto, the holder of such Certificate shall be entitled to receive in exchange therefore, a certificate representing the number of whole shares of Metronet Common Stock which such holder is entitled pursuant to the Exchange Ratio as defined in Section 1.6, and the Certificate so surrendered shall forthwith be canceled. Until so surrendered, each outstanding Certificate that, prior to the Effective Time, represented shares of FlashPoint Common Stock will be deemed from and after the Effective Time, for all corporate purposes, other than the payment of dividends, to evidence the ownership of the number of full shares of Metronet Common Stock into which such shares of FlashPoint Common Stock shall have been so converted in accordance with the Exchange Ratio as defined in Section 1.6.

(d) ***Restrictions on Transfer.*** Shares of Metronet issued to FlashPoint Shareholders hereunder shall not be registered under the Securities Act of 1933 and shall be subject to the following restrictive legend which shall be affixed to each certificate.

"THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") AND ARE "RESTRICTED SECURITIES" AS DEFINED IN RULE 144 PROMULGATED UNDER THE SECURITIES ACT. THE SHARES REPRESENTED BY THE CERTIFICATE MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, HYPOTHECATED, TRANSFERRED OR ASSIGNED EXCEPT (1) PURSUANT TO A REGISTRATION STATEMENT THEN IN EFFECT UNDER THE SECURITIES ACT, (2) IN COMPLIANCE WITH RULE 144, OR (3) PURSUANT TO AN OPINION OF COUNSEL TO THE ISSUER HEREOF, SATISFACTORY IN FORM AND SUBSTANCE TO THE ISSUER, THAT SUCH REGISTRATION OR COMPLIANCE IS NOT REQUIRED AS TO SUCH SALE, OFFER TO SELL, PLEDGE, HYPOTHECATION, TRANSFER OR ASSIGNMENT"

(e) ***Transfers of Ownership.*** If any certificate for shares of Metronet Common Stock is to be issued in a name other than that in which the certificate surrendered in exchange therefore is registered, it will be a condition of the issuance thereof that the certificate so surrendered will be properly endorsed and otherwise in proper form for transfer and that the person requesting such exchange will have paid to Metronet or any agent designated by it any transfer or other taxes required by reason of the issuance of a certificate for shares of Metronet Common Stock in any name other than that of the registered holder of the certificate surrendered, or established to the satisfaction of Metronet or any agent designated by it that such tax has been paid or is not payable.

(f) *No Liability.* Notwithstanding anything to the contrary in this Section 1.8, none of the Exchange Agent, the Surviving Corporation or any party hereto shall be liable to a holder of shares of Metronet Common Stock or FlashPoint Common Stock for any amount properly paid to a public official pursuant to any applicable abandoned property, escheat or similar law.

1.9 ***No Further Ownership Rights in FlashPoint Common Stock.*** All shares of Metronet Common Stock issued upon the surrender for exchange of shares of FlashPoint Common Stock in accordance with the terms hereof (including any cash paid in respect thereof) shall be deemed to have been issued in full satisfaction of all rights pertaining to such shares of FlashPoint Common Stock, and there shall be no further registration of transfers on the records of the Surviving Corporation of shares of FlashPoint Common Stock which were outstanding immediately prior to the Effective Time. If, after the Effective Time, Certificates are presented to the Surviving Corporation for any reason, they shall be canceled and exchanged as provided in this Article I.

1.10 ***Lost, Stolen or Destroyed Certificates.*** In the event any certificates evidencing shares of FlashPoint Common Stock shall have been lost, stolen or destroyed, the Exchange Agent shall issue in exchange for such lost, stolen or destroyed certificates, upon the making of an affidavit of that fact by the holder thereof, such shares of Metronet Common Stock pursuant to Section 1.6; provided, however, that Metronet may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificates to deliver a bond in such sum as it may reasonably direct as indemnity against any claim that may be made against Metronet or the Exchange Agent with respect to the certificates alleged to have been lost, stolen or destroyed.

1.11 *Tax Consequences and Accounting Treatment.* It is intended by the parties hereto that the Merger shall constitute reorganization within the meaning of Section 368 of the Internal Revenue Code of 1986, as amended, and that the transaction be accounted for as a pooling of interests.

1.12 *Taking of Necessary Action: Further Action.* If, at any time after the Effective Time, any such further action is necessary or desirable to carry out the purposes of this Agreement and to vest the Surviving Corporation with full right, title and possession to all assets, property, rights, privileges, powers and franchises of FlashPoint and MNTCC/FLHP Acquisition Corp., the officers and directors of FlashPoint, Metronet and MNTCC/FLHP Acquisition Corp. are fully authorized in the name of their respective corporations or otherwise to take, and will take, all such lawful and necessary action.

ARTICLE II
REPRESENTATIONS AND WARRANTIES OF FLASHPOINT

FlashPoint hereby makes the following representations and warranties to Metronet and MNTCC/FLHP Acquisition Corp. All representations and warranties are to the best knowledge and belief of FlashPoint.

2.1 *Organization and Good Standing of FlashPoint.* The Articles of Incorporation of FlashPoint and all amendments thereto as presently in effect, certified by the Florida Secretary of State, have been delivered to Metronet and are complete and correct and since the date of such delivery, there has been no amendment, modification or other change thereto.

2.2 *Capitalization.* FlashPoint capital stock issued and outstanding as of the Closing Date will be as described on Schedule 2.2. All of such outstanding shares are validly issued, fully paid and non-assessable. FlashPoint has no other securities, rights, options or warrants to purchase or acquire securities outstanding, and has no currently outstanding promissory notes, other securities or debt instruments, except as set forth in Schedules 2.2, 1.6(ii) and 1.6(iii).

2.3 *Subsidiaries.* FlashPoint has no subsidiaries and no other material investments, directly or indirectly, or other material financial interests in any other corporation or business organization, joint venture or partnership of any kind whatsoever.

2.4 *Financial Condition.* FlashPoint is a development-stage company without significant current income or expense. FlashPoint has limited current assets and its current liabilities, exclusive of accrued salaries, will not, at Closing, exceed $25,000.

2.5 *Litigation.* There are no outstanding orders, judgments, injunctions, awards or decrees of any court, governmental or regulatory body or arbitration tribunal against FlashPoint or its properties. There are no actions, suits or proceedings pending or threatened against or affecting FlashPoint or any of its officers or directors relating to their positions as such, or any of its properties, at law or in equity, or before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, in connection with the business, operations or affairs of FlashPoint, which might result in any material adverse change in the operations or financial condition of FlashPoint.

2.6 ***Compliance with Laws.*** The operations and affairs of FlashPoint do not violate any law, ordinance, rule or regulation currently in effect, or any order, writ, injunction or decree of any court or governmental agency, the violation of which would substantially and adversely affect the business, financial condition or operations of FlashPoint.

2.7 ***Proprietary Rights.*** FlashPoint has the right to purchase all right, title and interest in and to Patent No: 5,982,079 and Patent Application No: 09/435,725 pursuant to the Agreement with Richard Kibbey attached hereto as Exhibit 2.7 (Proprietary Rights").

2.8 ***Tax Matters.*** FlashPoint has not incurred any material liability with respect to any federal, state or local tax, nor is FlashPoint delinquent in the payment of any tax obligation.

2.9 ***Books and Records.*** To the best of its knowledge, the books and records of FlashPoint are complete and correct and accurately present, in all material respects, all of the transactions therein described.

2.10 ***Finders, Brokers Fees.*** FlashPoint is not liable or obligated to pay any finders, agents or brokers fees arising out of or in connection with this Agreement or the transactions contemplated by this Agreement.

2.11 *Stage of Development:*

2.11.1 ***Product Testing.*** While FlashPoint has conducted product testing in the past, its product testing is not considered completed and further testing is anticipated. FlashPoint gives no assurance nor makes any representations or warranty regarding the outcome of future testing.

2.11.2 ***Commercialization.*** FlashPoint has not commercially marketed any products, and no assurance is given and no representation or warranty is made regarding time, expense and obstacles to commercial sales.

2.11.3 ***Patent Protection.*** While FlashPoint has the right to purchase all right, title and interest in and to Patent No. 5,982,079 and Patent Application No. 09/435,725 pursuant to the agreement with Richard Kibbey attached hereto as Exhibit 2.7 ("Proprietary Rights"), no assurance or representation or warranty is given that said Proprietary Rights will completely protect the FlashPoint products from competitive technology or the development of new competitive technology, and further, no assurance is given nor representation or warranty made that the Proprietary Rights will not be challenged, and if challenged, that FlashPoint would prevail in any such challenge.

ARTICLE III
REPRESENTATIONS AND WARRANTIES BY METRONET

Metronet hereby makes the following representations and warranties to FlashPoint.

3.1 ***Organization and Good Standing***. Metronet is a corporation duly organized, validly existing and in good standing under the laws of the state of its organization and has full corporate power and authority to own or lease its properties and to carry on its business as now being conducted and as proposed to be conducted.

3.2 ***Capitalization***. Metronet's authorized capital stock consists of 25,000,000 shares, $.001 par value of capital stock, of which a maximum of 3,074,000 shares of common stock (consisting of a single class and single series) will be issued and outstanding at the Closing of this Agreement. The Metronet Shareholders and number of shares owed by each shareholder are set forth on Schedule 3.2. At the Closing, Metronet will have no outstanding warrants, options or other rights to acquire any shares of its capital stock except as expressly disclosed in this Agreement.

3.3 ***Authority to Execute Agreement***. The Board of Directors of Metronet, pursuant to the power and authority legally vested in it, has duly authorized the execution and delivery by Metronet of this Agreement, and has duly agreed to each of the transactions hereby contemplated. Metronet has the power and authority to execute and deliver this Agreement, to approve the transactions hereby contemplated and to take all other actions required to be taken by it pursuant to the provisions hereof. Metronet has taken all actions required by law, its Certificate of Incorporation, or otherwise to authorize the execution and delivery of this Agreement and this Agreement is valid and binding upon Metronet. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will constitute a violation or breach of the Certificate of Incorporation, or the Bylaws of Metronet, or any agreement, stipulation, order, writ, injunction, decree, law, rule or regulation applicable to Metronet.

3.4 ***Subsidiaries***. Metronet has no subsidiaries (other than MNTCC/FLHP Acquisition Corp.) and no investments, directly or indirectly, or other financial interest in any other corporation or business organization, joint venture or partnership of any kind whatsoever.

3.5 ***Current Assets***. At Closing, Metronet shall have a minimum of $900,000 in cash or government guaranteed securities, subject to no debts, liens, encumbrances or other liabilities, except and save only accounts payable to a maximum extent of $25,000. To the extent that Metronet has less than $900,000 in cash at Closing, the number of shares to be outstanding immediately prior to the Closing shall be reduced at the rate of $1.00 per share for each $1.00 of deficiency.

3.6 ***Financial Statements***. Metronet has delivered to FlashPoint, copies of Metronet's audited Financial Statements for its 1999 fiscal year, unaudited for its 2000 fiscal year and its unaudited financial statements for a period of not more than 60 days prior to the date hereof (collectively the "Metronet's Financial Statements"), all of which are true, accurate and complete.

3.7 ***Absence of Financial Changes***. Since the date of Metronet's Financial Statements, there has been no material change in Metronet's financial condition, assets or liabilities, except capital contributions to Metronet and the incurring of expenses in connection with the acquisition of FlashPoint and conducting any capital contribution, which expenses incurred prior to the Closing, shall be paid by Metronet prior to the Closing, shall not reduce Metronet's cash below $900,000 and shall not be the responsibility of Metronet after Closing.

Upon the Closing, Metronet shall have no debt or liability in excess of $25,000, which includes the permitted transaction costs set forth in Section 12.9 of this Agreement.

3.8 *Absence of Certain Changes*. Since the date of Metronet's Financial Statements, and except as otherwise disclosed in this Agreement or the schedules hereto:

3.8.1 Other than in the normal course of business, Metronet has not entered into any material transaction;

3.8.2 There has been no material adverse change in the condition (financial or otherwise), business, property, prospects, assets or liabilities of Metronet as shown on Metronet's Financial Statements, other than changes that both individually and in the aggregate do not have a consequence that is materially adverse to such condition, business, property, prospects, assets or liabilities;

3.8.3 There has been no material damage to, destruction of or loss of any of the properties or assets of Metronet (whether or not covered by insurance) materially and adversely affecting the condition (financial or otherwise), business, property, prospects, assets or liabilities of Metronet;

3.8.4 Metronet has not declared or paid any dividend or made any distribution on its capital stock, redeemed, purchased or otherwise acquired any of its capital stock, granted any options to purchase shares of its stock, or, other than current issuance's to certain individuals as set forth in Schedule 3.8, issued any shares of its capital stock;

3.8.5 There has been no material change, except in the ordinary course of business, in the contingent obligations of Metronet by way of guaranty, warranty or otherwise;

3.8.6 There have been no loans made by Metronet to its employees, officers or directors;

3.8.7 Other than in the normal course of business, there has been no extraordinary increase in the compensation of any of Metronet's employees;

3.8.8 There has been no other event or condition of any character which might reasonably be expected either to result in a material adverse change in the condition (financial or otherwise) business, property, prospects, assets or liabilities of Metronet or to impair materially the ability of Metronet to conduct the business now being conducted.

3.9 *Assets*. All of the assets reflected on Metronet's Financial Statements or acquired and held as of the Closing Date, other than any capital leases, are, and on the Closing Date will be, owned by Metronet. Except as set forth in Schedule 3.9, Metronet owns outright and has good and marketable title, or holds valid and enforceable leases, to all of such assets, and no liens exist, except for liens placed upon the property at the time of purchase or lease or through one or more financing transactions. To the best of Metronet's knowledge, none of Metronet's equipment has any material defects and in all material respects is in good operating condition and repair, except for ordinary, routine maintenance and repair. Except to the extent disclosed in Schedule 3.9 to this Agreement or reserved against on Metronet's Financial Statements, neither Metronet nor any of Metronet's shareholders have any reason to believe that any of the accounts and contracts receivable existing would be uncollectible in whole or material part.

Immediately preceding the closing, Metronet shall have uncommitted and unreserved cash or cash equivalents on hand in an amount equal to $900,000 in excess of any and all debts in excess of $25,000, liabilities, expenses or obligations (including any amounts under 12.9 of this Agreement) of Metronet ("Minimum Cash At Closing"). FlashPoint may, in its discretion waive or reduce the minimum cash requirement at Closing subject to acceptable arrangements with Metronet and/or Metronet's shareholders which arrangements could modify the representations of Section 3.5 and the certificate required under Section 11.2(b) to reflect the actual amount of cash and number of shares.

3.10 ***Absence of Undisclosed Liabilities***. Except to the extent reflected in Metronet's Financial Statements, Metronet has no other liabilities, as of such date, of any nature, whether accrued, absolute, contingent, or otherwise.

3.11 ***Litigation***. There are no outstanding orders, judgments, injunctions, awards or decrees of any court, governmental or regulatory body or arbitration tribunal against Metronet or its properties. There are no actions, suits or proceedings pending, or, to the knowledge of Metronet, threatened against or relating to Metronet. Metronet is not in default under or with respect to any judgment, order, writ, injunction or decree of any court or of any federal, state, municipal or other governmental authority, department, commission, board, agency or other instrumentality.

3.12 ***Compliance with Laws***. To the best of Metronet's knowledge, and except as set forth in Schedule 3.12, the operations and affairs of Metronet do not violate any law, ordinance, rule or regulation currently in effect, or any order, writ, injunction or decree of any court or governmental agency, the violation of which would substantially and adversely affect the business, financial condition or operations of Metronet.

3.13 ***Contracts***. Except for this Agreement and the transactions contemplated hereby, Metronet is not a party to any contract which cannot be terminated upon thirty (30) days' notice of which involves a payment by Metronet of more than $1,000. Metronet is not a party to any written or oral commitment for capital expenditures.

3.14 ***Tax Matters***. All federal, foreign, state and local tax returns, reports and information statements required to be filed by or with respect to the activities of Metronet have been filed for all the years and periods for which such returns and statements were due, including extensions thereof. Attached as Schedule 3.14 are copies of the federal tax returns filed by Metronet for the years ended December 31, 1999 and 2000. Metronet has not incurred any liability with respect to any federal, foreign, state or local taxes except in the ordinary and regular course of business. Metronet is not delinquent in the payment of any such tax or assessment, and no deficiencies for any amount of such tax have been proposed or assessed.

3.15 ***To the Best of Metronet's Knowledge, Metronet:***

3.15.1 Is in compliance with federal securities law and its SEC filings are current, accurate and complete.

3.15.2 Is not in any violation of any applicable state securities laws and the transaction contemplated herein will not be in violation of any federal or applicable state securities law.

3.15.3 Has not received any shareholder complaints or shareholder actions and there is no outstanding shareholder litigation nor does Metronet have any knowledge of any pending lawsuits

3.15.4 The transaction contemplated by this Agreement will comply with all the rules and regulations of the SEC and all other governmental agencies or bodies.

3.15.5 Has complied with all applicable laws, rules and regulations, including but not limited to, the laws, rules and regulations of the U.S. Securities and Exchange Commission and the various state securities laws, in connection with all capital contributions, all issuances of shares of capital stock and all shareholder matters.

3.16 ***Books and Records***. The books and records of Metronet are complete and correct and accurately present, in all material respects, all of the transactions therein described.

3.17 ***Finders Fees***. Metronet is not liable or obligated to pay any finders, agents or brokers fees arising out of or in connection with this Agreement or the transactions contemplated by this Agreement except for such broker's commissions, if any, payable by Metronet in connection with the Private Placement, all of which shall be paid and satisfied solely by Metronet.

3.18 ***Disclosure***. Metronet has disclosed all events, conditions and facts materially affecting the business and prospects of Metronet. No representation or warranty by Metronet in this Agreement nor in any certificate, exhibit, schedule or other written document, furnished to FlashPoint by Metronet in connection with the transactions contemplated by this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary to be stated in order to make the statements contained herein or therein not misleading.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF MNTCC/FLHP ACQUISITION CORP.

MNTCC/FLHP Acquisition Corp. hereby makes the following representations and warranties to FlashPoint:

(a) At the Effective Time, MNTCC/FLHP Acquisition Corp. will be a duly incorporated and existing Nevada corporation. MNTCC/FLHP Acquisition Corp. is being organized solely for the purpose of entering into and carrying out this Agreement. MNTCC/FLHP Acquisition Corp. has conducted no business and will conduct no business except the execution and closing of this Agreement prior to the Effective Time. MNTCC/FLHP Acquisition Corp. is wholly owned by Metronet. MNTCC/FLHP Acquisition Corp. has no debts, liens or liabilities of any nature or description.

(b) MNTCC/FLHP Acquisition Corp.'s Articles of Incorporation and Bylaws will remain in existence and be unchanged through the Effective Time.

(c) MNTCC/FLHP Acquisition Corp. will enter into no agreements and incur no liabilities or debts, except those directly related to and disclosed in this Agreement, except as otherwise provided for herein.

ARTICLE V
ACCESS AND INFORMATION.

5.1 ***As to FlashPoint***. FlashPoint shall give to Metronet and MNTCC/FLHP Acquisition Corp., their accountants and other representatives full access during normal business hours throughout the period prior to the Closing, to all of FlashPoint's properties, books, contracts, commitments, and records, including information concerning its customer base and sales and manufacturing, and shall furnish Metronet and MNTCC/FLHP Acquisition Corp., during such period, with all such information concerning FlashPoint's affairs as Metronet and MNTCC/FLHP Acquisition Corp. shall reasonably request.

5.2 ***As to Metronet and MNTCC/FLHP Acquisition Corp.*.** Metronet and MNTCC/FLHP Acquisition Corp. shall give to FlashPoint, their accountants and other representatives, full access, during normal business hours throughout the period prior to the Closing, to all of Metronet and MNTCC/FLHP Acquisition Corp.'s books and records concerning Metronet and MNTCC/FLHP Acquisition Corp.'s affairs as FlashPoint shall reasonably request.

ARTICLE VI
CONDUCT OF PARTIES PENDING CLOSING

6.1 **<u>Conduct of FlashPoint Business Pending Closing</u>**. FlashPoint covenants that pending the Closing:

6.1.1 FlashPoint's business will be conducted only in the ordinary course.

6.1.2 No change will be made in FlashPoint's Articles of Incorporation or Bylaws and, no change will be made in FlashPoint's issued shares of stock, other than as permitted herein or such changes as may be first approved in writing by Metronet.

6.1.3 Other than in the ordinary course of business or otherwise permitted herein, no contract or commitment will be entered into by or on behalf of FlashPoint or indebtedness otherwise incurred, except with notice in writing to and approval by Metronet.

6.1.4 No dividends shall be declared, no stock bonuses or options shall be granted and no extraordinary increases in compensation to employees, including officers, shall be declared and no new employment agreement shall be entered into with officers or directors of FlashPoint except with notice in writing to and approval by Metronet.

6.1.5 Except as otherwise requested by Metronet, FlashPoint will exercise its best efforts to preserve FlashPoint's business organization intact; to keep available to FlashPoint the services of its present officers and employees; and to preserve the goodwill of those having business relations with FlashPoint.

6.2 ***Conduct of Metronet Pending Closing***. Metronet covenants that, pending the Closing:

6.2.1 Metronet will conduct business only in the ordinary course.

6.2.2 No change will be made in Metronet's Certificate of Incorporation or Bylaws or in Metronet's authorized shares of stock except as may be first approved in writing by FlashPoint.

6.2.3 No dividends shall be declared, no stock options granted (other than as provided herein) and no employment agreements shall be entered into with officers or directors of Metronet, except as may be first approved in writing by FlashPoint.

6.2.4 Except as otherwise requested by FlashPoint, Metronet and Metronet's shareholders will use their best efforts to preserve Metronet's business organization intact; to keep available to FlashPoint the services of its present officers and employees; and to preserve the goodwill of those having business relations with Metronet.

6.2.5 Metronet will comply with all federal securities laws, applicable state securities laws and blue sky requirements in connection with this Agreement, its prior conduct and its cash on hand.

ARTICLE VII
CONDITIONS PRECEDENT TO CLOSING

7.1 ***Conditions Precedent to Metronet and MNTCC/FLHP Acquisition Corp.'s Obligations***. The obligations of Metronet and MNTCC/FLHP Acquisition Corp. to consummate the transaction contemplated herein are subject to the fulfillment, prior to or at the Closing, of all conditions elsewhere herein set forth, and fulfillment, prior to the Closing, of each of the following conditions:

7.1.1 The FlashPoint representations, warranties and covenants contained in this Agreement shall be materially true at the time of Closing as though such representations, warranties and covenants were made at such time.

7.1.2 FlashPoint shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by each prior to or at the Closing.

7.1.3 The FlashPoint Shareholders acquiring Metronet's stock will be required at Closing to submit to Metronet an investment letter (the "Investment Letter") confirming to Metronet the information provided therein, including that all Metronet's stock received will be acquired for investment and not with a view to, or for sale in connection with, any distribution thereof. Neither the foregoing provision nor anything in the Investment Letter shall prohibit the registration of those shares at any time following the Closing.

7.1.4 There shall be no material adverse change in the business, assets, financial condition or prospects of FlashPoint through the Closing Date.

7.1.5 Metronet and MNTCC/FLHP Acquisition Corp. shall have reasonably satisfied themselves that, since the date of this Agreement, the business of FlashPoint has been conducted in the ordinary course; that, no withdrawals of cash or other assets have been made and no indebtedness has been incurred since the date of this Agreement, except which have occurred in the ordinary course of business or with respect to services rendered or expenses incurred in connection with the Closing of this Agreement, unless said withdrawals or indebtedness were either authorized by the terms of this Agreement or subsequently disclosed in writing by the parties.

7.1.6 Appropriate confirmation shall be given as to compliance with representations, warranties and covenants.

7.1.7 FlashPoint shall have granted to Metronet (acting through its management personnel, counsel, accountants or other representatives designated by it) full opportunity to examine FlashPoint's books and records, properties, plants and equipment, proprietary rights and other instruments, rights and papers of all kinds in accordance with

Section 6 hereof and Metronet and MNTCC/FLHP Acquisition Corp. shall be reasonably satisfied to proceed with the transactions contemplated by this Agreement upon completion of such examination and investigation.

7.1.8 Metronet and MNTCC/FLHP Acquisition Corp. shall have satisfied themselves that all transactions contemplated by this Agreement shall be legal and binding under applicable statutory and case law of the State of Florida including, but not limited to, all other applicable state securities laws.

7.2 ***Conditions Precedent to the FlashPoint Shareholder Obligations.*** The obligations of FlashPoint to consummate the transaction contemplated by this Agreement are subject to the fulfillment prior to or at the Closing, of all conditions elsewhere herein set forth and fulfillment, prior to the Closing, of each of the following conditions:

7.2.1 Metronet shall, immediately prior to the Closing, have a minimum of $900,000 in cash or government guaranteed securities on hand, subject to no debts, liens, liabilities or other encumbrances save and except only accounts payable to a maximum extent of $25,000.

7.2.2 Immediately prior to the Closing of this transaction, Metronet shall have a maximum of 3,074,000 shares of common stock outstanding and shall be subject to no obligation of any nature requiring Metronet to issue additional shares of capital stock, except pursuant to this Agreement

7.2.3 Receipt of all necessary approvals of regulatory authorities having jurisdiction over the Merger.

7.2.4 There shall be no material adverse change in the business, assets, financial condition or prospects of Metronet through the Closing date and, upon the Closing, Metronet shall have no balance sheet debt in excess of $25,000, including the transaction costs in Section 12.9 of this Agreement.

7.2.5 Appropriate confirmations shall be given as to compliance with representations, warranties and covenants.

7.2.6 FlashPoint shall have reasonably satisfied itself that since the date of this Agreement, the business of Metronet has been conducted in the ordinary course; no withdrawals of cash or other assets have been made and no indebtedness has been incurred since the date of this Agreement, except which have occurred in the ordinary course of business or with respect to services rendered or expenses incurred in connection with the Closing of this Agreement, unless said withdrawals or indebtedness were either authorized by the terms of this Agreement or subsequently disclosed in writing by the parties.

7.2.7 Metronet and MNTCC/FLHP Acquisition Corp. shall have granted FlashPoint full opportunity to examine its books and records, properties, plants and equipment, proprietary rights and other instruments, rights and papers of all kinds and FlashPoint shall be reasonably satisfied to proceed with the transactions contemplated by this Agreement upon completion of such examination and investigation.

7.2.7 FlashPoint shall have reasonably satisfied itself that all transactions contemplated by this Agreement shall be legal and binding under applicable statutory and case law of the State of Florida including, but not limited to, all other applicable state securities laws.

7.2.8 Employment/Consulting Agreements between Messrs. Michael, Duffey, Dolan and King with FlashPoint shall have been accepted and confirmed by Metronet and MNTCC/FLHP Acquisition Corp.

7.2.9 Metronet, at Closing, will have entered into a consulting contract with G.M. Capital Partners, Ltd. satisfactory to all parties.

7.2.10 FlashPoint has completed its due diligence inquiry of Metronet and MNTCC/FLHP Acquisition Corp. and their documents.

ARTICLE VIII
ADDITIONAL COVENANTS OF THE PARTIES

8.1 *Cooperation*. FlashPoint, Metronet and MNTCC/FLHP Acquisition Corp. will cooperate with each other and their respective agents in carrying out the transactions contemplated by this Agreement, and in delivering all documents and instruments deemed reasonably necessary or useful by the other party.

8.2 *Expenses*. Prior to closing and prior to satisfying the minimum, Metronet's cash requirement at Closing, as provided in Section 3.5, Metronet shall pay all of its respective costs and expenses (including attorneys' and accountants' fees, costs and expenses) incurred in connection with the Merger, this Agreement, the Private Placement, and the consummation of the transactions contemplated herein.

8.3 *Confidential Information*. Metronet and MNTCC/FLHP Acquisition Corp. agree that all "Confidential Information" (as hereinafter defined) so provided by FlashPoint shall be treated by Metronet and MNTCC/FLHP Acquisition Corp. as confidential, and all such information will be utilized by Metronet and MNTCC/FLHP Acquisition Corp. for the sole and limited purpose of their due diligence investigation relating to the Merger, and shall not be disclosed to any third party other than Metronet and MNTCC/FLHP Acquisition Corp.'s attorneys, accountants, officers or other authorized agents, all of whom shall have been placed under an identical confidentiality obligation by Metronet and MNTCC/FLHP Acquisition Corp., if Metronet and MNTCC/FLHP Acquisition Corp. should decide not to go forward with the Merger. Furthermore, if the Closing does not occur, Metronet and MNTCC/FLHP Acquisition Corp. shall promptly return all written Confidential Information (and all copies thereof) in their possession or will certify to FlashPoint and FlashPoint Shareholders that all of such documents not returned to FlashPoint have been destroyed by Metronet and MNTCC/FLHP Acquisition Corp., whichever disposition FlashPoint directs.

8.4 *Publicity*. Metronet and MNTCC/FLHP Acquisition Corp. shall not, without prior written consent of FlashPoint, publish any press releases or disseminate any news regarding this Agreement or transaction contemplated herein prior to closing unless required to do so by law.

8.5 *Purchase of Patent Rights.* Following the Closing of this Agreement, Metronet shall promptly acquire all available patent rights pursuant to the Agreement attached hereto as Exhibit 2.7.

8.6 *Name Change.* Metronet will amend its Articles of Incorporation after the Closing to change its name to FlashPoint International, Inc. or such other name as is selected by its Board of Directors.

8.7 *Insurance.* At Closing, Metronet will exercise its best efforts to have D&O insurance in place.

8.8 *Amendment to Articles.* To the extent necessary, Metronet will amend its Articles of Incorporation and its Bylaws so that the indemnification provided to officers and directors is to the broadest interpretation available under the laws of Nevada.

8.9 *2001 Stock Option Plan.* Immediately following the closing of this Agreement, Metronet shall adopt a 2001 Stock Option Plan which may include qualified options pursuant to which approximately 2,000,000 shares of Metronet's Common Stock will be reserved for a grant under options which vest over a three (3) year period and which have an exercise price of not less than $1.00 per share. The 2001 Stock Option Plan shall be available to assist Metronet in attracting and retaining suitable and appropriate management, employees, advisors and consultants.

ARTICLE IX
SURVIVAL OF REPRESENTATIONS AND WARRANTIES; ESCROW

9.1 *Survival of Representations and Warranties.* All covenants to be performed prior to the Effective Time, and all representations and warranties in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Merger and continue in effect for a period of five (5) years following Closing.

ARTICLE X
TERMINATION, AMENDMENT AND WAIVER

10.1 *Termination.* This Agreement may be terminated and the Merger abandoned at any time prior to the Effective Time:

(a) By mutual consent of FlashPoint and Metronet;

(b) By Metronet if it is not in material breach of its obligations under this Agreement and there has been a material breach of any representation, warranty, covenant or agreement contained in this Agreement on the part of FlashPoint and such breach has not been cured within fifteen (15) days after notice to FlashPoint.

(c) By FlashPoint if it is not in material breach of its respective obligations under this Agreement and there has been a material breach of any representation, warranty, covenant or agreement contained in this Agreement on the part of Metronet or MNTCC/FLHP Acquisition Corp. and such breach has not been cured within 15 days after notice to Metronet;

(d) By any party hereto if: (i) the Closing has not occurred by October 9, 2001; (ii) there shall be a final nonappealable order of a federal or state court in effect preventing consummation of the Merger; (iii) there shall be any action taken, or any statute, rule, regulation or order enacted, promulgated or issued or deemed applicable to the Merger by any Governmental Entity which would make consummation of the Merger illegal; or (iv) there shall be any action taken, or any statute, rule, regulation or order enacted, promulgated or issued or deemed applicable to the Merger by any Governmental Entity, which would (A) prohibit Metronet's or FlashPoint's ownership or operation of all or a material portion of the business of FlashPoint, or compel Metronet or FlashPoint to dispose of or hold separate all or a material portion of the business or assets of FlashPoint or Metronet as a result of the Merger or (B) render Metronet, MNTCC/FLHP Acquisition Corp. or FlashPoint unable to consummate the Merger, except for any waiting period provisions.

Where action is taken to terminate this Agreement pursuant to this Section 10.1, it shall be sufficient for such action to be authorized by the Board of Directors (as applicable) of the party taking such action.

10.2 *Effect of Termination.* In the event of termination of this Agreement as provided in Section 10.1, this Agreement shall forthwith become void and there shall be no liability or obligation on the part of Metronet, MNTCC/FLHP Acquisition Corp. or FlashPoint or their respective officers, directors or stockholders, except if such termination results from the breach by a party hereto of any of its representations, warranties, covenants or agreements set forth in this Agreement.

10.3 *Amendment.* This Agreement may be amended by the parties hereto at any time before or after approval of matters presented in connection with the Merger by the stockholders of those parties required by applicable law to so approve but, after any such stockholder approval, no amendment shall be made which by law requires the further approval of stockholders of a party without obtaining such further approval. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

10.4 *Extension; Waiver.* At any time prior to the Effective Time any party hereto may, to the extent legally allowed, (i) extend the time for the performance of any of the obligations or other acts of the other parties hereto, (ii) waive any inaccuracies in the representations and warranties made to such party contained herein or in any document delivered pursuant hereto and (iii) waive compliance with any of the agreements or conditions for the benefit of such party contained herein. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party.

ARTICLE XI
CONDITIONS TO THE MERGER

11.1 *Conditions to Obligations of Each Party to Effect the Merger.* The respective obligations of each party to this Agreement to effect the Merger shall be subject to the satisfaction at or prior to the Effective Time of the following conditions:

(a) *Stockholder Approval.* This Agreement and the Merger and other transactions contemplated hereby shall have been approved and adopted by the requisite vote of the stockholders of FlashPoint at the FlashPoint Stockholders' Meeting.

(b) *No Injunctions or Restraints: Illegality.* No temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Merger shall be in effect, nor shall any proceeding brought by an administrative agency or commission or other governmental authority or instrumentality, domestic or foreign, seeking any of the foregoing be pending; nor shall there be any action taken, or any statute, rule, regulation or order enacted, entered, enforced or deemed applicable to the Merger, which makes the consummation of the Merger illegal.

11.2 ***Additional Conditions to Obligations of FlashPoint.*** The obligations of FlashPoint to consummate and effect this Agreement and the transactions contemplated hereby shall be subject to the satisfaction at or prior to the Effective Time of each of the following conditions, any of which may be waived, in writing, exclusively by FlashPoint:

(a) ***Representations, Warranties and Covenants.*** The representations and warranties of Metronet and MNTCC/FLHP Acquisition Corp. in this Agreement shall be true and correct in all material respects on and as of the Effective Time as though such representations and warranties were made on and as of such time and Metronet shall have performed and complied in all material respects with all covenants, obligations and conditions of this Agreement required to be performed and complied with by it as of the Effective Time.

(b) ***Certificate of Metronet.*** FlashPoint shall have been provided with a certificate executed on behalf of Metronet by its President to the effect that, as of the Effective Time:

(i) All representations and warranties made by Metronet and MNTCC/FLHP Acquisition Corp. under this Agreement are true and complete in all material respects; and

(ii) The amount of cash on hand in Metronet is $900,000 and the amount of Metronet shares outstanding is 3,074,000.

(c) ***Satisfactory Form of Legal Matters.*** The form, scope and substance of all legal matters and accounting matters contemplated hereby and all closing documents and other papers delivered hereunder shall be reasonably acceptable to counsel to FlashPoint.

(d) ***Legal Opinion.*** FlashPoint shall have received a legal opinion from counsel to Metronet in form and containing sufficient information as shall be reasonably acceptable to counsel to FlashPoint.

(e) FlashPoint shall have been provided with a copy of the consent of Metronet's and MNTCC/FLHP Acquisition Corp.'s Boards of Directors authorizing Metronet and MNTCC/FLHP Acquisition Corp. to take the necessary steps toward Closing the transaction described by this Agreement, and a copy of a Certificate of Good Standing for Metronet and MNTCC/FLHP Acquisition Corp., issued not more than 90 days prior to the Closing by the Secretary of State.

11.3 ***Additional Conditions to the Obligations of Metronet and MNTCC/FLHP Acquisition Corp.*** The obligations of Metronet and MNTCC/FLHP Acquisition Corp. to consummate and effect this Agreement and the transactions contemplated hereby shall be subject to the satisfaction at or prior to the Effective Time of each of the following conditions, any of which may be waived, in writing, exclusively by Metronet:

(a) ***Representations, Warranties and Covenants.*** The representations and warranties of FlashPoint in this Agreement shall be true and correct in all material respects on and as of the Effective Time.

(b) ***Certificate of FlashPoint.*** Metronet shall have been provided with a certificate executed on behalf of FlashPoint by its President to the effect that, as of the Effective Time:

(i) All representations and warranties made by FlashPoint under this Agreement are true and complete in all material respects; and

(c) *Third Party Consents.* Any and all consents, waivers and approvals required from third parties relating to the contracts and agreements of FlashPoint so that the Merger and other transactions contemplated hereby do not adversely affect the rights of, and benefits to, FlashPoint thereunder shall have been obtained.

(d) *Satisfactory Form of Legal and Accounting Matters.* The form, scope and substance of all legal and accounting matters contemplated hereby and all closing documents and other papers delivered hereunder shall be reasonably acceptable to Metronet's counsel.

(e) *No Material Adverse Changes.* There shall not have occurred any event, fact or condition, which has had or reasonably would be expected to have a Material Adverse Effect on FlashPoint or Metronet as the survivor.

(f) *Dissenters.* The number of shares of FlashPoint Common Stock held by holders who either (i) have exercised appraisal rights or (ii) retain the ability to exercise such appraisal rights shall not exceed a level acceptable to Metronet.

ARTICLE XII
GENERAL PROVISIONS

12.1 *Notices.* All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally or by commercial delivery service, or mailed by registered or certified mail (return receipt requested) or sent via telecopy to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

(a) if to Metronet:

To: Metronet
114 West Magnolia Street, Suite 446
Bellingham, Washington 98225
Attention: Robert Knight
Fax: (888) 639-4097

Copy to:

Spitzer & Feldman, P.C.
405 Park Avenue
New York, NY 10022
Attention: Steven A. Sanders
Fax: (212) 838-7472

(b) if to MNTCC/FLHP Acquisition Corp.:

To: MNTCC/FLHP Acquisition Corp.
114 West Magnolia Street, Suite 446
Bellingham, Washington 98225
Attention: Robert Knight
Fax: (888) 639-4097

Copy to:

Spitzer & Feldman, P.C.
405 Park Avenue
New York, NY 10022
Attention: Steven A. Sanders
Fax: (212) 838-7472

(c) if to FlashPoint:

To: FlashPoint, Inc.
416 Burns Court
Sarasota, Florida 34236
Attention: Samuel S. Duffey, Esq.
Fax: (941) 954-5825

Copy to:

Samuel S. Duffey, Esq.
416 Burns Court
Sarasota, Florida 34236
Fax: (941) 954-5825

12.2 *Interpretation.* When a reference is made in this Agreement to Schedules or Exhibits, such reference shall be to a Schedule or Exhibit to this Agreement unless otherwise indicated. The words "include," "includes" and "including" when used herein shall be deemed in each case to be followed by the words "without limitation." The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

12.3 *Counterparts.* This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party, it being understood that all parties need not sign the same counterpart.

12.4 *Miscellaneous.* This Agreement and the documents and instruments and other agreements among the parties hereto (a) constitute the entire agreement among the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof; (b) are not intended to confer upon any other person any rights or remedies hereunder; and (c) shall not be assigned by operation of law or otherwise except as otherwise specifically provided.

12.5 *Governing Law.* This Agreement shall be governed in all respects, including validity, interpretation and effect, by the laws of the State of Florida. All parties hereto agree to submit to the jurisdiction of the federal and state courts of the State of Florida and further agree that service of documents commencing any suit therein may be made as provided in Section 12.1.

12.6 *Attorneys' Fees.* If any party to this Agreement brings an arbitration action against another party to this Agreement to enforce its rights under this Agreement, the prevailing party shall be entitled to recover its reasonable costs and expenses, including reasonable attorneys' fees and costs, incurred in connection with such action, including any appeal of such action.

12.7 ***Arbitration.*** Except as otherwise provided in hereunder, any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

12.8 ***Rules of Construction.*** The parties hereto agree that they have been represented by counsel during the negotiation and execution of this Agreement and, therefore, waive the application of any law, regulation, holding or rule of construction providing that ambiguities in an agreement or other document will be construed against the party drafting such agreement or document.

12.9 ***Permitted Transaction Costs.*** Transaction costs not to exceed $20,000, including the cost of compiling the audit for the 2000 fiscal year, pending the Metronet closing, legal expenses and incorporation fees are permitted Metronet liabilities, which shall be in existence at the Effective Time and which shall be paid by the post-merger company.

IN WITNESS WHEREOF, Metronet, MNTCC/FLHP Acquisition Corp., and FlashPoint have caused this Agreement to be signed by themselves or their duly authorized respective officers, all as of the date first written above.

Metronet Communications Company

By:
Its:

MNTCC/FLHP Acquisition Corp.

By:
Its:

FlashPoint, Inc.

By:
Its: PRESIDENT

EXHIBIT LIST

SCHEDULE LIST

Exhibit 2.7

Patent Agreements

AGREEMENT

THIS AGREEMENT is made by and among Stephen A. Michael (**"Michael"**), Samuel S. Duffey (**"Duffey"**), Wilbur R. Kibbey (**"Kibbey"**) and GAP Management Technology Corporation (**"GAP"**), as follows:

WHEREAS, Kibbey is the owner of United States Patent #5,982,079, issued on November 9, 1999 (the **"Patent"**), on certain technology described therein as a "Spark Plug With A Looped Ground Electrode Concentrically Disposed To A Center Electrode" (the **"Technology"**), and is the listed owner on one or more provisional and/or divisional patents currently pending (including Application No. 09/435,725) regarding the Technology (the **"Pending Patents"**);

WHEREAS, the parties hereto, or their respective predecessors in interest, are also parties to previous letter agreements, dated March 17, 1994, March 25, 1994, April 4, 1994, April 25, 1994 and August 1, 1995, pursuant to which, inter alia, Michael and Duffey were given conditional rights to commercialize the Technology (the **"Prior Agreements"**);

WHEREAS, Michael, Duffey, Kibbey and GAP have taken certain actions and incurred certain costs pursuant to the Prior Agreements, which the parties agree have substantially increased the value of the Technology, the Patent and the Pending Patents (together the **"Patent Rights"**);

WHEREAS, the parties hereto agree that the services provided and costs incurred by Duffey, Michael, Kibbey and GAP are substantial and valuable, and Kibbey's ownership interest in the Patent Rights is substantial and valuable;

WHEREAS, disputes having arisen over the validity, scope and effect of the Prior Agreements, the parties desire to clarify, restate, amend and wholly supersede the Prior Agreements in accordance herewith;

NOW, THEREFORE, the parties hereto, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by all parties hereto, and intending to be legally bound hereby, agree as follows:

1. **Recitals.** The foregoing recitals are true and correct, and are incorporated herein in full.

SSD WRK

2. **Overview.** The Prior Agreements are hereby superceded by the within Agreement. The parties hereto execute the within Agreement to protect the financial and other ownership interests of Kibbey in the Patent Rights, while granting Michael and Duffey, for a period of time to be defined below, the exclusive right to commercialize the Technology in accordance herewith. Upon the expiration of such period, absent the occurrence of certain events defined below, Kibbey will obtain the exclusive right thereafter to commercialize the Technology, subject to certain defined financial rights of Michael and Duffey. Michael, Duffey and GAP shall receive royalty interests in the Patent Rights as provided for herein.

3. **Initial Payment of Advance Royalty.** Duffey and Michael shall pay to Kibbey, upon execution of this Agreement, a non-refundable advance royalty of $10,000.00.

4. **Escrow.** Upon execution of this Agreement, Kibbey shall deliver Exhibits "A" and "B" hereto, fully executed, to Stein, Ford, Schaaf & Towzey, L.L.P. (the "**Escrow Agent**") to hold in escrow, pursuant to the terms of this Agreement. The Escrow Agent shall hold Exhibits "A" and "B" and deliver or dispose of such documents only in accordance with the terms and conditions of this Agreement (the "**Escrow**"). The Escrow created by this Agreement and the instructions to the Escrow Agent contained in this Agreement with regard to holding, delivering and disposing of Exhibits "A" and "B" are irrevocable during the Escrow Period (defined below) and may only be modified or rescinded in writing, executed by Kibbey, Michael, Duffey and GAP. No party hereto shall have any right or authority to sell, assign, transfer or otherwise encumber the Patent Rights other than in accordance with the terms of the Assignment, unless or until the Assignment is terminated by Kibbey in accordance herewith. The terms of the Assignment are incorporated herein in full.

5. **Escrow Period.** The Escrow shall commence upon the receipt by the Escrow Agent of Exhibit "A" and Exhibit "B", fully executed by Kibbey, and shall continue for a period of 90 days thereafter, unless otherwise extended by Kibbey, in accordance herewith, or earlier terminated by the release or disposal of Exhibits "A" and "B" by the Escrow Agent, pursuant to the terms and conditions of this Agreement (the "**Escrow Period**"). Upon payment to Kibbey by Duffey and Michael of an additional non-refundable advance royalty of $10,000.00 in cash or secured funds, not less than ten days prior to the expiration of the Escrow Period, Kibbey shall extend the Escrow Period an additional 90 days.

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6. **Instructions to Escrow Agent.** During the Escrow Period, the Escrow Agent shall hold Exhibit "A" and Exhibit "B" in safekeeping, subject to the following:

a. Upon receipt by the Escrow Agent, before termination of the Escrow Period in accordance herewith, of $500,000.00, in cash or secured funds (the "**Buy-Out Royalty Payment**"), from Michael and Duffey or their designees, Escrow Agent shall, at the direction of Michael and Duffey, insert where indicated in Exhibit "A" the name of the Assignee provided by Michael and Duffey, deliver the fully executed Exhibit "A" to Michael and Duffey or their designee, and destroy Exhibit "B" by shredding.

b. If, upon expiration of the Escrow Period, the Escrow Agent has not received the Buy-Out Royalty Payment from Michael and Duffey or their designees, the Escrow Agent shall (i) release and deliver Exhibit "B" to Michael and Duffey, thereby completing the Royalty Agreement set forth in Exhibit "B", and (ii) destroy Exhibit "A" by shredding.

c. All funds received by the Escrow Agent from Michael and Duffey or their designees shall be delivered to Kibbey within five business days thereafter.

d. Upon the occurrence of the circumstances set forth in Subparagraphs 6(a) or (b), above, the Escrow shall be completed and the Escrow Agent shall be released from further responsibilities hereunder.

7. **Commercialization Rights.** Duffey and Michael shall have the exclusive right to commercialize the Patent Rights throughout the Escrow Period. Upon termination of the Escrow Period pursuant to Paragraph 6(b), above, Duffey's and Michael's rights to commercialize the Technology shall terminate, and Kibbey shall receive all rights to commercialize the Patent Rights, exclusively.

8. **Warranties.** Each party hereby represents and warrants to the other parties hereto that he or it: (i) has not engaged in any course of conduct nor made any statement or promise to any person or entity not a party to this Agreement nor entered into any oral or written agreement which is or could be the basis of a claim or interest in or to the Patent Rights or any of them, or which could give rise to a claim to a royalty, profits interest or revenue interest in or against the Patent Rights or any of them by any person or entity which is not a party to this Agreement; (ii) has the power and ability to enter into and carry out this Agreement; (iii) by

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executing and by carrying out this Agreement, will not be in breach or violation of any written or oral agreement or commitment to which he or it is a party. Further, Kibbey represents and warrants to Michael and Duffey that, to his knowledge: (i) upon execution of this Agreement and each of the Exhibits hereto, and upon delivery of the Exhibits in accordance with Paragraph 6, above, this Agreement and the delivered Exhibits will be legally binding and enforceable in accordance with their terms; (ii) the Patent has been validly issued (it being understood for purposes of this Paragraph 8 that Michael and Duffey, and counsel retained by them, were instrumental in procuring issuance of the Patent and in submitting the Patent Applications, and therefore have greater knowledge than Kibbey concerning the validity of the Patent and the accuracy of much of the information contained in the Patent and the Patent Applications); (iii) all information contained in the Patent and each of the Patent Applications is true and correct (subject to the caveat contained in Subparagraph (ii), above); and (iv) no factual basis exists, to his knowledge, which would support an attack, claim of invalidity or claim of infringement against the Patent or any of the Patent Applications by any party. GAP represents, warrants and agrees that: (i) all rights and interests of L&M Group, L.C., PEP Equities Corporation, Owen Laughlin and Robert Monte relevant to the Prior Agreements, the Technology, the Patent and the Patent Technologies have been assigned to and are incorporated in the rights and interests of GAP; and neither PEP Equities Corporation, L&M Group, L.C., Owen Laughlin or Robert Monte has any rights or interest in or to the Technology, the Patent, or the Patent Applications other than their indirect interests, if any, by virtue of their interests in GAP or by virtue of Exhibit "A" or Exhibit "B" once released from Escrow. Each party agrees to indemnify and hold harmless the other parties from any loss, damage, claim or expense, including legal expense resulting from or related to a breach of their respective warranties.

9. **Agreement to Support and Not Compete.** Each of the parties hereto agree to support the Technology, Patent and Patent Applications and to engage in no activities which would be competitive therewith during the life of the Patent and Patent Applications. Furthermore, each of the parties hereto agrees that, during the life of the Patent and Patent Applications, any future inventions relating to the Technology, spark plug, or in generally related technologies or the improvement thereof shall be assigned to the Assignee named on Exhibit "A" for payment of $100.00.

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10. **Effective Date.** The effective date of this Agreement, for all purposes, shall be the latest date reflected in the signature blocks below (the "Effective Date").

11. **Termination.** This Agreement shall not be terminable by either party, other than for cause, which cause shall be limited to material defaults as defined herein.

12. **Escrow Agent.** The parties agree that the law firm of Stein, Ford, Schaaf & Towzey, L.L.P., is not a party to this agreement, that such firm represents only Kibbey and GAP in this Purchase, and that such firm has no obligations hereunder other than to receive Exhibits "A" and "B" hereto and any funds payable to Kibbey hereunder, and to release such Exhibits or such funds in accordance with the terms hereof. In the event of any dispute arising from this Agreement, the parties agree to hold such firm harmless, to provide such firm a legal defense, and to indemnify such firm for any costs incurred in defending such dispute or any legal action arising therefrom.

13. **Default.** Upon a failure by either party to perform any material obligation under this Agreement, the non-defaulting party shall, at its sole option, provide the defaulting party with notice of the default, in writing. If after such notice, the default is not cured within five business days of such notice, the non-defaulting party shall have the right to terminate this Agreement. In the event that Kibbey terminates this Agreement pursuant to the terms of this Paragraph, the Assignment, at Kibbey's sole option, shall be of no further effect and shall be destroyed by the Escrow Agent. Each party shall have, in addition to the remedies stated herein, any other remedy which would otherwise be available to such party at law or in equity.

14. **No Joint Venture.** This Agreement does not constitute either a joint venture or a partnership by or among Duffey, Michael, Kibbey and GAP, or any of them. Nor shall Duffey, Michael or GAP acquire any ownership interest in the Patent Rights or any of them by virtue of this Agreement. The parties hereto are wholly independent entities.

15. **Legal Representation.** All parties acknowledge that Duffey is licensed as a member of the Florida Bar. Further, Duffey is a principal in this transaction. Duffey has represented only himself and Michael in connection with the preparation and negotiation of this Agreement and each of the other parties has consulted with and relied upon independent legal counsel.

16. **Choice of Law and Jurisdiction.** This Agreement shall be governed by the laws of the State of Florida. The parties hereto agree that, in the event of any legal action or

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proceedings arising from this Agreement, the proper venue for such action or proceedings shall be Pinellas County, Florida, and, for such purpose, subject themselves to the personal jurisdiction of the Florida courts.

17. **Entire Agreement, Modification, Construction.** This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, assigns, heirs and representatives. The parties hereto agree that, as to Kibbey, this Agreement is not a personal service contract and the benefits of this Agreement may be assigned by Kibbey or otherwise pass to his heirs and assigns. This Agreement is the entire agreement between the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings. Any modification of this Agreement shall be in writing and executed by each party hereto. The parties agree that this Agreement has been drafted jointly by the parties, that each party has had an opportunity to review this document with duly appointed legal counsel, prior to execution, and that this document should not be construed more strongly in favor of one or the other of the parties.

18. **No Waiver.** The failure by any party hereto to enforce any right or covenant in this Agreement on one or more occasions shall not be construed as a waiver of such party's right to enforce all terms of this agreement, as written, at any time in the future.

19. **Legality.** If any term or provision of this Agreement shall be deemed by any court of competent jurisdiction to be unenforceable or invalid for any purpose, the remaining terms and provisions of this Agreement shall continue in full force and effect.

20. **Attorney's Fees.** If either party hereto commences proceedings to enforce the terms of this Agreement, the prevailing party in such proceedings shall be entitled to recover reasonable attorney's fees, costs and expenses.

21. **Counterparts.** This Agreement may be executed in counterparts. Time is of the essence of this Agreement.

22. **Notices.** All notices, documents and monies shall be delivered to the parties hereto at the following addresses, unless or until modified, in writing, by the party to receive such notice.

Wilbur R. Kibbey 6717 Forest Vale Lane Tampa, FL 33634 (813) 885-4292 Telefax	Samuel S. Duffey 4400 Independence Court Sarasota, FL 34234 (941) 355-9373 Telefax

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GAP Management Technology Corporation
Robert Montemarano, President
1421 Gulf-to-Bay Boulevard
Clearwater, FL 33755-5312
(727) 447-1659 Telefax

Stephen A. Michael
4400 Independence Court
Sarasota, FL 34234
(941) 355-9373 Telefax

In witness whereof, this Agreement was executed on the date or dates set forth below.

Witness

SAMUEL S. DUFFEY
Dated: 10-19-00

Witness

Witness

STEPHEN A. MICHAEL
Dated: 10-18-00

Witness

GAP MANAGEMENT TECHNOLOGY CORPORATION

By:
Robert Montemarano, as President
Dated: 10-20-00

Wilda M. Sosnoff
Witness

Witness

Wilbur R Kibbey
WILBUR RICHARD KIBBEY
Dated: 10-20-2000

Witness

Kathleen J Thornton
Witness

EXHIBIT "A"

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ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT is entered into and made effective this ___ day of ________________, 20___, by and among Wilbur Richard Kibbey (hereinafter the "**Assignor**"), having an address of 6717 Forest Vale Lane, Tampa, Florida 33634, ____________ ______________________(hereinafter the "**Assignee**"), having and address of ________ ____________________________, and GAP Management Technology Corporation (hereinafter "**GAP**"), having an address at 1421 Gulf-to-Bay Boulevard, Clearwater, Florida 33755-5312, as follows:

WHEREAS, Assignor is the owner of United States Patent #5,982,079, issued on November 9, 1999 (the "**Patent**"), on certain technology described therein as a "Spark Plug With A Looped Ground Electrode Concentrically Disposed To A Center Electrode" (the "**Patented Technology**"), is the inventor of such technology, and is the listed owner on one or more provisional and/or divisional patents currently pending (including Application No. 09/435,725 (the "**Patent Application**")) regarding the Patented Technology (the "**Pending Patents**"); all right title and interest in the Patent, the Patent Application, the Patented Technology and the Pending Patents hereinafter to be referred to as the "**Patent Rights**"; and

WHEREAS, Assignor wishes, subject to the conditions set forth herein, to have the Patented Technology utilized in the public interest; and

WHEREAS, the Assignee wishes to obtain full right and title to the Patent Rights to manufacture, market and sell products derived from the Patented Technology;

NOW, THEREFORE, in consideration of $500,000.00 in hand paid to and received by Assignor, of the mutual promises and covenants contained herein, and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by all parties hereto, and intending to be legally bound hereby, the parties hereto agree as follows:

1. **Recitals.** The foregoing recitals are true and correct and are incorporated herein in their entirety.

2. **Definitions.** The following terms, when used herein, shall have the meanings set forth below:

2.1 "**Patent Rights**" shall mean all right, title and interest to:

a. U.S. Patent No. 5,892,079 and Patent Application No. 09/435,725;

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b. All patent applications, heretofore and hereafter filed or having legal force in any country, claiming common priority with the Patent, the Pending Patents or the Patent Application;

c. All patents that have issued or in the future issue from the Patent Application or the Pending Patents, including utility, model, and design patents and certificates of invention;

d. all divisionals, continuations, continuations-in-part, reissues, renewals, extensions or additions to any such patent applications or patents; and

e. all trade secrets relating to the processes, materials, designs, research and data collection relating to U.S. Patent No. 5,892,079 and Patent Application No. 09/435,725 and any and all divisionals, continuations, continuations-in-part, reissues, renewals, extensions or additions to any such Patent Applications or Patents.

2.2 "Effective Date" shall mean the date of this Assignment as reflected on the executed page hereof.

2.3 "Products" shall mean any product falling within or derived from one or more claim of the Patent Rights.

3. **Assignment.** Assignor hereby sells, transfers, grants, conveys, assigns and relinquishes to Assignee all of Assignor's right, title and interest in and to the Patent Rights, inventions claimed therein, and all accrued causes of action for damages and infringement thereof, including the right to sue for past infringement. In furtherance, and not in limitation of the foregoing, Assignor hereby sells, transfers, assigns, conveys and relinquishes to Assignee all of Assignor's right, title and interest in and to the U.S. Patent No. 5,982,079 issued on November 9, 1999, and Patent Application No. 09/435,725.

Assignor warrants that he is the sole and exclusive owner of the Patent Rights, including U.S. Patent No. 5,982,079 and Patent Application No. 09/435,725. Assignor further represents and warrants that no party, other than Assignee, has any claim, right or interest in or to the Patent Rights, including, but not limited to U.S. Patent No. 5,982,079 and Patent Application No. 09/435,725.

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In furtherance of this Assignment Agreement, Assignor hereby acknowledges that from the Effective Date forward, the Assignee has acceded to all of the Assignor's right, title, interest and standing to receive all rights and benefits pertaining to the Patent Rights, to institute and prosecute all suits and proceedings, and to take all actions that Assignee, in its sole discretion, may deem necessary or proper to collect, assert or enforce any claim, right or title of any kind under any or all of the Patent Rights, whether arising before or after the Effective Date, to defend and compromise any and all actions, suits or proceedings which relate to the Patent Rights, and to do all other acts and things in relation to the Patent Rights as Assignee, in its sole discretion, deems advisable.

In furtherance of this Assignment, Assignor shall execute and deliver to Assignee, any and all additional documents requested by Assignee to consummate, confirm or carry out the purposes of this Agreement or to confirm the enforceability of the Patent Rights. In furtherance of the foregoing, Assignor agrees to promptly execute any additional documents requested by Patent Attorney Tom Anderson to facilitate the patenting process or enforceability and validity of the Patent Rights.

4. <u>Royalties, Reports and Payments.</u>

4.1 Assignee shall pay to GAP, on a quarterly basis, a royalty equal to 1.5% of gross sales of Products during the immediately preceding quarter (the "**GAP Royalty Payment**"). Assignee has the option to terminate all subsequent royalty payments to GAP upon making a one-time payment of $250,000.00 to GAP (the "**GAP Buy Out Payment**"). The GAP Buy Out Payment shall not be reduced by quarterly royalty payments described in this Paragraph.

4.2 Assignee will make quarterly written reports to GAP within thirty (30) days after the last day of each quarter, stating in each such report the number, description, and aggregate Gross Selling Prices of Products that were sold or otherwise disposed of during the preceding three (3) calendar months and on which royalties may be payable as provided in this Article. The first such report shall include all Products sold or otherwise disposed of between the date of this Assignment Agreement and the date of such report. Products shall be deemed sold when billed out, except that upon expiration of any patent covering such Products, all shipments made on or prior to the date of such expiration that have not been billed out prior thereto shall be considered sold and subject to royalty.

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4.3 Assignee shall keep records showing the Products sold by it under the Assignment granted herein, such records to be in sufficient detail to enable the royalties payable to GAP hereunder to be determined. Assignee shall permit its books and records to be examined from time to time to the extent necessary to verify the reports provided for herein, such examination to be made at the option of GAP, by an independent auditor appointed by GAP, who shall report the amount of Royalty payable for the period under audit. In the event that the royalties reported by Assignee are less than ninety (90%) percent of the royalties determined to be due by the auditor, then the expenses of the audit shall be paid by Assignee. Otherwise, the expense of the audit shall be paid by the party requesting the audit.

5. **Anti-Shelving Provision.** The parties hereto agree that it is their mutual intent in entering into this Assignment Agreement that development and testing of the Patented Technology be completed and that Products embodying the Patented Technology be introduced for commercial sale. Accordingly, Assignee agrees to pursue commercialization of the Patented Technology in good faith and without intentional abandonment or shelving of the Patented Technology by the Assignee or by any corporation or other entity within its control. If, at any time prior to the payment of the GAP Buy Out Payment, GAP should reasonably believe that the Patented Technology has been abandoned or shelved in whole or in part, GAP shall so notify the Assignee, in writing. Upon receipt of such notification, the Assignee shall have thirty (30) calendar days to provide GAP with reasonable proof of ongoing commercialization efforts. In the event that the Assignee cannot reasonably establish that commercialization efforts are ongoing, GAP shall be entitled to immediate receipt of the GAP Buy Out Payment from the Assignee.

6. **Choice of Law.**

This Assignment Agreement shall be construed and interpreted in accordance with the laws of the State of Florida and the laws of the United States, where applicable. The courts within the State of Florida, state or federal, shall have jurisdiction over any matter involving the construction and interpretation of this Assignment Agreement. Each of the parties irrevocably submits to the jurisdiction of any court, state or federal, within the State of Florida, having subject matter jurisdiction over this Assignment Agreement.

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7. . <u>Integration Clause, Entire Agreement, Modification.</u>

This Assignment Agreement constitutes the entire agreement between the parties hereto and supersedes all prior agreements, whether written or oral, with respect to the subject matter set out herein. This Assignment Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, assigns, heirs and representatives. Any modification of this Assignment Agreement shall be in writing and executed by each party hereto. The parties agree that this Assignment Agreement has been drafted jointly by the parties, that each party has had an opportunity to review this document with duly appointed legal counsel, prior to execution, and that this document should not be construed more strongly in favor of one or the other of the parties.

7. <u>No Waiver.</u> The failure by any party hereto to enforce any right or covenant in this Agreement on one or more occasions shall not be construed as a waiver of such party's right to enforce all terms of this agreement, as written, at any time in the future.

8. <u>Legality.</u> If any term or provision of this Assignment Agreement shall be deemed by any court of competent jurisdiction to be unenforceable or invalid for any purpose, the remaining terms and provisions of this Assignment Agreement shall continue in full force and effect.

9. <u>Attorney's Fees.</u> If either party hereto commences proceedings to enforce the terms of this Assignment Agreement, the party that prevails in such proceedings shall be entitled to recover reasonable attorney's fees, costs and expenses.

10. <u>Counterparts.</u> This Assignment Agreement may be executed in counterparts. Time is of the essence of this agreement.

Witness

Witness

WILBUR [illegible]
Dated: 10-20-2000

GAP MANAGEMENT TECHNOLOGY CORPORATION

Hilda W. Sosnoff
Witness

By: ____________________
Robert Muthumarani, as President

Dated: 10-20-00

Witness

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ASSIGNEE

By: ____________________

Witness

Its: ____________________

Witness

Dated: ____________________

EXHIBIT "B"

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ROYALTY AGREEMENT

THIS ROYALTY AGREEMENT is entered into and made effective this ______ day of ________________, 20___, by and among Wilbur Richard Kibbey (hereinafter "Kibbey"), having an address of 6717 Forest Vale Lane, Tampa, Florida 33634, Stephen A. Michael and Samuel S. Duffey or assigns (hereinafter "SmartPlug"), having and address of 4400 Independence Court, Sarasota, Florida 34234, and GAP Management Technology Corporation (hereinafter "GAP"), having an address at 1432 Court Street, Clearwater, Florida 34618, as follows:

WHEREAS, Kibbey is the owner of United States Patent #5,982,079, issued on November 9, 1999 (the **"Patent"**), on certain technology described therein as a "Spark Plug With A Looped Ground Electrode Concentrically Disposed To A Center Electrode" (the **"Patented Technology"**), is the inventor of such technology, and is the listed owner on one or more provisional and/or divisional patents currently pending (including Application No. 09/435,725 (the **"Patent Application"**) regarding the Patented Technology (the **"Pending Patents"**); all right title and interest in the Patent, the Patent Application, the Patented Technology and the Pending Patents hereinafter to be referred to as the **"Patent Rights"**; and

WHEREAS, Kibbey has certain trade secrets relating to the processes, materials, designs, research, and data collection of the "Technology" or enhancing the Patent Interests (the **"Trade Secrets"**) and

WHEREAS, Kibbey wishes to grant SmartPlug and GAP, a Royalty Interest in and to the Patent Rights.

NOW, THEREFORE, for good and valuable consideration in hand received by Kibbey, the receipt and sufficiency of which is hereby acknowledged by all parties hereto, and intending to be legally bound hereby, the parties hereto agree as follows:

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1. **Recitals.** The foregoing recitals are true and correct and are incorporated herein in their entirety.

2. **Definitions.** The following terms, when used herein, shall have the meanings set forth below:

2.1 **"Patent Rights"** shall mean:

a. U.S. Patent No. 5,892,079 and Patent Application No. 09/435,725;

b. All Patent Applications, heretofore and hereafter filed or having legal force in any country, claiming common priority with the Patent, the Pending Patents or the Patent Application;

c. All patents that have been issued or in the future issue from the Patent Application or the Pending Patents, including utility, model, and design patents and certificates of invention;

d. all divisionals, continuations, continuations-in-part, reissues, renewals, extensions or additions to any such Patent Applications or patents; and

e. All trade secrets relating to the processes, materials, designs, research and data collection relating to U.S. Patent No. 5,892,079 or Patent Application No. 09/435,725 and any and all divisionals, continuations, continuations-in-part, reissues, renewals, extensions or additions to any such Patent Applications or patents.

2.2 **"Effective Date"** shall mean the date of this Agreement as reflected on the executed page hereof.

2.3 **"Products"** shall mean any product falling within or derived from one or more claim of the Patent Rights.

3. **Warranty.** Kibbey warrants that he is the sole and exclusive owner of the Patent Rights including, but not limited to U.S. Patent No. 5,982,079 and Patent Application No. 09/435,725. Kibbey further represents and warrants that no person or entity, which is not a party to this Agreement, has any claim, right or interest in or to the Patent Rights.

In the event of any Assignment or Sublicense of Kibbey's interest in the Patent Rights, Kibbey shall provide SmartPlug and GAP with reasonable assurances that their royalty interests

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as created by this Agreement will remain in full force and effect, will not be adversely affected and will be honored in all material respects by Kibbey's Assignee or Licensee.

4. **Royalties, Reports and Payments.**

~~5.~~4.1 Kibbey shall pay to SmartPlug, a royalty of 5% of gross sales of products during the life of the Patent Rights (the "Royalty"). The Royalty shall be paid quarterly by the 15th day of each succeeding quarter.

~~6.~~4.2 ~~Kibbey has the option to terminate all subsequent Royalty and to~~ SmartPlug upon making a one-time payment of $600,000 to SmartPlug (the "**SmartPlug Buy Out Payment**"). The SmartPlug Buy Out Payment shall be in addition to the consideration paid at the commencement of this Agreement and shall not be reduced by any royalty payments or made pursuant to Paragraph 4.1 hereof.

~~7.~~4.3 Kibbey shall pay to GAP, on a quarterly basis, a royalty equal to 1.5% of gross sales of Products during the immediately preceding quarter (the "**GAP Royalty Payment**"). SmartPlug has the option to terminate all subsequent royalty payments to GAP upon making a one-time payment of $250,000 to GAP (the "GAP Buy Out Payment"). The GAP Buy Out Payment shall not be reduced by quarterly royalty payments described in this Paragraph 4.3. The GAP Royalty Payment is in addition to and does not diminish the SmartPlug Royalty.

~~8.~~4.4 Kibbey will make quarterly written reports to SmartPlug and GAP within thirty (30) days after the last day of each quarter, stating in each such report the number, description, and aggregate Net Selling Prices of Products that were sold or otherwise disposed of during the preceding three (3) calendar months and on which royalties may be payable as provided in this Article 4. The first such report shall include all Products sold or otherwise disposed of between the date of this Agreement and the date of such report. Products shall be deemed sold when billed out, except that upon expiration of any patent covering such Products, all shipments made on or prior to the date of such expiration that have not been billed out prior thereto shall be considered sold and subject to royalty.

4.5 Kibbey shall keep records showing the Products sold by it, such records to be in sufficient detail to enable the Royalties payable to SmartPlug and/or GAP hereunder to be determined. Kibbey shall permit its books and records to be examined from time to time to the

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extent necessary to verify the reports provided for in Section 4.4 hereof (the "Audit"), such examination to be made at the option and at the expense of the SmartPlug and/or GAP, by an independent CPA appointed by the requesting party, who shall report the amount of Royalty payable for the period and confirm the amount of Royalty actually paid and state any discrepancy in Royalty Payments for the specified period. In the event that the SmartPlug Royalties reported or the GAP Royalties reported are less than ninety (90%) percent of the Royalties determined to be due to SmartPlug or GAP by the auditor, then the expenses of the Audit shall be paid by Kibbey, otherwise the expense of the audit shall be paid by the party requesting the Audit.

5. **Anti-Shelving Provision.** The parties hereto agree that it is their mutual intent in entering into this Agreement that development and testing of the Patent Rights be completed and that Products embodying the Patent Rights be introduced for commercial sale. Accordingly, Kibbey agrees to pursue commercialization of the Patent Rights in good faith and without intentional abandonment or shelving of the Patent Rights by Kibbey or by any corporation or other entity within his control. If, at any time prior to the commencement of payment of Minimum Royalty payments due SmartPlug pursuant to Paragraph 4.1 hereof, SmartPlug should reasonably believe that the Patent Rights have been abandoned or shelved, in whole or in part, SmartPlug shall notify Kibbey in writing. Upon receipt of such notification, Kibbey shall have thirty (30) business days to demonstrate his commercialization efforts. In the event that commercialization efforts are not established by Kibbey to be ongoing, SmartPlug may, in writing, demand that the Minimum Royalty payments commence as of that date. Any dispute regarding commercialization will be resolved before a three-member panel of the American Arbitration Association seated in Sarasota, Florida.

6. **Enforcement.** In the event that Kibbey fails to make or pay any SmartPlug Royalty Payments when due hereunder, or otherwise materially breaches this Agreement in any respect, SmartPlug shall have the right to enforce this Agreement by injunction in any court of competent jurisdiction without the necessity of any surety bond.

7. **Choice of Law.** - This Agreement shall be construed and interpreted in accordance with the laws of the State of Florida and the laws of the United States, where applicable. The courts within the State of Florida, state or federal, shall have jurisdiction over any matter involving the construction and interpretation of this Agreement. Each of the parties

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irrevocably submits to the jurisdiction of any court, state or federal, within the State of Florida, having subject matter jurisdiction over this Agreement.

8. **Legal Representation** – All parties acknowledge that Samuel S. Duffey is licensed as a member of the Florida Bar Association. Further, Mr. Duffey is a principal in this transaction. Mr. Duffey has represented only himself and Mr. Michael in connection with the preparation and negotiation of this Agreement and each of the other parties have been advised to consult with and rely upon independent legal counsel.

9. **Integration Clause, Entire Agreement, Modification.** This Agreement constitutes the entire agreement between the parties hereto and supersedes all prior agreements, whether written or oral, with respect to the subject matter set out herein. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, assigns, heirs and representatives. Any modification of this Agreement shall be in writing and executed by each party hereto. The parties agree that this Agreement has been drafted jointly by the parties, that each party has had an opportunity to review this document with duly appointed legal counsel, prior to execution, and that this document should not be construed more strongly in favor of one or the other of the parties.

10. **No Waiver.** The failure by any party hereto to enforce any right or covenant in this Agreement on one or more occasions shall not be construed as a waiver of such party's right to enforce all terms of this agreement, as written, at any time in the future.

11. **Legality.** If any term or provision of this Agreement shall be deemed by any court of competent jurisdiction to be unenforceable or invalid for any purpose, the remaining terms and provisions of this Agreement shall continue in full force and effect.

SSD WKK

COPY

12. Attorney's Fees. If either party hereto commences proceedings to enforce the terms of this Agreement, the party that prevails in such proceedings shall be entitled to recover reasonable attorney's fees, costs and expenses.

13. Counterparts. This Agreement may be executed in counterparts. Time is of the essence of this agreement.

KIBBEY:

Witness

WILBUR RICHARD KIBBEY
Dated: 10-20-2000

Witness

GAP:

GAP MANAGEMENT TECHNOLOGY CORPORATION

By:
ROBERT [illegible], its President
Dated:

Witness

Witness

SMARTPLUG

By:
STEPHEN [illegible],
Its: President

Dated: 10-19-00

Witness

Witness

By:
SAMUEL [illegible],
Its: Chairman

Dated: 10-19-00

Witness

Witness

Schedule 1.6(ii)
Earn-Out Shares

I. <u>Earn-Out Shares</u>

The earn-out shares consist of 4,000,000 shares of Common Stock of Metronet, which shall be automatically adjusted in the event of any stock split, stock dividend or other recapitalization event (the "Earn-Out Shares"). The Earn-Out Shares shall be fully paid and non-assessable upon issuance.

II. <u>Allocation of Earn-Out Shares</u>

Any Earn-Out Shares issued hereunder, shall be issued to the stockholders of FlashPoint, who were the Stockholders of FlashPoint at the Closing of the Merger or their heirs or assigns, in the same proportion as their ownership at the Closing as reflected below.

Earn-Out Shares

Set forth below are the shares of Common Stock of Metronet which will be issued as part of the Merger Agreement to the listed shareholders upon satisfaction of Article III(a) or III(b).

Stephen A. Michael	2,000,000 Shares
Spencer C. Duffey Trust	1,000,000 Shares
Elizabeth Rosemary Duffey Trust	1,000,000 Shares

III. <u>Conditions</u>

Earn-Out Shares shall be earned and shall vest as follows:

(a) <u>License, Merger or Buy/Sell Transaction</u>. All Earn-Out Shares shall be earned and be issued should FlashPoint or Metronet enter into a transaction following the Closing, pursuant to which an exclusive license to or assignment of the Proprietary Rights of the FlashPoint technology or intellectual property which is considered by the Company to be an important or material event, all or substantially all of the assets are sold or assigned or more than 50% of the stock of FlashPoint or more than 50% of the capital stock of Metronet are transferred (a "Merger or Buy/Sell Transaction"); **OR**

(b) <u>Revenue Criteria</u>. All of the Earn-Out Shares shall be earned and vested, and certificates shall promptly be issued once FlashPoint or Metronet has achieved an aggregate gross revenue of $20,000,000 in any 12-month period. The determination of gross revenue shall be in accordance with generally accepted accounting principles as determined by Metronet's independent public accountants. Pending completion of earn-out as described above, quarterly Earn-Out Shares shall be issued proportionately as gross revenue is recognized as follows:

$$\left(\frac{\text{Revenue During 12-month Period} \quad \text{less} \quad \text{Aggregate Level of Revenue for which Prior Earn-Out Shares Have Been Issued}}{\$20{,}000{,}000} \right) \mathbf{X} \ \text{4,000,000 Earn-Out Shares} = \text{Shares to be Issued}$$

IV. Registration Rights

Upon issuance, the Earn-Out Shares shall be restricted in accordance with state and federal securities laws, provided however, that on the demand of the FlashPoint Shareholders, Metronet, at its expense, shall file a registration statement to register the shares with the U.S. Securities and Exchange Commission.

V. Vesting

The Earn-Out Shares shall be deemed fully earned and vested upon the satisfaction of either III(a) or III(b), and certificates representing such shares shall be promptly issued as herein provided. Once issued, Earn-Out Shares shall be deemed fully paid and non-assessable.

Schedule 1.6(iii)

Stock Options

METRONET COMMUNICATIONS COMPANY

STOCK OPTION

August 24, 2001

THIS CERTIFIES THAT, WILLIAM W. DOLAN ("Holder") is entitled, at any time until November 2, 2007, to purchase 500,000 shares of Common Stock of Metronet Communications Company (the "Company" or "Metronet"), at a purchase price of $1.00 per share. The shares, which may be purchased under this Option, are subject to vesting as follows ("Vesting Schedule"): (i) one-third of the shares eligible for purchase hereunder shall be deemed vested on November 2, 2001 provided Holder has remained a Director, Consultant, or Employee of the Company through that date; (ii) another one-third of the shares eligible to be purchased hereunder shall be deemed vested on November 2, 2002 provided that Holder has remained a Director, Consultant, or Employee of the Company through that date; and (iii) the final one-third of the shares eligible for purchase hereunder shall vest on November 2, 2003 provided that Holder has remained a Director, Consultant, or Employee of the Company through that date ("Vesting Period"). The Holder acknowledges and agrees that only shares which are vested may be purchased under this Option.

In the event of a stock dividend, stock split, or capital reorganization resulting in the number of outstanding shares of Common Stock of the Company being changed, the applicable exercise price and number of shares provided in this Option shall be proportionately adjusted.

All shares shall be deemed fully vested, in the event of: (i) involuntary termination of the Holder; (ii) death or disability of the Holder; (iii) a share exchange, merger or other business combination involving the Company and resulting in a change of control of the Company; (iv) a sale of all or substantially all the assets or stock of the Company; (v) a liquidation or dissolution of the Company; (vi) the Company entering into a transaction (which is considered by the Company to be an important or material event) with a non-affiliated party, pursuant to which an exclusive license to or assignment of any of the Company's patents, patent applications or other proprietary rights or intellectual property is granted to such party; or (vii) the Company achieving an aggregate gross revenue of $20,000,000 in any 12-month period. The determination of gross revenue in the previous sentence shall be in accordance with general accounting principles as determined by Metronet's independent accountant.

In the event of a voluntary termination by the Holder during the Vesting Period from all position with the Company, only the shares which had vested pro rata in accordance with the Vesting Schedule at the time of the voluntary termination by the Holder will be deemed vested upon such voluntary termination.

The grant of this Option is made without registration under the Securities Act of 1933 by reason of a specific exemption.

The Company agrees that upon written notice of exercise of vested shares, and assuming the Company is a "Reporting Company" under the Securities Act of 1934 at the time the Holder wishes to exercise and purchase vested shares hereunder, the Company shall register the vested shares at the Company's expense so that the shares, when purchased under this Option, are freely tradable.

The purchase price for the shares purchased under this Option may be paid in cash or through the execution of a broker-assisted cashless exercise if applicable.

This Option may not be transferred by the Holder other than by Will or the laws of descent and distribution. This Option may not be exercised by anyone other than the Holder or, in the case of the Holder's death, by the person to whom the rights of the Holder shall have passed by Will or the laws of descent and distribution.

Neither the Holder nor any person to whom the rights of the Holder shall have passed by Will or the laws of descent and distribution shall have any of the rights of a shareholder with respect to any shares of the Company's common stock until the purchase price for the shares has been paid to the Company.

As a condition to the issuance of shares of Common Stock of the Company under this Option, the Holder agrees to remit to the Company, at the time of the exercise of this Option, any taxes required to be withheld, if any, by the Company under Federal, State, or Local Law as a result of the exercise of this Option.

This Option is being issued by Metronet in exchange, cancellation and replacement for an option for the purchase of 500,000 shares, at a $1.00 per share of FlashPoint, Inc., a Florida corporation f/k/a SmartPlug, Inc. Common Stock (the "Surrendered Option"). The Surrendered

Option shall be rendered void and unenforceable by virtue of the acceptance by Holder of this Option issued by Metronet.

The Company has caused this Option to be executed in the name of the Company, by its corporate officers having been duly authorized, and the Holder has hereunto set Holder's hand and seal as of the date and year first above written.

METRONET COMMUNICATIONS COMPANY
a Nevada corporation

By: ______________________
Its:

AGREED TO AND ACCEPTED BY HOLDER:

____
William W. Dolan

METRONET COMMUNICATIONS COMPANY

STOCK OPTION August 24, 2001

THIS CERTIFIES THAT, EDMUND C. KING ("Holder") is entitled, at any time until November 2, 2007, to purchase 500,000 shares of Common Stock of Metronet Communications Company (the "Company" or "Metronet"), at a purchase price of $1.00 per share. The shares, which may be purchased under this Option, are subject to vesting as follows ("Vesting Schedule"): (i) one-third of the shares eligible for purchase hereunder shall be deemed vested on November 2, 2001 provided Holder has remained a Director, Consultant, or Employee of the Company through that date; (ii) another one-third of the shares eligible to be purchased hereunder shall be deemed vested on November 2, 2002 provided that Holder has remained a Director, Consultant, or Employee of the Company through that date; and (iii) the final one-third of the shares eligible for purchase hereunder shall vest on November 2, 2003 provided that Holder has remained a Director, Consultant, or Employee of the Company through that date ("Vesting Period"). The Holder acknowledges and agrees that only shares which are vested may be purchased under this Option.

In the event of a stock dividend, stock split, or capital reorganization resulting in the number of outstanding shares of Common Stock of the Company being changed, the applicable exercise price and number of shares provided in this Option shall be proportionately adjusted.

All shares shall be deemed fully vested, in the event of: (i) involuntary termination of the Holder; (ii) death or disability of the Holder; (iii) a share exchange, merger or other business combination involving the Company and resulting in a change of control of the Company; (iv) a sale of all or substantially all the assets or stock of the Company; (v) a liquidation or dissolution of the Company; (vi) the Company entering into a transaction (which is considered by the Company to be an important or material event) with a non-affiliated party, pursuant to which an exclusive license to or assignment of any of the Company's patents, patent applications or other proprietary rights or intellectual property is granted to such party; or (vii) the Company achieving an aggregate gross revenue of $20,000,000 in any 12-month period. The determination of gross revenue in the previous sentence shall be in accordance with general accounting principles as determined by Metronet's independent accountant.

In the event of a voluntary termination by the Holder during the Vesting Period from all position with the Company, only the shares which had vested pro rata in accordance with the Vesting Schedule at the time of the voluntary termination by the Holder will be deemed vested upon such voluntary termination.

The grant of this Option is made without registration under the Securities Act of 1933 by reason of a specific exemption.

The Company agrees that upon written notice of exercise of vested shares, and assuming the Company is a "Reporting Company" under the Securities Act of 1934 at the time the Holder wishes to exercise and purchase vested shares hereunder, the Company shall register the vested shares at the Company's expense so that the shares, when purchased under this Option, are freely tradable.

The purchase price for the shares purchased under this Option may be paid in cash or through the execution of a broker-assisted cashless exercise if applicable.

This Option may not be transferred by the Holder other than by Will or the laws of descent and distribution. This Option may not be exercised by anyone other than the Holder or, in the case of the Holder's death, by the person to whom the rights of the Holder shall have passed by Will or the laws of descent and distribution.

Neither the Holder nor any person to whom the rights of the Holder shall have passed by Will or the laws of descent and distribution shall have any of the rights of a shareholder with respect to any shares of the Company's common stock until the purchase price for the shares has been paid to the Company.

As a condition to the issuance of shares of Common Stock of the Company under this Option, the Holder agrees to remit to the Company, at the time of the exercise of this Option, any taxes required to be withheld, if any, by the Company under Federal, State, or Local Law as a result of the exercise of this Option.

This Option is being issued by Metronet in exchange, cancellation and replacement for an option for the purchase of 500,000 shares, at a $1.00 per share of FlashPoint, Inc., a Florida corporation f/k/a SmartPlug, Inc. Common Stock (the "Surrendered Option"). The Surrendered

Option shall be rendered void and unenforceable by virtue of the acceptance by Holder of this Option issued by Metronet.

The Company has caused this Option to be executed in the name of the Company, by its corporate officers having been duly authorized and the Holder has hereunto set Holder's hand and seal as of the date and year first above written.

METRONET COMMUNICATIONS COMPANY
a Nevada corporation

By: ______________________________
Its:

AGREED TO AND ACCEPTED BY HOLDER:

____
Edmund C. King

Schedule 2.2
Capitalization of FlashPoint, Inc.

I. Outstanding Shares of Capital Stock

Stephen A. Michael	3,500,000 Shares
Spencer C. Duffey Trust	1,750,000 Shares
Elizabeth Rosemary Duffey Trust	1,750,000 Shares
Total Outstanding Shares	7,000,000 Shares

II. Outstanding Options(1)

Edmund C. King	500,000
William W. Dolan	500,000
Total Outstanding Options	1,000,000

(1) Options vest over three years. Options have an exercise price of $1.00 per share.

III. Earn-Out Shares

See Schedule 1.6(ii)

Schedule 3.2
List of Metronet Shareholders

LIBERTY TRANSFER CO. METROPNET COMMUNICATIONS CO. - COMMON

SHAREHOLDER LISTING

08/14/01

PAGE 1

BROKERS

SHAREHOLDER	DEL	CERTIF #	QUANTITY
TID: CEDE & CO BOX 20 BOWLING GREEN STATI NY, NY 10004	Y		660,000

Total Securities - Brokers 660,000

Total Restricted - Brokers 0

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To Sean Duffey		From B. Knight	
Co.		Co.	
Dept.		Phone #	
Fax #		Fax #	

LIBERTY TRANSFER CO. METRONET COMMUNICATIONS CO. - COMMON PAGE :
SHAREHOLDER LISTING NON-BROI
08/14/01

SHAREHOLDER	DEL	CERTIF #	QUANTITY
TID: SHEYANNE ALMOND 2133 GRANT AVE PT COQUITLAM, B.C. CANADA V3B 1R1	Y		1,000
TID: SHEYNE ALMOND 2133 GRANT AVE PT COQUITLAM, B.C. CANADA V3B 1R1	Y		1,000
TID: FRANK BAUER 16747 FOXTRAIL LANE LOXAHATCHEE, FL 33470	Y		50,000 (R=50000)
TID: HANS DRUNKENMOLLE 192 RIVERBROOK WAY CAGARY, AB CANADA T2C 3S6,	Y		1,000
TID: G.M. CAPITAL PARTNERS LTD. HIRZEL HSE, SMITH ST ST. PETER PORT GUERNSEY GY1 2NG CHANNEL ISLANDS,	Y		1,000,000 (R=1000000)
TID: HUDA LIMITED HERALD HOUSE 22 HILL ST, ST.HELIER, JERSEY CHANNEL IS JE49XB,	Y		180,000
TID: CAREY LINDE 1301 JOHNSON ST.#9 VANCOUVER, B.C. CANADA V6H 3R9,	Y		1,000
TID: BRIDGETTE LONGSHORE 75 1ST ST. UNIT 9, STE 204 ORANGEVILLE, ONT. L9W 5B6 CANADA,	Y		1,000

LIBERTY TRANSFER CO. METRONET COMMUNICATIONS CO. - COMMON
SHAREHOLDER LISTING
08/14/01

SHAREHOLDER	DEL	CERTIF #	QUANTITY
TID: RAELYN METCALFE 2133 GRANT AVE PT. COQUITLAM, B.C. CANADA V3B 1R1,	Y		1,000
TID: RHEECE METCALFE 2133 GRANT AVE PT. COQUITLAM, B.C. CANADA V3B 1R1,	Y		1,000
TID: ALEX MICHIE 2755 LOUGHEED HWY STE 620 PT COQUITLAM, B.C. CANADA V3B 5Y9,	Y		1,000
TID: MATHEW MICHIE 2755 LOUGHEED HWY STE 620 PT. COQUITLAM, B.C. CANADA V3B 5Y9,	Y		1,000
TID: NICOLE MICHIE 2755 LOUGHEED HWY STE 620 PT COQUITLAM, B.C. V3B 5Y9 CANADA,	Y		1,000
TID: CATHRYN NEWMAN 1523 EAGLE MTN DR COQUITLAM, B.C. CANADA V3E 2Z3,	Y		1,000
TID: GARY NEWMAN 1523 EAGLE MTN DR COQUITLAM, B.C. V3E 2Z3 CANADA,	Y		1,000
TID: SHERRYE SAILES 2133 GRANT AVE PT. COQUITLAM, B.C. V3B 1R1 CANADA,	Y		1,000

LIBERTY TRANSFER CO. METRONET COMMUNICATIONS CO. - COMMON PAGE
SHAREHOLDER LISTING NON-BRO
08/14/01

SHAREHOLDER	DEL	CERTIF #	QUANTITY
TID: MICHAEL STEELE 172 KING ST. E. TORONTO, ONT M5A 1S3 CANADA,	Y		4,000
TID: TAMARIN INVESTMENT GRP, INC. 22 HILL ST ~~ST HELIER, JERSEY~~ JE4 9XB CHANNEL ISLAND,	Y		180,000

Total Securities - Non-Brokers: 1,427,000

Total Restricted - Non-Brokers: 1,050,000

LIBERTY TRANSFER CO. METRONET COMMUNICATIONS CO. - COMMON
SHAREHOLDER LISTING
08/14/01

PAGE 5
TOTALS

Total Securities:	2,087,000
Total Restricted:	1,050,000
Total Non-Restricted:	1,037,000
Total Deliverable:	2,087,000
Total Non-Deliverable:	0
Total Shareholders - Brokers :	1
Total Shareholders - Non-Brokers:	18
Total Shareholders - Total :	19
Total Non-Del Shareholders :	0

Schedule 3.8
Absence of Certain Changes

None

Schedule 3.9
Assets

None

Schedule 3.12
Compliance with Laws

None

Schedule 3.14
Metronet Tax Returns

Form **1120-A** Department of the Treasury Internal Revenue Service

U.S. Corporation Short-Form Income Tax Return

For calendar year 2000 or tax year beginning Jan. ..., 20 , ending Dec. 31, 20 01

See separate instructions to make sure the corporation qualifies to file Form 1120-A.

OMB No. 1545-0890 **2000**

A Check this box if the corp. is a personal service corp. (as defined in Temporary Regs. section 1.441-4T—see instructions) ☐

Use IRS label. Otherwise, print or type.

Name: Metronet Communications Company

Number, street, and room or suite no. (If a P.O. box, see page of instructions.): 6747 Foxtrail Lane

City or town, state, and ZIP code: Loxahatchee Florida 33470

B Employer identification number: 91 1918321

C Date incorporated: July 9, 1998

D Total assets (see page 8 of instructions): $ (84)

E Check applicable boxes: (1) ☐ Initial return (2) ☐ Change of address

F Check method of accounting: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ▶

Income

1a	Gross receipts or sales Ø; b Less returns and allowances; c Balance ▶	1c	Ø
2	Cost of goods sold (see page 14 of instructions)	2	
3	Gross profit. Subtract line 2 from line 1c	3	
4	Domestic corporation dividends subject to the 70% deduction	4	
5	Interest	5	
6	Gross rents	6	
7	Gross royalties	7	
8	Capital gain net income (attach Schedule D (Form 1120))	8	
9	Net gain or (loss) from Form 4797, Part II, line 18 (attach Form 4797)	9	
10	Other income (see page 8 of instructions)	10	
11	**Total income.** Add lines 3 through 10 ▶	11	Ø

Deductions (See instructions for limitations on deductions.)

12	Compensation of officers (see page 10 of instructions)	12	
13	Salaries and wages (less employment credits)	13	
14	Repairs and maintenance	14	
15	Bad debts	15	
16	Rents	16	
17	Taxes and licenses	17	(295)
18	Interest	18	
19	Charitable contributions (see page 11 of instructions for 10% limitation)	19	
20	Depreciation (attach Form 4562) — 20		
21	Less depreciation claimed elsewhere on return — 21a	21b	
22	Other deductions (attach schedule)	22	(909)
23	**Total deductions.** Add lines 12 through 22 ▶	23	(1,204)
24	Taxable income before net operating loss deduction and special deductions. Subtract line 23 from line 11	24	
25	**Less:** a Net operating loss deduction (see page 13 of instructions) 25a; b Special deductions (see page 13 of instructions) 25b	25c	

Tax and Payments

26	**Taxable income.** Subtract line 25c from line 24	26	(1,204)
27	**Total tax** (from page 2, Part I, line 8)	27	Ø
28	**Payments:** a 1999 overpayment credited to 2000 28a; b 2000 estimated tax payments 28b; c Less 2000 refund applied for on Form 4466 28c ( ) Bal ▶ 28d; e Tax deposited with Form 7004 28e; f Credit for tax paid on undistributed capital gains (attach Form 2439) 28f; g Credit for Federal tax on fuels (attach Form 4136). See instructions 28g; h **Total payments.** Add lines 28d through 28g	28h	
29	Estimated tax penalty (see page 14 of instructions). Check if Form 2220 is attached ▶ ☐	29	
30	**Tax due.** If line 28h is smaller than the total of lines 27 and 29, enter amount owed	30	Ø
31	**Overpayment.** If line 28h is larger than the total of lines 27 and 29, enter amount overpaid	31	
32	Enter amount of line 31 you want: **Credited to 2001 estimated tax ▶** Refunded ▶	32	

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Signature of officer — Date: March 12, 2001 — ▶ Title: President

Paid Preparer's Use Only

Preparer's signature ▶ — Date — Check if self-employed ☐ — Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code ▶ — EIN — Phone no. ( )

'D Caital Group, Inc.
lance Sheet As At 12/31/00

SSETS

CURRENT ASSETS		
Bank - USD		-84.06
Accounts Receivable		0.00
Other Receivables		0.00
Short Term Investments		0.00
Prepaid Expenses		0.00
TOTAL CURRENT ASSETS		-84.06
OTHER ASSETS		
Other Assets		0.00
TOTAL OTHER ASSETS		0.00
CAPITAL ASSETS		
Furniture & Equipment	0.00	
Accum.Amortization - Furniture	0.00	
Furniture & Equipment - Net		0.00
TOTAL CAPITAL ASSETS		0.00
TOTAL ASSETS		-84.06
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable		3,003.54
Accrued Liabilities		0.00
Short Term Loans		0.00
Taxes Payable		0.00
TOTAL CURRENT LIABILITIES		3,003.54
LONG TERM LIABILITIES		
Shareholder Loans		2,450.00
TOTAL LONG TERM LIABILITIES		2,450.00
TOTAL LIABILITIES		5,453.54
EQUITY		
SHAREHOLDERS' EQUITY		
Common Shares - Voting		2,087.00
Additional Paid In Capital		10,813.00
Retained Earnings		-17,233.19
Current Earnings		-1,204.41
TOTAL SHAREHOLDERS' EQUITY		-5,537.60
TOTAL EQUITY		-5,537.60
LIABILITIES AND EQUITY		-84.06

Printed On: 3/12/01

D Caital Group, Inc.
come Statement 1/1/00 to 12/31/00

VENUE-	
EVENUE	
Revenue	0.00
OTAL OPERATING REVENUE	0.00
THER REVENUE	
Miscellaneous Revenue	0.00
OTAL OTHER REVENUE	0.00
TAL REVENUE	0.00
PENSE	
PERATING EXPENSES	
Advertising	0.00
Automotive	0.00
Bad Debts	0.00
Bank Charges	8.00
Consulting Fees	0.00
Courier & Postage	31.41
Entertainment	0.00
Filing Fees	295.00
Insurance	0.00
Legal	70.00
Office Expenses	0.00
Printing	0.00
Promotion	0.00
Rent	0.00
Resident Agent	0.00
Subscriptions & Dues	0.00
Suspense	0.00
Telephone	0.00
Transfer Agent Fees	800.00
Travel	0.00
Utilities	0.00
OTAL OPERATING EXPENSES	1,204.41
TAL EXPENSE	1,204.41
T INCOME	-1,204.41

Part I Tax Computation (See page 17 of instructions.)

1	Income tax. If the corporation is a qualified personal service corporation (see page 17), check here ▶ ☐	1	
2	Alternative minimum tax (attach Form 4626)	2	
3	Add lines 1 and 2	3	
4a	General business credit. Check if from Form(s): ☐ 3800 ☐ 3468 ☐ 5884 ☐ 6478 ☐ 6765 ☐ 8586 ☐ 8830 ☐ 8826 ☐ 8835 ☐ 8844 ☐ 8845 ☐ 8846 ☐ 8820 ☐ 8847 ☐ 8861	4a	
b	Credit for prior year minimum tax (attach Form 8827)	4b	
5	Total credits. Add lines 4a and 4b	5	
6	Subtract line 5 from line 3	6	
7	Recapture taxes. Check if from: ☐ Form 4255 ☐ Form 8611	7	
8	Total tax. Add lines 6 and 7. Enter here and on line 27, page 1	8	Ø

Part II Other Information (See page 19 of instructions.)

1 See page 21 and enter the: a Business activity code no. ▶ 336300
b Business activity ▶ Manufacturing
c Product or service ▶ Motorvehicle Part Mfg.

2 At the end of the tax year, did any individual, partnership, estate, or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) ☐ Yes ☒ No
If "Yes," attach a schedule showing name and identifying number.

3 Enter the amount of tax-exempt interest received or accrued during the tax year ▶ $ Ø

4 Enter total amount of cash distributions and the book value of property (other than cash) distributions made in this tax year ▶ $ Ø

5a If an amount is entered on line 2, page 1, enter from worksheet on page 14 instr.:
(1) Purchases
(2) Additional 263A costs (attach schedule)
(3) Other costs (attach schedule)

b If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? ☐ Yes ☐ No

6 At any time during the 2000 calendar year, did the corporation have an interest in or a signature or other authority over a financial account (such as a bank account, securities account, or other financial account) in a foreign country? ☐ Yes ☐ No
If "Yes," the corporation may have to file Form TD F 90-22.1.
If "Yes," enter the name of the foreign country ▶

Part III Balance Sheets per Books

			(a) Beginning of tax year	(b) End of tax year
Assets	1	Cash	(1)	(84)
	2a	Trade notes and accounts receivable		
	b	Less allowance for bad debts	( )	( )
	3	Inventories		
	4	U.S. government obligations		
	5	Tax-exempt securities (see instructions)		
	6	Other current assets (attach schedule)	Ø	
	7	Loans to shareholders		
	8	Mortgage and real estate loans		
	9a	Depreciable, depletable, and intangible assets		
	b	Less accumulated depreciation, depletion, and amortization	( )	( )
	10	Land (net of any amortization)		
	11	Other assets (attach schedule)		
	12	Total assets	(1)	(84)
Liabilities and Shareholders' Equity	13	Accounts payable	2,882	3,004
	14	Other current liabilities (attach schedule)	1,450	2,450
	15	Loans from shareholders		
	16	Mortgages, notes, bonds payable		
	17	Other liabilities (attach schedule)		
	18	Capital stock (preferred and common stock)		
	19	Additional paid-in capital	2,087	2,087
	20	Retained earnings	10,813	10,813
	21	Adjustments to shareholders' equity (attach schedule)	(17,233)	(18,438)
	22	Less cost of treasury stock	( )	( )
	23	Total liabilities and shareholders' equity	(1)	(84)

Part IV Reconciliation of Income (Loss) per Books With Income per Return (Note: *The corporation is not required to complete Part IV if the total assets on line 12, column (b), Part III are less than $25,000.*)

1 Net income (loss) per books		6 Income recorded on books this year not included on this return (itemize)	
2 Federal income tax		7 Deductions on this return not charged against book income this year (itemize)	
3 Excess of capital losses over capital gains			
4 Income subject to tax not recorded on books this year (itemize)		8 Income (line 24, page 1). Enter the sum of lines 1 through 5 less the sum of lines 6 and 7	
5 Expenses recorded on books this year not deducted on this return (itemize)			

AUG-15-2001 15:04 P.05/12

Department of the Treasury
Internal Revenue Service

See separate instructions to make sure the corporation qualifies to file Form 1120-A.
For calendar year 1999 or tax year beginning JAN. 1, 1999, ending DEC. 31, 99

1999

A Check this box if the corp. is a personal service corp. (as defined in Temporary Regs. section 1.441-4T—see instructions) ☐

Use IRS label. Otherwise, print or type.

Name: Metron[illegible] Communication Company (f/k/a) [illegible] Capital Group, Inc.

Number, street, and room or suite no. (If a P.O. box, see page 5 of instructions.): 16747 Fo[illegible] Trail Lane

City or town, state, and ZIP code: Loxahatchee, Florida 33470

B Employer identification number: [illegible]

C Date incorporated: July 9, 1998

D Total assets (see page 6 of instructions): $ (1)

E Check applicable boxes: (1) ☐ Initial return (2) ☐ Change of address

F Check method of accounting: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ▶

Income

1a	Gross receipts or sales Ø; b Less returns and allowances Ø; c Balance ▶	1c	Ø
2	Cost of goods sold (see page 12 of instructions)	2	
3	Gross profit. Subtract line 2 from line 1c	3	
4	Domestic corporation dividends subject to the 70% deduction	4	
5	Interest	5	
6	Gross rents	6	
7	Gross royalties	7	
8	Capital gain net income (attach Schedule D (Form 1120))	8	
9	Net gain or (loss) from Form 4797, Part II, line 18 (attach Form 4797)	9	
10	Other income (see page 7 of instructions)	10	
11	**Total income.** Add lines 3 through 10 ▶	11	Ø

Deductions (See instructions for limitations on deductions.)

12	Compensation of officers (see page 8 of instructions)	12	(6,500)
13	Salaries and wages (less employment credits)	13	
14	Repairs and maintenance	14	
15	Bad debts	15	
16	Rents	16	(939)
17	Taxes and licenses	17	(4,255)
18	Interest	18	
19	Charitable contributions (see page 9 of instructions for 10% limitation)	19	
20	Depreciation (attach Form 4562) — 20		
21	Less depreciation claimed elsewhere on return — 21a	21b	
22	Other deductions (attach schedule)	22	(4,599)
23	**Total deductions.** Add lines 12 through 22 ▶	23	(16,293)
24	Taxable income before net operating loss deduction and special deductions. Subtract line 23 from line 11	24	
25	Less: a Net operating loss deduction (see page 11 of instructions) — 25a; b Special deductions (see page 12 of instructions) — 25b	25c	

Tax and Payments

26	**Taxable income.** Subtract line 25c from line 24	26	(16,293)
27	**Total tax** (from page 2, Part I, line 7)	27	Ø
28	**Payments:**		
a	1998 overpayment credited to 1999 — 28a		
b	1999 estimated tax payments — 28b		
c	Less 1999 refund applied for on Form 4466 — 28c ( ) Bal ▶ 28d		
e	Tax deposited with Form 7004 — 28e		
f	Credit for tax paid on undistributed capital gains (attach Form 2439) — 28f		
g	Credit for Federal tax on fuels (attach Form 4136). See instructions — 28g		
h	**Total payments.** Add lines 28d through 28g	28h	
29	Estimated tax penalty (see page 12 of instructions). Check if Form 2220 is attached ▶ ☐	29	
30	**Tax due.** If line 28h is smaller than the total of lines 27 and 29, enter amount owed	30	Ø
31	**Overpayment.** If line 28h is larger than the total of lines 27 and 29, enter amount overpaid	31	
32	Enter amount of line 31 you want: Credited to 2000 estimated tax ▶ Refunded ▶	32	

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Signature of officer — Date: February 23, 2001 — ▶ Title: President

Paid Preparer's Use Only

Preparer's signature ▶ — Date — Check if self-employed ▶ ☐ — Preparer's SSN or PTIN

Firm's name (or yours if self-employed) and address ▶ — EIN ▶ — ZIP code ▶

For Paperwork Reduction Act Notice, see page 1 of the instructions. Cat. No. 11456E Form **1120-A** (1999)

'D Caital Group, Inc.
lance Sheet As At 12/31/1999

SSETS		
URRENT ASSETS		
Bank - USD		-1.06
Accounts Receivable		0.00
Other Receivables		0.00
Short Term Investments		0.00
Prepaid Expenses		0.00
'OTAL CURRENT ASSETS		-1.06
)THER ASSETS		
Other Assets		0.00
'OTAL OTHER ASSETS		0.00
CAPITAL ASSETS		
Furniture & Equipment	0.00	
Accum.Amortization - Furniture	0.00	
Furniture & Equipment - Net		0.00
'OTAL CAPITAL ASSETS		0.00
OTAL ASSETS		-1.06
IABILITIES		
CURRENT LIABILITIES		
Accounts Payable		2,882.13
Accrued Liabilities		0.00
Short Term Loans		0.00
Taxes Payable		0.00
TOTAL CURRENT LIABILITIES		2,882.13
LONG TERM LIABILITIES		
Shareholder Loans		1,450.00
TOTAL LONG TERM LIABILITIES		1,450.00
'OTAL LIABILITIES		4,332.13
EQUITY		
SHAREHOLDERS' EQUITY		
Common Shares - Voting		2,037.00
Additional Paid In Capital		10,863.00
Retained Earnings		-939.79
Current Earnings		-16,293.40
TOTAL SHAREHOLDERS' EQUITY		-4,333.19

FD Caital Group, Inc.
alance Sheet As At 12/31/1999

OTAL EQUITY	-4,333.19
IABILITIES AND EQUITY	-1.06

FD Caital Group, Inc.
ncome Statement 01/01/1999 to 12/31/1999

EVENUE	
REVENUE	
Revenue	0.00
TOTAL OPERATING REVENUE	0.00
OTHER REVENUE	
Miscellaneous Revenue	0.00
TOTAL OTHER REVENUE	0.00
OTAL REVENUE	0.00
XPENSE	
OPERATING EXPENSES	
Advertising	0.00
Automotive	0.00
Bad Debts	0.00
Bank Charges	157.51
Consulting Fees	6,500.00
Courier & Postage	83.79
Entertainment	0.00
Filing Fees	4,255.00
Insurance	0.00
Legal	1,692.25
Office Expenses	433.50
Printing	0.00
Promotion	0.00
Rent	939.00
Resident Agent	100.00
Subscriptions & Dues	0.00
Suspense	0.00
Telephone	116.35
Transfer Agent Fees	2,016.00
Travel	0.00
Utilities	0.00
TOTAL OPERATING EXPENSES	16,293.40
TOTAL EXPENSE	16,293.40
NET INCOME	-16,293.40

Part I Tax Computation (See page 15 of instructions.)

1 Income tax. If the corporation is a qualified personal service corporation (see page 15), check here ▶ ☐ | 1 |

2a General business credit. Check if from Form(s): ☐ 3800 ☐ 3468 ☐ 5884 ☐ 6478 ☐ 6765 ☐ 8586 ☐ 8830 ☐ 8826 ☐ 3835 ☐ 8844 ☐ 8845 ☐ 8846 ☐ 8820 ☐ 8847 ☐ 8861 | 2a |

b Credit for prior year minimum tax (attach Form 8827) | 2b |

3 Total credits. Add lines 2a and 2b | 3 |

4 Subtract line 3 from line 1 | 4 |

5 Recapture taxes. Check if from: ☐ Form 4255 ☐ Form 8611 | 5 |

6 Alternative minimum tax (attach Form 4626) | 6 |

7 Total tax. Add lines 4 through 6. Enter here and on line 27, page 1 | 7 | Ø

Part II Other Information (See page 17 of instructions.)

1 See page 19 and enter the: a Business activity code no. ▶ 513300

b Business activity ▶ Broadcasting/Telecommunication

c Product or service ▶ Switchless Telecommunication

2 At the end of the tax year, did any individual, partnership, estate, or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) ☐ Yes ☒ No

If "Yes," attach a schedule showing name and identifying number.

3 Enter the amount of tax-exempt interest received or accrued during the tax year ▶ $

4 Enter total amount of cash distributions and the book value of property (other than cash) distributions made in this tax year ▶ $

5a If an amount is entered on line 2, page 1, enter from worksheet on page 12 instr.:

(1) Purchases

(2) Additional sec. 263A costs (attach schedule)

(3) Other costs (attach schedule)

b If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? ☐ Yes ☐ No

6 At any time during the 1999 calendar year, did the corporation have an interest in or a signature or other authority over a financial account (such as a bank account, securities account, or other financial account) in a foreign country? ☐ Yes ☐ No

If "Yes," the corporation may have to file Form TD F 90-22.1.

If "Yes," enter the name of the foreign country ▶

Part III Balance Sheets per Books

		(a) Beginning of tax year	(b) End of tax year
Assets	1 Cash		(1)
	2a Trade notes and accounts receivable		
	b Less allowance for bad debts	( )	( )
	3 Inventories		
	4 U.S. government obligations		
	5 Tax-exempt securities (see instructions)		
	6 Other current assets (attach schedule)		
	7 Loans to shareholders		
	8 Mortgage and real estate loans		
	9a Depreciable, depletable, and intangible assets		
	b Less accumulated depreciation, depletion, and amortization	( )	( )
	10 Land (net of any amortization)		
	11 Other assets (attach schedule)		
	12 Total assets		
Liabilities and Shareholders' Equity	13 Accounts payable		Ø
	14 Other current liabilities (attach schedule)		
	15 Loans from shareholders		2,882
	16 Mortgages, notes, bonds payable		1,450
	17 Other liabilities (attach schedule)		
	18 Capital stock (preferred and common stock)		
	19 Additional paid-in capital		2,037
	20 Retained earnings		10,863
	21 Adjustments to shareholders' equity (attach schedule)		(17,233)
	22 Less cost of treasury stock	( )	( )
	23 Total liabilities and shareholders' equity		(1)

Part IV Reconciliation of Income (Loss) per Books With Income per Return (Note: *The corporation is not required to complete Part IV if the total assets on line 12, column (b), Part III are less than $25,000.*)

1 Net income (loss) per books		6 Income recorded on books this year not included on this return (itemize)	
2 Federal income tax		7 Deductions on this return not charged against book income this year (itemize)	
3 Excess of capital losses over capital gains			
4 Income subject to tax not recorded on books this year (itemize)			
5 Expenses recorded on books this year not deducted on this return (itemize)		8 Income (line 24, page 1). Enter the sum of lines 1 through 5 less the sum of lines 6 and 7	

Form **1120-A** Department of the Treasury Internal Revenue Service

U.S. Corporation Short-Form Income Tax Return

See separate instructions to make sure the corporation qualifies to file Form 1120-A.
For calendar year 1998 or tax year beginning Jan 1, 1998, ending Dec 31, 19 98

OMB No. 1545-0890 **1998**

A Check this box if the corp. is a personal service corp. (as defined in Temporary Regs. section 1.441-4T—see instructions) ▶ ☐

Use IRS label. Otherwise, print or type.

Name: BFD Capital Group, Inc.
Number, street, and room or suite no. (If a P.O. box, see page 5 of instructions.): 114 W. Magnolia Street Suite # 446
City or town, state, and ZIP code: Bellingham, WA 98225

B Employer identification number: 91 : 1918 21
C Date incorporated: July 9, 1998
D Total assets (see page 5 of instructions): $ 1,610

E Check applicable boxes: (1) ☒ Initial return (2) ☐ Change of address
F Check method of accounting: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ▶

Income

1a	Gross receipts or sales 0 b Less returns and allowances 0 c Balance ▶	1c	0
2	Cost of goods sold (see page 10 of instructions)	2	
3	Gross profit. Subtract line 2 from line 1c	3	
4	Domestic corporation dividends subject to the 70% deduction	4	
5	Interest	5	
6	Gross rents	6	
7	Gross royalties	7	
8	Capital gain net income (attach Schedule D (Form 1120))	8	
9	Net gain or (loss) from Form 4797, Part II, line 18 (attach Form 4797)	9	
10	Other income (see page 6 of instructions)	10	
11	**Total income.** Add lines 3 through 10 ▶	11	0

Deductions (See instructions for limitations on deductions.)

12	Compensation of officers (see page 7 of instructions)	12	
13	Salaries and wages (less employment credits)	13	
14	Repairs and maintenance	14	
15	Bad debts	15	
16	Rents	16	
17	Taxes and licenses	17	
18	Interest	18	
19	Charitable contributions (see page 8 of instructions for 10% limitation)	19	
20	Depreciation (attach Form 4562) 20		
21	Less depreciation claimed elsewhere on return 21a	21b	
22	Other deductions (attach schedule)	22	(189)
23	**Total deductions.** Add lines 12 through 22 ▶	23	(189)
24	Taxable income before net operating loss deduction and special deductions. Subtract line 23 from line 11	24	
25	Less: a Net operating loss deduction (see page 9 of instructions) 25a; b Special deductions (see page 11 of instructions) 25b	25c	

Tax and Payments

26	**Taxable income.** Subtract line 25c from line 24	26	(189)
27	**Total tax** (from page 2, Part I, line 7)	27	0
28	**Payments:**		
a	1997 overpayment credited to 1998 28a		
b	1998 estimated tax payments 28b		
c	Less 1998 refund applied for on Form 4466 28c ( ) Bal ▶ 28d		
e	Tax deposited with Form 7004 28e		
f	Credit for tax paid on undistributed capital gains (attach Form 2439) 28f		
g	Credit for Federal tax on fuels (attach Form 4136). See instructions 28g		
h	**Total payments.** Add lines 28d through 28g	28h	
29	Estimated tax penalty (see page 10 of instructions). Check if Form 2220 is attached ▶ ☐	29	
30	**Tax due.** If line 28h is smaller than the total of lines 27 and 29, enter amount owed	30	0
31	**Overpayment.** If line 28h is larger than the total of lines 27 and 29, enter amount overpaid	31	
32	Enter amount of line 31 you want: Credited to 1999 estimated tax ▶ Refunded ▶	32	

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer ▶ Date: February 26, 1999 ▶ Title: President

Paid Preparer's Use Only

Preparer's signature ▶ Date Check if self-employed ▶ ☐ Preparer's social security number
Firm's name (or yours if self-employed) and address ▶ EIN ▶ ZIP code ▶

Form 1120-A (1998) Page 2

Part I Tax Computation (See page 13 of instructions.)

1 Income tax. If the corporation is a qualified personal service corporation (see page 13), check here ▶ ☐		1	
2a General business credit. Check if from Form(s): ☐ 3800 ☐ 3468 ☐ 5884 ☐ 6478 ☐ 6765 ☐ 8586 ☐ 8830 ☐ 8826 ☐ 8835 ☐ 8844 ☐ 8845 ☐ 8846 ☐ 8820 ☐ 8847 ☐ 8861	2a		
b Credit for prior year minimum tax (attach Form 8827)	2b		
3 Total credits. Add lines 2a and 2b		3	
4 Subtract line 3 from line 1		4	
5 Recapture taxes. Check if from: ☐ Form 4255 ☐ Form 8611		5	
6 Alternative minimum tax (attach Form 4626)		6	
7 Total tax. Add lines 4 through 6. Enter here and on line 27, page 1		7	0

Part II Other Information (See page 15 of instructions.)

1 See page 17 and state the: a Business activity code no. (NEW) ▶ 513300

b Business activity ▶ Broadcasting/Telecommunications

c Product or service ▶ Switchless Telecommunications

2 At the end of the tax year, did any individual, partnership, estate, or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) ☐ Yes ☒ No

If "Yes," attach a schedule showing name and identifying number.

3 Enter the amount of tax-exempt interest received or accrued during the tax year ▶ $

4 Enter amount of cash distributions and the book value of property (other than cash) distributions made in this tax year ▶ $

5a If an amount is entered on line 2, page 1, enter amounts from worksheet on page 11:

(1) Purchases

(2) Additional sec. 263A costs (attach schedule)

(3) Other costs (attach schedule)

b If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? ☐ Yes ☐ No

6 At any time during the 1998 calendar year, did the corporation have an interest in or a signature or other authority over a financial account (such as a bank account, securities account, or other financial account) in a foreign country? ☐ Yes ☐ No

If "Yes," the corporation may have to file Form TD F 90-22.1

If "Yes," enter the name of the foreign country ▶

Part III Balance Sheets per Books

		(a) Beginning of tax year	(b) End of tax year
Assets	1 Cash		810
	2a Trade notes and accounts receivable		
	b Less allowance for bad debts	( )	( )
	3 Inventories		
	4 U.S. government obligations		
	5 Tax-exempt securities (see instructions)		
	6 Other current assets (attach schedule)		
	7 Loans to stockholders		
	8 Mortgage and real estate loans		
	9a Depreciable, depletable, and intangible assets		
	b Less accumulated depreciation, depletion, and amortization	( )	( )
	10 Land (net of any amortization)		800
	11 Other assets (attach schedule)		1610
	12 Total assets		
Liabilities and Stockholders' Equity	13 Accounts payable		
	14 Other current liabilities (attach schedule)		
	15 Loans from stockholders		
	16 Mortgages, notes, bonds payable		
	17 Other liabilities (attach schedule)		
	18 Capital stock (preferred and common stock)		1,016
	19 Additional paid-in capital		784
	20 Retained earnings		(189)
	21 Adjustments to shareholders' equity (attach schedule)		
	22 Less cost of treasury stock	( )	( )
	23 Total liabilities and stockholders' equity		1,610

Part IV Reconciliation of Income (Loss) per Books With Income per Return *(You are not required to complete Part IV if the total assets on line 12, column (b), Part III are less than $25,000.)*

1 Net income (loss) per books		6 Income recorded on books this year not included on this return (itemize)	
2 Federal income tax		7 Deductions on this return not charged against book income this year (itemize)	
3 Excess of capital losses over capital gains			
4 Income subject to tax not recorded on books this year (itemize)		8 Income (line 24, page 1). Enter the sum of lines 1 through 5 less the sum of lines 6 and 7	
5 Expenses recorded on books this year not deducted on this return (itemize)			