

B&J TERMS & CONDITIONS

General Terms and Conditions for Sales, Delivery and Payment Scope of Application; Certain Definitions

These general terms and conditions for sales, delivery and payment (the "General Terms") shall govern all sales of Goods by Seller to Buyer.

As used herein: (a) "Document" means the purchase order, sales order, quotation or other document pursuant to which Buyer has ordered Goods from Seller and to which these General Terms are attached and hereby incorporated therein; (b) "Seller" means B&J Rocket America, Inc. and any successor thereto; (c) "Buyer" means the buyer identified in this Document; and (d) "Goods" means the goods, equipment, materials, parts, supplies and/or services ordered by Buyer from Seller as described in this Document.

Seller's acceptance of Buyer's order for the Goods described in this Document shall constitute acceptance by Buyer and Seller of these General Terms. All sales quotations and agreements are subject to these General Terms. This Document contains the complete and exclusive agreement between Buyer and Seller regarding the terms of the sale of the Goods, and supersedes and replaces all previous requests, quotations, orders and agreements concerning the Goods.

These General Terms take precedence over Buyer's additional or conflicting terms and conditions, all of which are hereby objected to by Seller (with notice of such objection being hereby given), unless expressly accepted and agreed to in writing and signed by Seller. Seller's commencement of performance or delivery shall not constitute acceptance of Buyer's additional or conflicting terms and conditions. Seller's failure to specifically object to Buyer's additional or conflicting terms shall not change, supplement or detract from these General Terms and the applicability hereof to all sales under this Document.

Prices – Payment Conditions

The price of the Goods are those prices specified in this Document, excluding packing and transport expenses. Prices for undelivered Goods may be increased in the event of: (a) an increase in Seller's cost, change in market conditions or any other causes beyond Seller's reasonable control, or (b) any deviation in Buyer's order or quoted specifications. Unless otherwise stated in this Document, price quotations shall expire 60 days from the date issued by Seller

Any and all applicable sales, use or excise taxes, VAT or other government impositions that Seller is required to pay or collect will be charged to Buyer at the legal rate valid on the day of invoicing, unless Buyer provides a valid exemption certificate pursuant to which such taxes, VAT or impositions are not payable or collectable by Seller. Buyer agrees to indemnify and hold Seller harmless for any liability for taxes, VAT or similar impositions in connection with the sale of the Goods to Buyer, including penalties and interest thereon.

Unless otherwise agreed to by Seller in writing, full payment for sale of the Goods (and related tax, packaging and shipping costs) is due within 30 days of the invoice date. Orders are subject to final approval of Seller's credit department, which may require full or partial payment. Seller may charge Buyer 2% per month on all amounts outstanding after such 30 day period. If Buyer fails to make payment of any amount due under this Document or any other amounts owed by Buyer to Seller when due, Seller reserves the right to change or withdraw the terms of any credit extended by Seller to Buyer and suspend or cancel performance

under any or all other contracts or purchase orders pursuant to which Seller has extended credit to Buyer. Seller shall be entitled to charge to and collect from Seller all costs, fees and expenses (including but not limited to attorney and collection agent fees) in connection with any overdue amounts owed to Seller.

Delivery; Risk of Loss

Unless otherwise specified in this Document, delivery of all Goods shall be made F.O.B. Seller at the place of shipment as determined by Seller. Title to the Goods and risk of loss shall pass to Buyer upon Seller's delivery of the Goods to a common carrier for shipment. The carrier shall not be deemed an agent of Seller.

Delivery of the Goods shall be made, in a single or in multiple lots as specified in this Document, on or before the date specified herein, or with a reasonable time thereafter. Shipping dates are not guaranteed. The delivery schedule for the Goods shall be extended by a period of time equal to the period of time of any "force Majeure" event" as described in Paragraph 4 below. Delay in delivery of any installment shall not relieve Buyer of its obligation to accept remaining installments. All claims for delay shall be deemed waived unless presented to Seller in writing within 10 days after delivery of each lot.

Seller will determine the type of container and packaging for transport of the Goods, and charges related to packing and shipping shall be as set forth in this Document and payable by Buyer

Seller is not liable for failure to fulfill its obligations for any accepted order of Goods or delays in delivery due to causes beyond Seller's reasonable control, including but not limited to acts of God, natural or artificial disasters, fire, weather, riot, war, strikes, shortage of raw materials and component parts, acts or omissions of civil or military authority, embargos, government priorities, changes in law, floods, epidemics, quarantine restrictions, acts of terrorism or delays in transportation, any and all of which shall be considered a "force majeure event" excusing Seller from performance and barring remedies for non-performance. Upon any force Majeure event, Seller's time for performance shall be extended for a period equal to the duration of such force Majeure event, without subjecting Seller to any liability or penalty. In the event of any force Majeure event Seller may, at its option, cancel the remaining performance under this Document without any liability or penalty by giving notice of such cancellation to Buyer.

Rejection or Return of Goods

Buyer shall perform all inspections and tests of the Goods Buyer deems necessary as promptly as possible but in no event later than 10 days after actual receipt thereof, at which time Buyer will be deemed to have irrevocably accepted the Goods. Any validly rejected Goods shall be returned by Buyer, at its expense and risk, to Seller, for credit, replacement or refund at Seller's option.

Buyer may return unused Goods in original condition, other than custom made and specifically ordered Goods, to Seller within 90 days of delivery, at Buyer's risk and expense. Upon receipt of validly returned Goods, Buyer shall, at its option, issue Buyer a credit note or refund for the purchase price of such Goods, less a restocking fee equal to 15% of the value of the returned Goods. Custom made and specially ordered Goods may not be returned, unless rejected by Buyer in accordance with, and within the time provided in, Paragraph 1 above.

Limited Warranty; Limitation of Liability

The Goods sold hereunder, when installed and operated within specifications, are warranted to be free from defects in material and workmanship for a period of one (1) year from delivery to Buyer. Any Goods claimed to be defective must be returned to Buyer, transportation charges prepaid, but only after notice to Seller of such claim under warranty. Upon return, Seller's sole obligation shall be to repair or replace (at Seller's option and expense) the defective Goods and return the new or repaired Goods to Buyer at Seller's expense, and refund to Buyer the cost of transportation of any defective Goods returned to Seller. Buyer acknowledges and agrees that the foregoing warranty shall not be applicable to any Goods which (a) have been altered or repaired by anyone other than an authorized representative of Seller; (b) have not been properly installed by a qualified specialist; or (c) have been subject to misuse or accident. The foregoing warranty is the entire warranty of Seller, and shall not be modified or supplemented by any person purporting to act on Seller's behalf.

EXCEPT AS EXPRESSLY PROVIDED IN THIS SECTION 5, SELLER MAKES NO PROMISE OR WARRANTY, EXPRESS OR IMPLIED (STATUTORY OR OTHERWISE), WITH RESPECT TO THE GOODS, INCLUDING WITHOUT LIMITATION, MERCHANTABILITY OF THE GOODS OR THEIR SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, ALL OF SUCH WARRANTIES BEING EXPRESSLY DISCLAIMED AND EXCLUDED BY SELLER.

Buyer agrees that Seller's obligation described in Paragraph 1 above is Buyer's sole and exclusive remedy for defective Goods, and that Seller's total liability to Buyer in respect of the Goods or relating to Seller's performance or non-performance of this Document, or from the use of the Goods, is limited to the price paid by Buyer for the Goods giving rise to such claim. WITHOUT LIMITING THE FOREGOING, AND REGARDLESS OF THE CIRCUMSTANCES, BUYER SHALL NOT BE ENTITLED TO, AND SELLER SHALL IN NO EVENT BE LIABLE TO BUYER FOR, ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, INDIRECT OR PUNITIVE DAMAGES, OR FOR LOSS OF BUSINESS REVENUE, LOSS OF PROFITS OR OPPORTUNITY, IN EACH CASE WHETHER BASED IN CONTRACT, TORT (INCLUDING STRICT LIABILITY) OR OTHERWISE.

Export; Use of Goods

Buyer agrees to comply with all U.S., foreign and international laws, rules, regulations, orders and treaties applicable to the sale, use and/or export of the Goods, including without limitation, the Export Administration Regulations administered by the U.S. Department of Commerce, the International Traffic in Arms Regulation administered by the U.S. Department of State, and other laws relating to arms trafficking, terrorism and anti-terrorism (collectively, "Applicable Laws"). Buyer will provide Seller with such information, documentation and assistance reasonably requested by Seller to enable Seller to sell and export the Goods to Buyer and to comply with all Applicable Laws. Buyer represents and warrants to Seller that all such information and documentation provided by Buyer shall be true, accurate and complete as of the date provided.

Buyer agrees that it shall not sell, export, re-export or transship, or permit the use of, any of the Goods in contravention of any Applicable Laws.

Buyer will indemnify and hold harmless Seller and its subsidiaries and affiliates, and each of their respective officers, directors, managers, stockholders, employees and agents, from and against any loss, damage, claims, costs, fines or expenses (including without limitation legal fees and disbursements and

court costs) arising out of or relating to Buyer's breach of any representation or covenant of Buyer herein.

Miscellaneous

Notices and other communications under this Document must be in writing and sent to the receiving party at its address, email address or fax number provided in this Document. Notice will be deemed to have been properly given upon receipt thereof.

This Document may only be amended in writing signed or acknowledged by Buyer and Seller. No failure or delay by Buyer or Seller in exercising any right, power or privilege under this Document shall operate as a waiver thereof unless in writing and signed by such party nor shall any such waiver, failure or delay be deemed a continuing waiver by such party of any right hereunder in respect of any subsequent breach or default, either of similar or different nature.

Buyer may not assign this Document without the prior written consent of Seller. Notwithstanding the foregoing, this Document shall be binding upon Buyer and Seller and each of their respective successors and permitted assigns.

Every provision of this Document is intended to be severable, and if any term or provision of this Document is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity or legality of the remainder of this Document.

The validity, interpretation and enforcement of this Document, or matters arising out of or relating to this Document, its making, performance or breach will be governed by the internal laws of the State of Indiana (without reference to choice of law doctrine), including the Uniform Commercial Code as enacted and in force in the State of Indiana. Buyer and Seller hereby agree that the application of the United Nations Convention on Contracts for the International Sale of Goods shall not apply and is hereby excluded.

[DISPUTE RESOLUTION ALTERNATIVE ONE: ARBITRATION] If a dispute cannot be settled by good faith negotiation between the parties within a reasonable period of time, it may be finally settled upon request of either party by binding arbitration pursuant to the Commercial Rules of the American Arbitration Association. Proceedings will be conducted in the English language in [Indianapolis, Indiana, USA] before one arbitrator selected pursuant to those rules. The arbitrator will have the authority to determine issues of arbitrability and to consider and rule on dispositive motions.

[DISPUTE RESOLUTION ALTERNATIVE TWO: CASES TO BE BROUGHT IN INDIANA] Buyer and Seller hereby irrevocably and unconditionally agree that any action or proceeding arising out of or in connection with this Document shall be brought exclusively in a U.S. Federal or state court of appropriate jurisdiction located in [Indianapolis, IN], and not in any other court in the U.S. or in any other country. Buyer hereby consents to submit to the exclusive jurisdiction of such U.S. Federal or State court located in [Indianapolis, Indiana, USA] for purposes of any action or proceeding arising out of or in connection with this Document.