TERMS AND CONDITIONS

These terms and conditions shall apply to all offers, sales, agreements, contracts or other arrangements between Buyer and Ballistic Recovery Systems, Inc. (“BRS”) regarding the sale by BRS of parachute systems and other goods to Buyer (“BRS Unit”). These terms and conditions shall be read in conjunction with any additional terms and conditions in any purchase order or other agreements between Buyer and BRS to the extent possible, but shall control over such agreements to the extent they conflict. Terms and conditions are subject to change without notice.

Buyer is required to pay for order in its entirety at time of order placed. The purchase price set forth above does not include any sales, use, excise tax or customs fees, if applicable. All such taxes and fees are in addition to the purchase price. All claims for errors, deficiencies or imperfections occurring after delivery by BRS to a common carrier or Buyer’s delivery agent, to whom all such claims must be referred directly.

In the event a defective or non-conforming BRS Unit shall be replaced by BRS or in the event BRS shall not be liable for any claims for labor or consequential damages and BRS Unit(s) may not be returned except by permission of BRS. BRS accepts no responsibility for breakage, damage or losses occurring after delivery by BRS to a common carrier or Buyer’s delivery agent, to whom all such claims must be referred directly. BRS shall not assume any risk or liability for delay or non-fulfillment under this Agreement due to fire, explosion, flood, storm, acts of God, war, strikes, breakdown, fires, governmental orders, inability to obtain necessary materials or components or other causes beyond BRS’ control. Manufacture, shipment and delivery are subject to any prohibition, restriction, priority, allocation, regulation or condition imposed by or on behalf of the United States of America, which may prevent or interfere with fulfillment of this order. Except as otherwise agreed in writing, all sales are final. Claims for errors, deficiencies or imperfections shall not be considered unless made within thirty (30) days after receipt of BRS Unit by Buyer. BRS shall, at BRS’ sole and exclusive discretion, either replace such non-conforming BRS Unit or credit Buyer for the price of such non-conforming BRS Unit within a reasonable time of BRS’ receipt of such non-conforming BRS Unit.

All claims for defective BRS Units must be presented to BRS, in writing, within one (1) year after date of delivery of such BRS Units. Failure of Buyer to give such notice shall constitute a waiver by Buyer of all claims with respect to such defective BRS Units. BRS shall be given an opportunity to verify the existence of any alleged defect. Returns must be authorized by acquiring an RMA number (return material authorization) from BRS Inc. prior to shipment back to BRS Inc facilities.

In the event of a breach by BRS of any of the warranties contained herein, Buyer’s sole remedy in the event of breach by BRS of any of the warranties contained herein shall be ther repair or replacement, at BRS’ option. The express or implied warranties contained herein are in lieu of any and all other warranties, express or implied, including without limitation the warranty of merchantability and fitness for a particular purpose. All claims for warranty failures including, but not limited to, breach of warranty, negligence, delay in delivery or performance, are subject to any prohibition, restriction, priority, allocation, regulation or condition imposed by or on behalf of the United States of America, which may prevent or interfere with fulfillment of this order. Except as otherwise agreed in writing, all sales are final. Claims for errors, deficiencies or imperfections occurring after delivery by BRS to a common carrier or Buyer’s delivery agent, to whom all such claims must be referred directly.

BRS warrants to Buyer that BRS Unit(s) subject to this Agreement shall be free from defects in workmanship or material. BRS’ liability for breach of warranty for defective BRS Units delivered to Buyer under this Agreement shall be limited, at BRS’ option, to: replacing or repairing such defective BRS Units; or refunding the sales price received by BRS for such defective BRS Units.

The express or implied warranties contained herein are in lieu of any and all other warranties, express or implied, including without limitation the warranty of merchantability and fitness for a particular purpose.

In the event Buyer shall be required to institute any action or legal proceeding to enforce any of the terms and conditions herein, BRS shall be entitled to recover all of its court costs and reasonable attorneys’ fees and other related costs, expenses and disbursements arising out of such legal proceedings in which BRS prevails.

If any term or condition herein shall be found by a court of reasonable jurisdiction to be invalid, void or unenforceable, in whole or in part, such decision shall not affect the validity of any remaining term or condition.