Bird Technologies Group Inc. and Subsidiaries
TERMS AND CONDITIONS OF SALE

1. CONTRACT FORMATION

These terms and conditions of sale ("Terms") govern the sales order, and any agreement, order, sale or lease is expressly limited to and made conditional upon these Terms becoming a part of the agreement between Bird Technologies Group Inc. and subsidiaries (including Bird Electronic Corporation and TX RX Systems Inc.) (collectively "Seller") and its customer purchasing such items ("Buyer").

2. ORDERS AND ACCEPTANCE

This transaction is expressly limited to and made conditional upon the terms on the face and reverse side hereof. Any of Buyer's terms in addition to or different from those contained herein, whether contained in a request for quotation, purchase order, acknowledgment or other document, are hereby objected to and shall be of no effect. Acceptance of any offer from Seller is expressly limited to the exact terms contained in Seller's proposal, and these Terms and any attempt to alter or omit any such terms shall be deemed a rejection and counteroffer. All orders are received subject to acceptance at Seller's headquarters location in Solon, Ohio, unless directed otherwise by Seller, and may be accepted only on Seller's printed acknowledgment form. Typographical and clerical errors in quotations, orders and acknowledgments are subject to correction.

3. PRICES

Prices quoted on all products are for prompt acceptance and are subject to change or withdrawal without notice. Prices stated are subject to change without notice in the event of (i) alterations and specifications, quantities, design or delivery schedules, (ii) increases in costs of fuel, power, material, supplies or labor and/or (iii) foreign or domestic legislation enacted by any government which increases the cost of producing or selling the goods. No discount will be permitted unless specifically set forth on the face of this sales order. In the event payment is not made within terms, Buyer shall be charged a late payment fee of 1½ percent per month for each month in which payment is delayed.

4. INVOICE DISPUTES

ALL DISPUTES AS TO THE AMOUNT(S) INVOICED HEREUNDER SHALL BE MADE IN WRITING TO THE FOLLOWING ADDRESS: BIRD TECHNOLOGIES GROUP INC., ATTENTION: CREDIT MANAGER, 30303 AURORA ROAD, SOLON, OHIO 44139-2794. PAYMENTS WHICH ARE INTENDED BY BUYER TO REPRESENT "PAYMENT IN FULL" FOR THE GOODS SOLD, AND WHICH ARE LESS THAN THE AMOUNT SHOWN ON THE INVOCE AS BEING DUE, SHALL BE SENT TO THE ABOVE ADDRESS. IF SAID "PAYMENT IN FULL" CHECK IS NOT MADE TO THE ABOVE ADDRESS THEN, PURSUANT TO OHIO REVISED CODE SECTION 1303.40, THE ACCEPTANCE OF SAID CHECK WILL NOT ACT AS A DISCHARGE OF THE REMAINING BALANCE DUE UNDER THIS ORDER.

5. TERMS OF PAYMENT

a. DOMESTIC: All sales are F.O.B. Seller's facility, (U.S.A.), and net 30 days, unless otherwise specified.

b. EXPORT: Confirmed irrevocable letter of credit, or payment in advance of shipment. Sight draft and/or open account after establishment of credit. All payments to be in U.S. funds at par.

c. Prices quoted do not include handling or documentation charges.

6. MINIMUM BILLING

Minimum billing will apply.

7. DELIVERY

Delivery dates are approximate, and Seller shall not be liable for any consequential or special damages arising out of delay or failure of delivery due to causes beyond control of Seller including, but not limited to, Acts of God or public authority, labor disturbances, accidents, fires, floods, extreme weather conditions, failures of and delays by carriers, shortages of material, or delays of suppliers.

8. CANCELLATIONS AND MODIFICATIONS

Orders cannot be cancelled or modified or releases held up by Buyer after the material and order is in process, except with Seller's consent and subject to conditions then to be agreed upon, which shall include protection of Seller against all losses. Cancellation charges will apply when an order is cancelled or products returned for the convenience of Buyer. Seller reserves the right to charge an administrative fee to make order modifications for the convenience of Buyer.

9. LIMITATION OF LIABILITY

SELLER'S LIABILITY (WHETHER UNDER THE THEORIES OF BREACH OF CONTRACT OR WARRANTY, NEGLIGENCE, OR STRICT LIABILITY) FOR ITS GOODS SHALL BE LIMITED TO REPAIRING OR REPLACING PARTS FOUND BY SELLER TO BE DEFECTIVE OR AT SELLER'S OPTION, TO REFUNDING THE PURCHASE PRICE OF SUCH GOODS OR PARTS THEREOF. AT SELLER'S REQUEST, BUYER WILL SEND, AT BUYER'S SOLE EXPENSE, ANY ALLEGEDLY DEFECTIVE PARTS TO THE PLANT OF SELLER WHICH MANUFACTURED THEM.

10. DISCLAIMER OF CONSEQUENTIAL DAMAGES

IN NO EVENT SHALL SELLER BE LIABLE FOR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE SALE OF PRODUCTS AND THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, BREACH OF ANY OBLIGATION IMPOSED ON SELLER HEREUNDER OR IN CONNECTION HEREWITH. CONSEQUENTIAL DAMAGES FOR PURPOSES HEREOF SHALL INCLUDE WITHOUT LIMITATION LOSS OF USE, INCOME OR PROFIT, OR LOSSES SUSTAINED AS THE RESULT OF INJURY, (INCLUDING DEATH TO ANY PERSON) OR LOSS OF OR DAMAGE TO PROPERTY (INCLUDING WITHOUT LIMITATION PROPERTY HANDLED OR PROCESSED BY THE USE OF THE GOODS). BUYER SHALL INDEMNIFY SELLER AGAINST ALL LIABILITY, COST EXPENSE, WHICH MAY BE SUSTAINED BY SELLER ON ACCOUNT OF ANY SUCH LOSS, DAMAGE OR INJURY.

11. CREDIT TERMS

All orders and shipments shall at all times be subject to the credit approval of Seller. Seller reserves the right to decline shipment of any products, for any reason if there is doubt as to Buyer's financial responsibility, and Seller shall not in such event be liable for breach or nonperformance of contract, in whole or in part.

12. TAXES

Unless otherwise specifically provided on the face hereof; the price of the products purchased is net and does not include sales, use, excise or similar taxes, whether federal, state or local. The amount of any such taxes applicable to the products shall be paid by Buyer in the same manner as the invoice for the products. Any sales, use, excise or similar tax payable by Seller which is or may be imposed by any taxing authority upon the manufacture, sale or delivery of product covered by any order, or any increase in rate of any such tax now enforced shall be added to the purchase price; and if not collected at the time of payment of the sales price, Buyer shall hold Seller harmless from such tax.

13. DEFAULT IN PAYMENT

In case Buyer shall fail to make payments on any contract between Buyer and Seller in accordance with Seller's terms, Seller may, at its option, defer further shipments until such payments are made or cancel any unshipped balance. Buyer shall be responsible for all costs of collection incurred by Seller.

14. GOVERNING LAW AND SEVERABILITY

The rights of the parties hereto and the construction and effect of this sales agreement shall be governed by the laws of the internal State of Ohio without regard to conflict of laws principles. Any provision hereof prohibited by law shall be ineffective to the extent of such prohibition and without invalidating the remaining provision thereof.

15. WARRANTY

All products manufactured by Seller are warranted to be free from defects in material and workmanship for a period of one (1) year from date of shipment, unless otherwise specified, and will conform to applicable specifications. Seller's sole obligation under this warranty shall be to issue credit, repair or replace any item or part thereof which is proved to be other than as warranted; no allowance shall be made for any labor charges of Buyer for replacement of parts, adjustment or repairs, or any other work, unless such charges are authorized in advance by Seller. If Seller's products are claimed to be defective in material or workmanship or not to conform to specifications, Seller shall, upon prompt notice thereof, either examine the products where they are located or issue shipping instructions for return to Seller (transportation-charges prepaid by Buyer). In the event any product is proven to be other than as warranted, transportation costs (cheapest way) to and from Seller's plant, will be borne by Seller and reimbursement or credit will be made for amounts so expended by Buyer. Every such claim for breach of these warranties shall be deemed to be waived by Buyer unless made in writing within ten (10) days from the date of discovery of the defect. The above warranties shall not extend to any products or parts thereof which have been subjected to any misuse or neglect, damaged by accident, rendered defective by reason of improper installation or by the performance of repairs or alterations outside of our plant, and shall not apply to any goods or parts thereof furnished by Buyer or acquired from others at Buyer's request and/or to Buyer's specifications. In addition, Seller's warranties do not extend to the failure of tubes, transistors, fuses and batteries, or to other equipment and parts manufactured by others except to the extent of the original manufacturer's warranty to Seller.

The obligations under the foregoing warranties are limited to the precise terms thereof. These warranties provide exclusive remedies, expressly in lieu of all other remedies including claims for special or consequential damages. SELLER NEITHER MAKES NOR ASSUMES ANY OTHER WARRANTY WHATSOEVER, WHETHER EXPRESS, STATUTORY, OR IMPLIED. SELLER DISCLAIMS ALL OTHER WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS, AND NO PERSON IS AUTHORIZED TO ASSUME FOR SELLER ANY OBLIGATION OR LIABILITY NOT STRICTLY IN ACCORDANCE WITH THE FOREGOING.

16. INSPECTION

Upon Buyer's receipt of shipment, Buyer shall immediately inspect the products. Unless Buyer provides Seller with written notice of any claim for shortages or for defects in the products within forty-eight (48) hours after receipt of shipment, such product shall be deemed finally inspected, checked and accepted by Buyer. Seller shall not be responsible for damage caused by commercial shippers or during the course of transit.

17. PATENTS

The purchase of the products shall not entitle Buyer to employ the products with any patented process owned by Seller or others. Seller makes no warranty that the products or method or process of using them, are free of the claim of any third party by way of patent infringement on the like. Buyer, by its acceptance of the products or equipment agrees that there is no indemnification by the Seller of any claims of patent infringement, regardless of any rights under the Uniform Commercial Code or similar regulations, and any such rights are hereby waived. Seller has no obligation to defend or pay damages, settlements, attorneys fees or any other ancillary damages from such a claim of patent infringement brought against Buyer. Buyer shall hold Seller harmless from, and release and not make claim or suit against Seller because of any suits, claims, losses or other liability made against, or suffered by, Buyers arising from any claim of, or infringement of, patent, copyright, trademark, or other proprietary right, at common law, or claim of unfair trade or unfair competition, resulting from, or occasioned by, Buyer's use, possession, sale, or delivery of the merchandise sold to Buyer by Seller.

18. TITLE AND RISK OF LOSS

Title to any products sold and risk of loss for such products pass to Buyer upon delivery by Seller of the products to a common carrier, and any claim for loss or damage shall be made by Buyer directly with said carrier.

19. ARBITRATION

Any dispute arising between Buyer and Seller based upon this Sales Order or the goods purchased pursuant hereto will be resolved by arbitration in Cleveland, Ohio and in accordance with the rules of the American Arbitration Association, and the award of the sole arbitrator shall be final and binding upon the parties.

In the event the demand for arbitration is filed pursuant hereto, the parties shall have the same rights to discovery under the Ohio Rules of Civil Procedure as if the dispute had been filed in an original action in an Ohio court of original jurisdiction. Any court having jurisdiction over the parties shall be authorized to enforce said rights in accordance with 9 U.S.C. Section 1-16 et seq. or similar state law as if the entire dispute were pending before said court.

20. WAIVER

No waiver by Seller of a breach of any provision hereof shall constitute a waiver of any other breach of such provision or any other provision.

21. GOVERNMENT CONTRACTS

Federal Acquisition Regulations shall be incorporated into Seller's terms of sale insofar as Buyer is required to incorporate such provisions in its purchase orders or subcontracts or insofar as applicable to the products sold by Seller.

a. AUDIT: Seller's manufacturing plant and books, or such part of any manufacturing plant as may be engaged in furnishing or constructing the goods sold hereunder, will at all times be subject to inspection and audit by any person designated by the head of any executive department of the Government.

b. FEDERAL ACQUISITION REGULATION: The following clauses are hereby incorporated by reference: Additional Bond Security (52.228-2); Federal State and Local Taxes (52.229-3); Buy American Act (52.225-3); Convict Labor (52.222-3); Work Hours Act (52.222-4); Walsh-Healey Public Contracts Act (52.222-20); Equal Opportunity (52.222-26); Officials Not to Benefit (52.203-1); Examination of Records (52.215-1); Military Security Requirements (52.204-2); Notice to the Government of Labor Disputes (52.222-1); Priorities, Allocations and Allotments (52.212-8). In order to make the context of the above clauses applicable to these terms of sale, the word "Buyer" shall be substituted for the word "Government" and the word "Seller" shall be substituted for the word "Contractor" wherever necessary.