



AARM CORPORATION

SECURITY FIRST

AARM CORPORATION

NON-EXCLUSIVE DISTRIBUTOR AGREEMENT

THIS AARM CORPORATION NON-EXCLUSIVE DISTRIBUTOR AGREEMENT (THE "AGREEMENT") APPLIES TO THE PROMOTION, MARKETING AND DISTRIBUTION OF ANY PRODUCTS PROVIDED DIRECTLY OR INDIRECTLY BY AARM CORPORATION ("AARM CORPORATION"), A COLORADO CORPORATION HQ NEAR SAN FRANCISCO. BY FOLLOWING THE ACCEPTANCE PROCESS PROVIDED BY AARM CORPORATION, YOU AGREE TO BE LEGALLY BOUND BY THIS AGREEMENT. A CONTRACT IS THEN FORMED BETWEEN AARM CORPORATION AND THE COMPANY OR OTHER LEGAL ENTITY THAT YOU REPRESENT ("DISTRIBUTOR").

AARM CORPORATION – NON-EXCLUSIVE DISTRIBUTOR AGREEMENT

1. APPOINTMENT.

1.1 Appointment. Upon acceptance of this Non-Exclusive Distributor Agreement by AARM CORPORATION, Aarm Corporation hereby grants Distributor for the term of this Agreement a non-exclusive, non-transferable, non-sub licensable right and license to promote, market, and distribute Aarm Corporation products (the “*Products*”), solely to End Users subject to the requirements of this Agreement.

1.2 End Users. An End User is an entity that acquires Products for such entity’s internal business purposes and not for sale, resell, sublicense, lease or any other form of distribution to third parties.

1.3 Products. Aarm Corporation may revise, add or delete Products upon thirty (30) days prior written notice to Distributor. Any revision will apply to all orders accepted after the effective date of the revision. Distributor agrees that despite any use of the terms “purchase” and “sale” in connection with Products, such products cannot and shall not be sold, nor shall title thereto be transferred to Distributor or End Users.

1.4 Aarm Corporation End User Agreement. All sales to End Users are subject to the End User’s acceptance of the terms of the Aarm Corporation license agreement. If the End User fails to accept such terms, they will not be able to use the Products, and in such case Aarm Corporation shall not refund any fees paid under this Agreement. Distributor has no authority to modify the terms of the Aarm Corporation End User Agreement, or to bind Aarm Corporation to any terms, or make any representation or warranty on behalf of Aarm Corporation. Aarm Corporation shall be an express third party beneficiary of Distributor’s agreement with the End User, and shall have the sole right and authority to enforce the terms of the Aarm Corporation End User Agreement. Distributor shall, upon Aarm Corporation’s request and at Aarm Corporation’s expense, take all actions reasonably requested to assist in such enforcement.

1.5 Standards. Distributor shall conduct business in a manner that reflects favorably at all times on the Products and the good name, goodwill, and reputation of Aarm Corporation. Distributor shall avoid deceptive, misleading, or unethical practices that are or might be detrimental or disparaging to Aarm Corporation or its Products. Distributor shall not publish or employ or cooperate in the publication or employment of any misleading or deceptive materials relating to the Products. Distributor shall make no covenants, representations, warranties or guarantees to End Users or to the trade with respect to the specifications, features, or capabilities of the Product which are inconsistent with the literature distributed by Distributor. Distributor will notify Aarm Corporation immediately of any knowledge or suspicion of any violations of Aarm Corporation’s patents, copyrights, trademarks, or other proprietary rights.

1.6 Proprietary Rights. Distributor acknowledges and agrees that the Products and all other items provided hereunder and all copies thereof constitute valuable trade secrets of Aarm Corporation, or are proprietary and Confidential Information of Aarm Corporation, and title thereto remains in Aarm Corporation. All applicable copyrights, trade secrets, patents and other intellectual and property rights in the Products and all other items provided hereunder are and remain in Aarm Corporation. All other aspects of the Products and all other items provided

hereunder, including without limitation, programs, methods of processing, and specific design of individual programs and their interaction and unique programming techniques employed therein as well as screen formats shall remain the sole and exclusive property of Aarm Corporation and shall not be sold, revealed, disclosed or otherwise communicated, directly or indirectly, by Distributor, to any person, company or institution whatsoever other than for the purposes set forth herein. It is expressly understood that no title to or ownership of the Products, or any part thereof is hereby transferred to Distributor. Distributor shall not reverse engineer, decompile, disassemble or otherwise derive source code from the Products. All rights not expressly granted herein are reserved to Aarm Corporation.

2. ORDERS AND DELIVERY.

2.1 Orders and Acceptance. Distributor may initiate purchases under this Agreement only by submitting purchase orders via e-mail to info@aarmcorporation.com, with each purchase order to specify: (a) name of End User company; (b) the name, e-mail address and telephone number of the technical/buyer contact at End User; (c) the quantity and type of Products ordered identified by the Aarm Corporation part number; and (d) the number of Users/Seats for each Product. All purchase orders placed with Aarm Corporation for Products by Distributor shall be subject to acceptance in writing/email by Aarm Corporation referencing Distributor's purchase order number. Without limiting the above, all purchase orders will be governed by the terms and conditions of this Agreement and the terms and conditions of either party's forms of purchase order, acknowledgement or the like shall have no force or effect.

2.2 Delivery and Shipping. Aarm Corporation shall use reasonable efforts to deliver the Products on the delivery date specified in the Distributor purchase order. Aarm Corporation shall mark all Products for shipment to Distributor's address set forth above or to the address specified in the Distributor purchase order, and shall deliver the Products to a carrier or forwarding agent chosen by Aarm Corporation or specified in the Distributor purchase order. Shipment will be F.O.B or Ex-Works. Aarm Corporation's shipping point, at which time risk of loss as to the Products passes to Distributor. Distributor shall pay all freight, insurance and other shipping expenses.

3. PRICING PAYMENT AND TAXES

3.1 Prices. Subject to Aarm Corporation's approval of Distributor's creditworthiness (which approval may be withdrawn at any time), Aarm Corporation shall charge and Distributor shall pay the fees for the Products according to the terms of the Aarm Corporation Partner Program. Distributor will complete all forms and certifications reasonably requested by Aarm Corporation. Aarm Corporation may revise the fees for the Products upon thirty (30) business days' prior written notice to Distributor. Revisions will apply to all orders accepted by Aarm Corporation after the effective date of the revision.

3.2 Payment. All payments are paid in full of the date of invoice. Payment is due in U.S. Dollars. At the time of submission of any order for Products hereunder, Aarm Corporation may require Distributor to either: (i) pay by wire transfer to a bank account designated by Aarm Corporation the amount of the purchase price of the Products ordered (plus any applicable taxes, shipping

and other charges); or (ii) L/C by a bank acceptable to Aarm Corporation, and confirmed by a bank designated by Aarm Corporation.

AARM CORPORATION will make payment to THE VENDOR in US dollars by International Funds transfer to THE VENDOR Bank as follows: -

Bank _____ Account Name _____
Account Number _____ Swift Number _____

3.3 Taxes. The fees payable by Distributor hereunder do not include any and all present and future taxes (including any excise, sales, use, value added, withholding, and similar taxes), customs duties, tariffs, or similar fees, and all payments made by Distributor to Aarm Corporation hereunder are payable in full without reduction for any such items. Distributor shall be the “importer of record” for all Order Forms under this Agreement. Distributor shall be responsible for and shall indemnify Aarm Corporation against any such taxes and fees required to be paid by Aarm Corporation, based on payments to Aarm Corporation hereunder or on the use or possession by Distributor of the Products, but excluding United States federal, state and local taxes based on Aarm Corporation’s net income.

4. TRADEMARKS AND NOTICES.

4.1 Trademarks. Aarm Corporation does not authorize Distributor to use Aarm Corporation’s current and future trademarks, service marks and trade names (“**Marks**”) solely in connection with the marketing and distribution of Products pursuant to this Agreement. Distributor shall submit to Aarm Corporation all representations of the Marks that Distributor intends to use in connection with the Products, for Aarm Corporation’s approval of design, color, and other details.

4.2 Ownership of Trademarks. If Distributor, in the course of performing its services hereunder, acquires any goodwill in any of the Marks, all such goodwill will automatically vest in Aarm Corporation and Distributor shall take all such actions or execute any documents necessary to make effective such vesting. Distributor shall not contest the validity of any of the Marks or Aarm Corporation’s exclusive ownership of the Marks. Distributor shall not adopt, use, or register, whether as a corporate name, trademark, service mark or other indication of origin, any of the Marks, or any word or mark confusingly similar to the Marks in any jurisdiction. Distributor shall not remove or efface any proprietary notices on the Products.

5. WARRANTY

5.1 The Essentials. All ballistic panels manufactured by our vendors are free from defects in material and workmanship for a period of 5 years from date of purchase.

All nylon covers carry a 3-year warranty from date of purchase.

All removable poly-cotton carriers carry a 18 month warranty from date of purchase.

If you are not fully satisfied with the comfort and fit of your tailor-made vest, contact Aarm Corporation immediately.

By accepting any of the products, the purchaser accepts all and full responsibility for all aspects

of the product and its use including but limited to fit, style, size, body coverage, threat level, ballistic properties and configuration.

5.2 Limited Warranty

This warranty shall apply only if the ballistic protective equipment is used and maintained in accordance with normal use. Any misuse or abuse voids this warranty. This warranty is void if the vest is altered in anyway, if another company not approved by our manufacturer materials used in conjunction with manufacturer vests.

5.3 Conditions

Our vendor will inspect this product for wear and tear at the request of the customer during the life of this warranty. Should vendor determine that abnormal wear and tear has occurred it will repair or replace necessary materials at the expense of the customer, which will keep in effect this warranty. Any damage found through normal use will be repaired or replaced free of charge. Should this equipment prove to be defective during the warranty period, vendor shall, at its sole discretion, repair or replace the defective ballistic panel and/or fabric carrier cover at no costs.

5.4 Limitations

This warranty is void if:

The vest is altered in any way.

If the materials used in conjunction with vendor vests are manufactured by another company not approved by vendor.

If proper care and washing instructions supplied with the vest are not followed.

If the vest is subjected to abnormal use.

If questions arise pertaining to care or maintenance of this vest, as subject to this warranty, contact us for specifications.

6. TERM AND TERMINATION.

6.1 Term. This Agreement will commence in force on the Effective Date and will continue for a term of one (1) year, unless terminated earlier as provided in this Agreement. This Agreement will automatically renew for successive one (1) year terms unless terminated by either party upon no less than thirty (30) days written notice prior to the termination of the initial or any renewal term.

6.2 Termination for Cause. Either party may terminate this Agreement at any time upon written notice if the other party: (i) is in material breach of its obligations hereunder and fails to cure such breach within thirty (30) days following written notice of such breach, or (ii) becomes insolvent or files or has filed against it a petition under bankruptcy or insolvency law which is not dismissed within ninety (90) days, makes an assignment for the benefit of creditors or takes any similar action under applicable bankruptcy or insolvency law.

6.3 Termination on Other Grounds. This Agreement may be also terminated: (i) by either party for any or no reason and without liability upon sixty (60) days written notice; and (ii) by Aarm Corporation upon thirty (30) days advance written notice if Distributor fails to achieve the yearly minimum revenue commitment set forth in the Aarm Corporation Partner Program.

6.4 Effect of Termination. On expiration or termination of this Agreement, Aarm Corporation may cancel any or all unfilled orders. Any orders which are not canceled will be fulfilled per the terms of the Agreement. Upon expiration or termination, each party shall return to the other any materials of the other, including without limitation all Confidential Information. Termination or expiration shall not relieve either party of the obligation to pay any sums due hereunder. Other obligations which shall survive for a period of five (5) years from the termination or expiration of this Agreement include: indemnities and limitation of liability. Obligations regarding export control regulations and U.S. government end users shall survive indefinitely. The warranty and confidentiality provisions shall remain in effect for their stated durations. Neither party shall be liable to the other for any damages, expenditures, loss of profits or prospective profits or goodwill on account of the termination or expiration of this Agreement pursuant to its terms. Distributor expressly waives any and all rights provided by law or statute for any indemnity or compensation from Aarm Corporation by reason of termination or nonrenewal of this Agreement.

7. CONFIDENTIAL INFORMATION. *“Confidential Information”* means any information disclosed by one party to the other pursuant to this Agreement which is marked “Confidential,” “Proprietary,” or which, under the circumstances surrounding disclosure, would reasonably be expected to be confidential. Each party shall treat as confidential all Confidential Information of the other party, and shall not use such Confidential Information except to exercise its rights or perform its obligations under this Agreement and shall not disclose such Confidential Information to any third party. This paragraph will not apply to any Confidential Information which is generally known and available, or in the public domain through no fault of the receiver. Each party agrees to effectuate, by agreement, instruction or otherwise, compliance with these confidentiality obligations by its employees, agents, consultants and others who are permitted access or use (in accordance with the terms herein) of the Confidential Information of the other party. Each party agrees that if there is a breach or threatened breach of the provisions of this Agreement, the other party may have no adequate remedy in money or damages and accordingly shall be entitled to seek injunctive relief and any other appropriate equitable remedies for any such breach without proof of actual injury. Each party further agrees that it will not oppose the granting of such relief and that it will not seek, and agree to waive any requirement for, the posting of any bond in connection therewith. Such remedies shall not be deemed to be the exclusive remedies for any breaches of this Agreement by a party or its representatives, and shall be in addition to all other remedies available at law or in equity.

8. INDEMNITY.

8.1 Infringement Indemnification. Aarm Corporation shall, at its own expense, defend or settle any suit or proceeding that is instituted against Distributor to the extent such suit or proceeding alleges that any Product sold by Aarm Corporation hereunder infringes any duly issued patent or copyright of the United States or the Distributor’s headquarter office and shall pay all damages awarded therein against Distributor or agreed upon in settlement by Aarm Corporation; provided that Distributor (i) gives Aarm Corporation immediate notice in writing of any such suit, proceeding or threat thereof, (ii) permits Aarm Corporation sole control, through counsel of Aarm Corporation’s choice, to defend and/or settle such suit and (iii) gives Aarm Corporation all

the needed information, assistance and authority, at Aarm Corporation's expense, to enable Aarm Corporation to defend or settle such suit. In the event the use or sale of any Product purchased from Aarm Corporation is enjoined, or in the event Aarm Corporation wishes to minimize its potential liability hereunder, Aarm Corporation may, at its sole option and expense: (i) procure for Distributor the right to distribute such Product; (ii) substitute a functionally equivalent, non-infringing unit or version of the Product; (iii) modify such Product so that it no longer infringes but is substantially equivalent in functionality; or (iv) if none of the foregoing are commercially feasible, take back such Product and refund the purchase price paid by Distributor for such Product. Aarm Corporation shall in no event be obligated to accept new orders for Products which are subject to a claim of infringement covered under this section. THIS SECTION 8.1 STATES THE SOLE LIABILITY OF AARM CORPORATION WITH RESPECT TO ANY INFRINGEMENT BY THE PRODUCTS OF ANY PATENT, COPYRIGHT, TRADE SECRET, TRADEMARK OR OTHER INTELLECTUAL PROPERTY CLAIM.

8.2 Exclusions. Aarm Corporation's obligations under Section 8.1 shall not apply to and Aarm Corporation shall have no liability or obligation for any infringement arising from: (i) any modification, servicing or addition made to the Product by anyone other than Aarm Corporation, (ii) the use of such Product as a part of or in combination with any devices, parts and products not provided by Aarm Corporation, (iii) compliance with Distributor's design requirements or specifications, (iv) the use of other than the then current unaltered release of the Product available from Aarm Corporation or (v) the use of such Product to practice any method or process which does not occur wholly within the Product. The above exclusions apply to the extent that the infringement would have been avoided but for such modifications, combinations, compliance with specifications, use of other than the current release or practice of such method or process.

8.3 Distributor Indemnification. Distributor will defend, indemnify and hold Aarm Corporation harmless from and against any and all damages, liabilities, costs and expenses (including but not limited to attorney's fees) arising out of or incurred by Aarm Corporation in connection with or as a result of any claim arising out of or relating to any acts or omissions of Distributor in connection with this Agreement.

9. LIMITATION OF LIABILITY. TO THE MAXIMUM EXTENT ALLOWED UNDER APPLICABLE LAW, AARM CORPORATION'S LIABILITY UNDER THIS AGREEMENT, REGARDLESS OF THE FORM OF ACTION, WILL NOT EXCEED THE AMOUNTS PAID BY DISTRIBUTOR TO AARM CORPORATION WITHIN ONE HUNDRED EIGHTY (180) DAYS PRIOR TO THE DATE OF THE CLAIM GIVING RISE TO SUCH LIABILITY. AARM CORPORATION WILL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL OR INCIDENTAL DAMAGES ARISING OUT OF THIS AGREEMENT (INCLUDING, BUT NOT LIMITED TO, PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES; LOSS OF USE, DATA, OR PROFITS; OR BUSINESS INTERRUPTION), WHETHER OR NOT AARM CORPORATION HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

10. COMPLIANCE WITH LAWS.

10.1 Compliance. Distributor agrees to comply with all applicable laws of the United States and all other applicable governmental entities including, without limitation, (i) the Foreign Corrupt Practices Act of 1977, (ii) all export laws, restrictions and regulations of the Department of Commerce or other United States or foreign agency or authority. Distributor agrees not to export, or allow the export or re-export of any Aarm Corporation Products, or of information regarding Aarm Corporation Products in violation of any such restrictions, laws or regulations.

IN WITNESS WHEREOF this Agreement has been signed by officials duly authorised on behalf of the parties the day and year first before written.

SIGNED on behalf of AARM CORPORATION

SIGNED on behalf of THE VENDOR

Printed Name: Majid Bhatti

Printed Name: _____

Title: Chief Executive Officer

Title: _____

Dated: _____

Dated: _____

Signature: _____

Signature: _____