PURCHASE AGREEMENT - UNITED STATES ONLY

THIS PURCHASE AGREEMENT together with any attached exhibits hereto ("Agreement"), is made and entered into on the latest date accompanying the signatures below (the "Effective Date") by and between Pivotal Aero, LLC, a California limited liability company ("the Company"), located at 1029 Corporation Way, Palo Alto, CA 94303, USA, and ______("Purchaser"), with an address of ____

- 1. **Definitions.** The following terms are defined for the purpose of this Agreement as follows:
- 1.1 "Affiliate" means, with respect to any Person, any other Person that is directly or indirectly Controlling, Controlled by, or under common Control with such Person, where "Control" and derivative terms mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.
- 1.2 "Company's IP Rights" has the meaning set forth in Section 6.3.
- 1.3 "Company Indemnified Parties" has the meaning set forth in Section 8.1.
- 1.4 "Components Warranty Period" has the meaning set forth in Section 9.1.
- 1.5 "Confidential Information" has the meaning set forth in Section 7.1.
- 1.6 "Documentation" means the Operations and/or Maintenance Manuals and all other documents accompanying the Vehicle.
- 1.7 "FAR 103" has the meaning set forth in Section 2.3.
- 1.8 "Feedback" has the meaning set forth in Section 7.2.
- 1.9 "Firmware" means the Company's computer software programs embedded in the Vehicle, in machine-readable form only.
- 1.10 "Flight Limitations" has the meaning set forth in Section 2.3.
- 1.11 "Force Majeure Event" has the meaning set forth in Section 11.8.
- 1.12 "High Risk Loss" has the meaning set forth in Section 9.2.
- 1.13 "Initial Deposit" has the meaning set forth in Section 4.1
- 1.14 "Losses" has the meaning set forth in Section 8.1.
- 1.15 "Order" has the meaning set forth in Section 2.1.
- 1.16 "Person" means any individual means any individual, partnership, corporation, trust, limited liability entity, unincorporated organization, association, governmental authority, or any other entity.
- 1.17 "Purchase Price" has the meaning set forth in Section 2.1.
- "Purchaser Indemnified Parties" has the meaning set forth in Section 8.2. 1.18
- 1.19 "Second Deposit" has the meaning set forth in Section 4.1
- 1.20 "Software" means the Company's software applications that can be used to control and operate the Vehicle, in machine-readable form only.
- 1.21 "Taxes" has the meaning set forth in Section 4.2.
- 1.22 "Third-Party Software" has the meaning set forth in Section 2.2.
- 1.23 "Training Date" means the mutually agreed upon date set forth, in writing, for the Purchaser to begin the Company's onsite training curriculum.
- 1.24 "Ultralights" has the meaning set forth in Section 6.6.
- 1.25 "Vehicle" means the personal aerial vehicle manufactured and sold by the Company.

1.26 **"Vehicle Package**" means the Vehicle manufactured and sold by the Company and the equipment and supporting devices listed in **Exhibit A**.

2. <u>Purchase Terms</u>.

2.1 <u>Sale to Purchaser</u>.

(a) Purchaser placed an order for a Vehicle Package on the Company's order invoice page (the "**Order**"). The Company and Purchaser wish to finalize the sale of the Vehicle Package pursuant to this Agreement, and therefore, the Company shall sell to Purchaser, and Purchaser shall purchase from the Company, one (1) Vehicle Package as listed in <u>Exhibit A</u>. In the event of any discrepancy, difference or conflict between the Order and this Agreement, this Agreement will control. The Purchase Price is exclusive of taxes, shipping, handling costs, duties and charges, all fees and any other charge, as applicable.

(b) Purchaser represents and warrants that Purchaser is 18 years or older.

2.2 <u>License Grant</u>. Subject to the terms and conditions of this Agreement, the Company hereby grants to Purchaser, and Purchaser hereby accepts, a non-exclusive, non-transferable, non-sublicensable, perpetual, royalty-free license to use: (i) the Firmware only as embedded on or in connection with the operation of the Vehicle; (ii) the Software solely to operate and use the Vehicle in accordance with and subject to the requirements and restrictions on use set forth herein; and (iii) the Documentation in conjunction with Purchaser's authorized use of the Vehicle. The Firmware and Software may incorporate or link to certain third-party open-source software ("Third-Party Software"). Purchaser's use of the Third-Party Software is subject to the applicable third-party license terms.

2.3 Compliance; Restrictions.

(a) Purchaser agrees to abide by the Documentation, including but not limited to, all operating restrictions set forth in the operations manual.

(b) Purchaser shall not allow anyone to operate the Vehicle (i) who is under the age of eighteen (18), (ii) who has not passed mental the Vehicle and (iii) who is not in qood physical or health. training program; (c) The operational weight limit of the pilot and pilots clothing, gear and other personal items, is not to exceed two hundred twenty pounds (220 lbs.). Purchase understandings and agrees to abide by these restrictions.

(d) The Vehicle airframe and canopy limit the seated height of pilots to a maximum of three feet three inches (3'3"). Seated height is the distance from the base of the sitting surface to the top of the head with the back held straight. Purchaser understands this limitation and agrees to abide by this restriction.

(e) Purchaser shall not, and shall not attempt to, copy, prepare derivative works of, modify, merge with other technologies, reverse engineer, decompile, sublicense, offer as a service bureau the Vehicle or any Hardware or Software, incorporated within the Vehicle. Purchaser shall not, and shall not attempt to, derive the source code of the Firmware or the Software. Purchaser shall not publish any information about, or analysis related to, the Vehicle without written permission from the Company.

(f) Purchaser shall not operate, transport or store the Vehicle outside of the United States.

(g) The Vehicle may fly in areas up to five thousand feet (5,000') above sea level at operating temperatures between 14°F and 91°F. Unless a written waiver is obtained from the Company's Chief Executive Officer, Purchaser understands this limitation and agrees to abide by this restriction.

(h) Purchaser shall not operate the Vehicle, nor allow any other Person to operate the Vehicle, until Purchaser or such other Person has received a written instructor endorsement for successfully completing (i) the FAA General Aviation Ground School requirements, or equivalent (i.e. online or in-person instruction), and (ii) the Company's Operator Training Program. In addition, Purchasers agrees to keep current with training by attending the Company mandated recurrent training program. A current FAA Airman Certificate shall be sufficient evidence of completion of the FAA General Aviation Ground School requirements.

(i) Purchaser shall ensure that every flight complies with all requirements of Federal Aviation Administration Federal Aviation Regulation Part 103 ("FAR 103") pertaining to ultralight vehicle operations and with all other federal, state, and local legal requirements as they exist today or as they may be modified in the future. When ambiguity regarding any regulation exists, Purchaser shall seek guidance from their local flight standards district office as to the legality of any flight or series of flights.

(j) Purchaser shall comply with (A) all requirements for the Vehicle operation and maintenance set forth in the Documentation, (B) all Vehicle maintenance schedules set forth in the Documentation and as updated on the Company's website, and (C) all service bulletins that may be issued by the Company from time to time. This includes all applicable Firmware, Software and Hardware updates or replacement directives, which are critical to continued safe operations of the Vehicle. The Vehicle can be made available for a comprehensive safety inspection by the Company, at the Purchaser's expense. Subsequent to the Vehicle passing this safety inspection, the Company will authorize additional operation of the Vehicle for a term that the Company determines to be appropriate for continued safe operations, based on the condition of the Vehicle. If this safety inspection is not conducted, or the Vehicle is unable to pass the inspection, the Company will assume that the Vehicle is no longer able to continue safe operations and will discontinue service and support, including, but not limited to, Firmware, Software & hardware updates, and replacements.

(k) Purchaser shall secure all licenses, registrations and certificates as required by applicable law prior to Purchaser's initial use of the Vehicle and maintain them throughout the period of operation of the Vehicle.

(I) Purchaser will be responsible for wireless data, electricity, and other charges that may be incurred as a result of using the Vehicle. Purchaser is required to connect the Vehicle to the Company monitoring center at such intervals as the Company may specify from time to time to allow the Company to diagnose any safety-related conditions and to update the Vehicle's Software.

(m) The Company maintains the ability to remotely lock a Vehicle and thereby prevent startup of the Vehicle for reasons which include, but are not limited to, the Vehicle being reported stolen or missing by the Purchaser. The Company may, in its sole discretion, exercise the remote-lock capability whenever it deems that such a lock is necessary or appropriate as a safety measure or to prevent operations that are or may be in violation of the contractual restrictions set forth herein. PURCHASER AGREES THAT THE COMPANY, ITS AFFILIATES AND EACH OF THE COMPANY'S AND THEIR OFFICERS, DIRECTORS, SUCCESSORS, ASSIGNS, AGENTS AND EMPLOYEES SHALL BEAR NO LEGAL RESPONSIBILITY OR LIABILITY TO PURCHASER, ITS AFFILIATES, EMPLOYEES AND OTHER AGENTS FOR EXERCISE OF THE REMOTE-LOCK FUNCTIONALITY.

(n) While the Vehicle is equipped with amphibious wing float and an amphibious hull as defined in FAR 103, the Vehicle is not a seaplane nor is it intended to be used for deliberate water operations other than emergency ditching or landing in a body of water. Purchaser acknowledges that water operations represent a high risk of significant damage to the Vehicle and risk of injury or death to the pilot.

(o) Purchaser shall comply with the Vehicle flight covenants and flight limitations set forth in the Documentation and as updated on the Company's website (collectively the "**Flight Limitations**"). The Company will periodically update the Flight Limitations and Purchaser agrees to comply with all Flight Limitations.

(p) Any action or attempt at an action in violation of this Section 2.3 is a material breach of this Agreement, entitling the Company to immediately terminate this Agreement and to pursue any and all legal remedies

(q) Purchaser acknowledges reviewing the disclosures set forth on **Exhibit D**.

3. <u>Delivery</u>.

3.1 <u>Delivery</u>. Upon full payment of the Purchase Price and all fees due and payable to the Company for the purchase of a Vehicle Package and execution of this Agreement, the Vehicle shall be delivered to Purchaser as set forth in Section 3.2 (i.e. FOB Origin). Purchaser shall accept delivery at the Company's facility, which is currently located in Palo Alto, California or at another mutually agreed upon location. Other delivery arrangements are available at Purchaser's cost. The Vehicle may contain cosmetic defects and blemishes. Purchaser agrees to accept delivery of the Vehicle provided that none of these cosmetic defects and blemishes affect the airworthiness of the Vehicle.

3.2 <u>Title and Risk of Loss</u>. FOB Origin (the Company's location) shall apply in all respects to the Vehicle sold by the Company to Purchaser.

4. <u>Fees and Payment Terms</u>.

4.1 <u>Payments</u>.

Vehicle Purchase Agreement

(a) Upon placement of the Order, Purchaser paid a nine thousand dollar (\$9,000) refundable deposit ("**Initial Deposit**"), which will be credited to the Purchase Price upon final payment of the Vehicle, noted in (c) below.

(b) Prior to the execution of this Agreement, Purchaser will make another refundable deposit (the **"Second Deposit**" and along with the Initial Deposit the **"Deposits**") equal to fifty thousand dollars (\$50,000) by ACH or wire. The initial Deposit and Second Deposit shall be deemed nonrefundable and released to the Company upon the earlier of thirty (30) days before the original mutually agreed Training Date or forty-five (45) days before the Vehicle shipment date.

(c) The balance of the Purchase Price, plus any taxes, shipping or other fees will be due and payable by ACH or wire to the Company five (5) business days prior to the Vehicle shipment.

4.2 <u>Taxes</u>. Purchaser shall pay all taxes, however designated, attributable to the purchase of the Vehicle Package, including, but not limited to, excise, customs, duty, import, export, sales, use, and personal property taxes or amounts legally levied in lieu thereof ("**Taxes**"). Purchaser shall make no deduction or withholding from any amount owed to the Company for any taxes. Notwithstanding the foregoing, in the event Purchaser provides the Company with a tax and fee exemption certificate from Purchaser's taxing authority which certifies that Purchaser is not subject to tax, the Company will not require Purchaser to pay sales tax to the Company.

5. <u>Term and Termination</u>.

5.1 <u>Term of Agreement</u>. This Agreement shall commence on the Effective Date and shall continue in full force and effect so long as the Vehicle and Purchaser continue to operate in accordance with this Agreement, unless terminated early pursuant to Section 5.2.

5.2 <u>Termination for Breach</u>. Either party may terminate this Agreement for the other party's material breach of this Agreement that is not cured within thirty (30) days of the non-breaching party's written notice of the breach.

5.3 Effect of Termination. Termination of the Agreement shall not prejudice the Company's rights which shall have accrued to the date of such termination, nor its rights to recover any payment or any sum due, if any, at the time of such termination, nor shall it prejudice any cause of action or claims of the Company accrued or to accrue on account of any breach by Purchaser including injunctive relief. Upon expiration or termination of this Agreement for any reason, the Company's obligation to provide any purchased support Services will terminate and all rights of Purchaser to the Company's Confidential Information shall terminate (including, without limitation, for the avoidance of doubt, any rights to use or disclose such Confidential Information) and Purchaser shall, at the Company's option, return or destroy all such Confidential Information within fifteen (15) days of the date of expiration or earlier termination and will confirm in writing that it has complied with these obligations. In the event that Purchaser intends to dispose of the Vehicle, Purchaser shall first notify the Company in writing and give the Company the right to purchase the Vehicle. In the event the Company does not purchase the Vehicle, Purchaser will properly dispose of the Vehicle as required by applicable laws and regulations. Purchaser acknowledges that the Vehicle contains some hazardous materials. In the event Purchaser replaces or disposes of any materials which contain hazardous materials, Purchaser shall, in accordance with all applicable laws and regulations, dispose of hazardous materials to licensed hazardous materials disposal facilities by duly licensed hazardous materials haulers.

6. <u>Additional Provisions</u>.

6.1 <u>Notices and Legends</u>. Purchaser shall not remove any proprietary, copyright, trademark, trade secret, warning, safety or other legend from the Vehicle or the Documentation. There are no implied rights.

6.2 <u>Insurance</u>. Purchaser agrees to assume all risks to property damage, injury or death resulting from the operation of the Vehicle and to obtain insurance or self-insure against potential losses that may result.

6.3 <u>IP Ownership</u>. Subject to the express rights and licenses granted by the Company in this Agreement, Purchaser acknowledges and agrees that: (a) any and all intellectual property rights in and to the Vehicle, its equipment and supporting devices and all Documentation are the sole and exclusive property of the Company and its licensors (the **"Company's IP Rights**"); (b) Purchaser shall not acquire any ownership interest in any of the Company's IP Rights under this Agreement; (c) if Purchaser acquires any intellectual property rights in or relating to any product purchased under this Agreement (including any rights in any trademark, derivative works, or patent improvements relating thereto), by operation of law, or otherwise, these rights are deemed and are hereby irrevocably assigned to the Company or its licensors, as the case may be, without further action by either party.

6.4 <u>Cancellation</u>. At any time prior to delivery, the Company may elect to cancel this Agreement, with or without cause. In this circumstance, the Company will refund Purchaser's Deposits less any costs incurred associated with the Order. Purchaser agrees in such a circumstance to hold the Company harmless against any costs or potential claims that may arise as a result of the cancellation of the Agreement.

6.5 <u>Resale</u>. On or after the date that is one (1) year from the Effective Date of this Agreement, Purchaser may, at Purchaser's option, re-sell the Vehicle, provided (i) the new buyer successfully completes the training, including but not limited to, the Company's operator training program, (ii) the Purchaser and new buyer sign a Resale Vehicle Purchase Agreement and Release of Liability and Assumption of Risk, (iii) the new buyer pays the Company the applicable resale and training fees and (iv) the Vehicle will continue to be operated exclusively in the United States after the Resale. Purchaser agrees that the Company has right of first refusal to repurchase the vehicle from Purchaser.

6.6 <u>FAA Regulation</u>. The Vehicle was built to conform to FAR 103 regulations, which includes the definition of Ultralight vehicles ("**Ultralights**"). There is a risk that the FAA or other US governmental agencies could update these regulations. PURCHASER AGREES THAT the Company HAS NO LIABILITY UNDER THIS AGREEMENT FOR ANY GOVERNMENTAL ACTION OR CHANGE THAT MAY NEGATIVELY AFFECT PURCHASER'S USE OF THE VEHICLE.

6.7 Data Collection and Privacy of Information. The Company monitors and records many Vehicle parameters of the Vehicle to enhance safety and improve performance. Included in this data is information on the state of health of the Vehicle, how and where it is being used, when it is being used and by whom it is being used. This information is collected and stored in the Vehicle before being transferred to the Company for analysis. The Company exclusively owns this data. As part of this monitoring process, the Company will capture personal information including but not limited to (i) Purchaser's fingerprints, facial, voice, iris, and palm or finger vein patterns because biometric authentication is necessary for Purchaser safety and Vehicle security, and (ii) location of the pilot during flights. The pilot may have legal rights regarding this data and should review the Company's online privacy policy or contact the Company to learn more. Purchaser agrees to facilitate the timely transfer of this data by providing weekly access to a broadband internet connection over a reliable WiFi or cellular link or other mechanism as described in the Documentation. The Company takes Purchaser's privacy seriously and uses commercially reasonable measures to protect the privacy of data gathered in this manner, however, such measures may not always protect the data from misuse or unintended disclosure. Purchaser agrees that the Company has no liability under this agreement for any breach of privacy and security resulting from a theft or misappropriation of such Vehicle data.

7. <u>Confidentiality, Feedback, Early Access Program</u>

7.1 Confidentiality. "Confidential Information" means any proprietary information received by the other party during, or prior to entering into, this Agreement that a party should know is confidential or proprietary based on the circumstances surrounding the disclosure including, without limitation, any non-public technical and business information. Confidential Information does not include information that (a) is or becomes generally known to the public through no fault of or breach of this Agreement by the receiving party; (b) is rightfully known by the receiving party at the time of disclosure without an obligation of confidentiality; (c) is independently developed by the receiving party without use of the disclosing party's Confidential Information; or (d) the receiving party rightfully obtains from a third party without restriction on use or disclosure. Each party will maintain the confidentiality of Confidential Information. The receiving party of any Confidential Information of the other party agrees not to use such Confidential Information for any purpose except as necessary to fulfill its obligations and exercise its rights under this Agreement. The receiving party shall protect the secrecy of and prevent disclosure and unauthorized use of the disclosing party's Confidential Information using the same degree of care that it takes to protect its own confidential information and in no event shall use less than reasonable care. The receiving party may disclose the Confidential Information of the disclosing party if required by judicial or administrative process, provided that the receiving party first provides to the disclosing party prompt notice of such required disclosure to enable the disclosing party to seek a protective order. Upon termination or expiration of this Agreement, the receiving party will, at the disclosing party's option, promptly return or destroy (and provide written certification of such destruction) the disclosing party's Confidential Information.

7.2 <u>Feedback</u>. If Purchaser provides any feedback regarding the Vehicle (**"Feedback**"), Purchaser assigns and agrees to assign all rights in such Feedback to the Company. Feedback is considered by the Company to be Confidential Information of the Company. The Company is not obligated to use the Feedback but may use such Feedback in any manner in its sole discretion.

8. <u>Indemnity</u>.

8.1 <u>Purchaser</u>. Purchaser, on behalf of itself and its Affiliates and successors in interest, agrees to defend, indemnify and hold the Company, its Affiliates and suppliers and each of their officers, directors, successors, assigns, insurance companies, agents and employees (collectively, the **"Company Indemnified Parties**") harmless from and against any claims, actions, suits, proceedings, losses, damages, liabilities, costs and expenses (including, without limitation, reasonable attorney fees and costs) (collectively **"Losses**") to the extent such Losses are caused by or resulting from (I) any breach of this Agreement, or (ii) arising out of or in any way connected with the ownership, maintenance, repair, modification, storage, use or operation of the Vehicle or any other item delivered hereunder.

8.2 <u>The Company</u>. The Company, on behalf of itself and its Affiliates and successors in interest, agrees to defend, indemnify and hold Purchaser and Purchaser's Affiliates (collectively, the "**Purchaser Indemnified Parties**") harmless from and against any Losses to the extent such Losses are caused by or resulting from any breach of this Agreement. The Company excludes any indemnity to Purchaser or its Affiliates arising out of or in any way connected with the ownership, maintenance, repair, modification, storage, use or operation of the Vehicle or any other item delivered hereunder.

9. <u>Warranty and Disclaimer</u>.

9.1 <u>Warranty</u>. The Company's standard and enhanced warranties are set forth in **Exhibit B**. Purchaser has purchased the warranty as set forth in **Exhibit A**.

9.2 <u>Disclaimer</u>. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE COMPANY DISCLAIMS ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON INFRINGEMENT WITH REGARD TO THE VEHICLE. THE VEHICLE IS NOT DESIGNED OR INTENDED FOR USE IN HAZARDOUS ENVIRONMENTS REQUIRING FAIL-SAFE PERFORMANCE, OR IN ANY MODE OF USAGE IN WHICH THERE IS AN UNDUE RISK THAT FAILURE OF THE VEHICLE COULD LEAD DIRECTLY TO DEATH, PERSONAL INJURY, OR SEVERE PHYSICAL OR PROPERTY DAMAGE (COLLECTIVELY, "HIGH RISK LOSS"). THE COMPANY EXPRESSLY DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTY AND ANY OTHER LIABILITY FOR HIGH RISK LOSS.

10. Limitations of Liability and Assumption of Risk.

10.1 <u>Limitation</u>. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL THE COMPANY BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES WHATSOEVER ARISING OUT OF THIS AGREEMENT OR PURCHASER'S USE OF THE VEHICLE REGARDLESS AS TO WHETHER SUCH LIABILITY IS ASSERTED ON THE BASIS OF CONTRACT, TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE AND WHETHER OR NOT FORESEEABLE, EVEN IF THE COMPANY HAS BEEN ADVISED OR WAS AWARE OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL THE COMPANY'S TOTAL LIABILITY HEREUNDER EXCEED THE AMOUNT ACTUALLY PAID BY PURCHASER IN CONNECTION WITH THE PURCHASE OF THE VEHICLE.

10.2 <u>Release and Waiver of Liability</u>. BECAUSE VEHICLE OPERATIONS CARRY A HIGH DEGREE OF RISK, THE COMPANY REQUIRES, AS A CONDITION OF ITS WILLINGNESS TO ENTER INTO THIS AGREEMENT, THAT PURCHASER, OR ANY PERSON WHO OPERATES THE VEHICLE, EXECUTE A RELEASE OF LIABILITY AND ASSUMPTION OF RISK IN THE FORM OF **EXHIBIT C** HERETO.

11. <u>General Provisions</u>.

11.1 <u>Assignment</u>. Without the Company's prior written consent and pursuant to a permitted resale as set forth in Section 6.5 above, Purchaser may not assign this Agreement, whether expressly or by operation of law, or any rights hereunder, nor delegate any duties hereunder, and any attempt to do so without the Company's prior written consent, shall be void. A change of control with respect to Purchaser, whether by sale of stock, merger, reorganization, spin-off or otherwise, shall be construed as an assignment requiring the Company's prior written consent.

11.2 <u>Notices</u>. Any notice required or permitted by this Agreement shall be in writing and delivered either in person, by any method of mail (postage prepaid) requiring return receipt, by overnight courier, or email confirmed thereafter by any of the foregoing, to the party notified as set forth on the signature page. Notice shall be deemed sufficiently given for all purposes upon the earlier of: (i) the date of actual receipt; (ii) if mailed, five (5) calendar days after the date of postmark; (iii) if delivered by overnight courier, the next business day

the overnight courier regularly makes deliveries; or (iv) if by email, the day on which a confirmation of receipt of such email is received from the recipient.

11.3 Governing Law and Venue; Arbitration. This Agreement shall be construed, interpreted, and applied in accordance with the laws of the State of California without regard to the conflicts of law principles thereof. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement. All disputes arising out of or relating to any aspect of the relationship between the Company and Purchaser will be decided by a single arbitrator in an arbitration administered by the American Arbitration Association (AAA). The arbitrator may only resolve disputes between the parties hereto, and may not consolidate claims without the consent of all parties. The arbitrator cannot hear class or representative claims or requests for relief on behalf of others purchasing Vehicles. Purchaser may bring claims against the Company, to the extent that any claims may be brought hereunder, only in Purchaser's individual capacity and not as a plaintiff or class member in any class or representative action. If a court or arbitrator decides that any part of this Agreement to arbitrate cannot be enforced as to a particular claim for relief or remedy, then that claim or remedy (and only that claim or remedy) must be brought in court and any other claims must be arbitrated. Except as set forth below, the federal and state courts seated in Santa Clara County, California, will have sole and exclusive jurisdiction of any claim that the arbitrator or a court has determined to be non-arbitrable. In such a case, the claim will be tried in the court, and each party waives its right to a jury trial. Notwithstanding anything in this Agreement to the contrary, the Company may seek injunctive or other equitable relief in any court of competent jurisdiction to protect any actual or threatened misappropriation or infringement of its intellectual property rights or those of its licensors, and Purchaser hereby submits to the exclusive jurisdiction of such courts and waives any objection thereto on the basis of improper venue, inconvenience of the forum or any other grounds.

11.4 <u>Entirety</u>. This Agreement contains the final, complete and exclusive agreement between the parties on the subject matter described herein and supersedes all discussions, proposals, understandings, and agreements (oral or written) relating to the subject matter hereof. This Agreement may be amended only by an instrument in writing signed by authorized representatives of the parties. No additional or conflicting terms, or pre-printed legal terms and conditions, set forth on any purchase order, order acknowledgement or other document shall have any force or effect and are hereby rejected unless expressly agreed upon by the parties' duly authorized representatives in writing.

11.5 <u>Severability</u>. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability does not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. On a determination that any term or provision is invalid, illegal, or unenforceable, the parties shall negotiate in good faith to (or the arbitrator may) modify this Agreement to affect the original intent of the parties as closely as possible in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

11.6 <u>Survival</u>. Notwithstanding the expiration, cancellation or termination of this Agreement, the following provisions of this Agreement shall survive: Article 1 (Definitions), Section 2.3 (Restrictions), Section 3.2 (Title and Risk of Loss), Section 4.2 (Taxes), Section 5.3 (Effect of Termination), Article 6 (Additional Provisions), Article 7 (Confidentiality, Feedback), Article 8 (Indemnity), Article 9 (Warranty and Disclaimer), Article 10 (Limitations of Liability and Assumption of Risk) and Article 11 (General Provisions).

11.7 <u>Waiver</u>. None of the provisions of this Agreement shall be deemed to have been waived except by an instrument in writing signed by the party making the waiver. No waiver of any provision of this Agreement shall constitute a waiver of any other provision(s) or of the same provision on another occasion.

11.8 <u>Force Majeure</u>. Neither party will be in default for any delay or failure to perform due to causes beyond its control and without its fault or negligence (**"Force Majeure Event**"). The party affected by a Force Majeure Event will promptly provide written notice to the other, explaining in detail the full particulars and expected duration of the Force Majeure Event, and will use its commercially reasonable efforts to remedy the delay if it can be remedied.

11.9 <u>Counterparts</u>. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused their duly authorized officers to execute this Agreement, on the dates below indicated.

COMPANY:	PIVOTAL AERO, LLC
	Ву:
	lts:
	Date:
	E-mail:
	Phone:
	Address: As set forth on Page 1.

PURCHASER:

Signature:
Print Name:
Date:
E-mail:
Phone:

Address: As set forth on Page 1.

<u>Exhibit A</u>

Vehicle Package and Warranty

<u>Exhibit B</u> Warranties

Standard Warranty (1-year Component Limited Warranty)

For a period of one (1) year from the date of purchase of the Vehicle the Company will provide a warranty on items provided with the Vehicle, excluding certain Wear Components (as defined below). The cost of labor to transport vehicles for servicing & repair and any related transportation costs are expressly excluded from this warranty.

THE COMPANY'S TOTAL LIABILITY, AND PURCHASER'S SOLE REMEDY, UNDER THIS WARRANTY WILL BE LIMITED TO, AT THE COMPANY'S OPTION, THE REPAIR OR REPLACEMENT OF ANY WARRANTED COMPONENT OR ITEM THAT FAILS TO PERFORM AS WARRANTED, PROVIDED THAT SUCH DEFECT IS REPORTED TO THE COMPANY DURING THE WARRANTY PERIOD AND THE VEHICLE IS DELIVERED TO A COMPANY APPOINTED SERVICE FACILITY.

The repair or replacement of defective parts under this warranty will be made without charge to the Purchaser for parts and labor for removal, installation, and/or actual repair, except that the Purchaser shall pay all import duties, sales, and use taxes on replacements. A new warranty period is not established for replacements. Replacements are warranted only for the remainder of the warranty period.

This limited warranty is void if failure of the warranted component has resulted from: (i) Purchaser's breach of any term of the Agreement; (ii) alteration or service of the Vehicle except by the Company or the Company's authorized service provider; (iii) failure to maintain, store, transport, provide data connectivity for or use the Vehicle in accordance with the operator and maintenance manuals; (iv) damage from external causes such as sand, dirt or improper usage of electrical source; (v) damage from exposure to environmental factors beyond the limits prescribed in the operator's manual including temperature, solar exposure, humidity, precipitation, vibration, shock, thermal shock (vi) abnormal physical or electrical stress, or (vii) hard landing or accident, in flight or during Vehicle ground transportation.

"Wear Components" include the following: 1) winglet/floats, 2) propellers, 3) main fuselage keel landing wear strip, 4) joysticks, 5) Vehicle canopy assembly including transparent polymeric main "bubble", any films attached, all hardware assembled directly to the canopy assembly including hinges, damper, and latches 6) All other hinges, latches, rollers, tires found on wing cart, fuselage cart, 7) normal service replace parts (such as light bubbs, hoses, charging connectors, 8) soft trim and appearance parts (such as paint, upholstery, and rubber like items), 9) fasteners routinely cycled during the course of Vehicle assembly and disassembly, and 10) transport trailer (if included). Such Wear Components are warranted to be free of defects and fully functional at the time of delivery only.

Reduction in total battery energy storage amounts is a normal wear phenomenon on any electric vehicle. Batteries will be considered for replacement under warranty should the total energy storage have been degraded by more than twenty five percent (25%) from the as-new baseline storage amount (in watt hours) exhibited by the Vehicle at the time of sale, and provided that environmental storage conditions, use conditions and connectivity and other factors listed above, have been met throughout the term. Damage to the batteries resulting from the following activities is not covered under this warranty: 1) damaging the batteries or intentionally attempting, either by physical means, programming, or other methods, to extend or reduce the life of the batteries, 2) exposing the batteries to direct flame, 3) flooding the batteries, 4) damaging the batteries resulting from intentional acts, 5) a collision or accident damaging the batteries, and 6) servicing the batteries by non-certified personnel.

TO THE EXTENT ALLOWED BY APPLICABLE LAW, THIS WARRANTY IS EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESSED OR IMPLIED IN A FACT OR BY LAW, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE REMEDIES OF REPAIR OR REPLACEMENT AS ABOVE SET FORTH ARE THE ONLY REMEDIES UNDER THIS WARRANTY. THE COMPANY DISCLAIMS ANY OBLIGATION OR LIABILITY, WHETHER IN CONTRACT OR IN TORT (AND WHETHER FOR NEGLIGENCE, STRICT LIABILITY, PRODUCT LIABILITY, OR OTHERWISE), INCLUDING LOSS OF USE OF THE PRODUCT WARRANTED, LOSS OF TIME, INCONVENIENCE, COMMERCIAL LOSS, OR ANY OTHER DIRECT, CONSEQUENTIAL, SPECIAL, OR INCIDENTAL DAMAGES. THIS WARRANTY IS IN LIEU OF ANY OTHER OBLIGATION OR LIABILITY OF THE COMPANY OF ANY NATURE WHATSOEVER BY REASON OF THE MANUFACTURE, SALE, LEASE, OR USE OF SUCH VEHICLE PRODUCTS. THE COMPANY NEITHER ASSUMES NOR AUTHORIZES ANYONE TO ASSUME FOR IT ANY OTHER OBLIGATION OR LIABILITY IN CONNECTION WITH SUCH VEHICLE PRODUCTS AND/OR THIS WARRANTY.

Enhanced Warranty (2-year Component Limited Warranty and 4-year Power and Propulsion)

For a period of two (2) years from the date of purchase of the Vehicle the Company will provide a warranty on items provided with the Vehicle, excluding certain Wear Components (as defined below). For a period of four (4) years from the date of purchase of the Vehicle the Company will provide a warranty for power and propulsion components including propulsion motors and battery packs. The cost of labor to transport vehicles for servicing & repair and any related transportation costs are expressly excluded from this warranty.

THE COMPANY'S TOTAL LIABILITY, AND PURCHASER'S SOLE REMEDY, UNDER THIS WARRANTY WILL BE LIMITED TO, AT THE COMPANY'S OPTION, THE REPAIR OR REPLACEMENT OF ANY WARRANTED COMPONENT OR ITEM THAT FAILS TO PERFORM AS WARRANTED, PROVIDED THAT SUCH DEFECT IS REPORTED TO THE COMPANY DURING THE WARRANTY PERIOD AND THE VEHICLE IS DELIVERED TO A COMPANY APPOINTED SERVICE FACILITY.

The repair or replacement of defective parts under this warranty will be made without charge to the Purchaser for parts and labor for removal, installation, and/or actual repair, except that the Purchaser shall pay all import duties, sales, and use taxes on replacements. A new warranty period is not established for replacements. Replacements are warranted only for the remainder of the warranty period.

This limited warranty is void if failure of the warranted component has resulted from: (i) Purchaser's breach of any term of the Agreement; (ii) alteration or service of the Vehicle except by the Company or the Company's authorized service provider; (iii) failure to maintain, store, transport, provide data connectivity for or use the Vehicle in accordance with the operator and maintenance manuals; (iv) damage from external causes such as sand, dirt or improper usage of electrical source; (v) damage from exposure to environmental factors beyond the limits prescribed in the operator's manual including temperature, solar exposure, humidity, precipitation, vibration, shock, thermal shock (vi) abnormal physical or electrical stress, or (vii) hard landing or accident, in flight or during Vehicle ground transportation.

"Wear Components" include the following: 1) winglet/floats, 2) propellers, 3) main fuselage keel landing wear strip, 4) joysticks, 5) Vehicle canopy assembly including transparent polymeric main "bubble", any films attached, all hardware assembled directly to the canopy assembly including hinges, damper, and latches 6) All other hinges, latches, rollers, tires found on wing cart, fuselage cart, 7) normal service replace parts (such as light bubs, hoses, charging connectors, 8) soft trim and appearance parts (such as paint, upholstery, and rubber like items), 9) fasteners routinely cycled during the course of Vehicle assembly and disassembly, and 10) transport trailer (if included). Such Wear Components are warranted to be free of defects and fully functional at the time of delivery only.

Main battery packs and propulsion motors are warranted for a period of four (4) years from the date of purchase to be operational and free from defects. Reduction in total battery energy storage amounts is a normal wear phenomenon on any electric vehicle. Batteries will be considered for replacement under warranty should the total energy storage have been degraded by more than twenty five percent (25%) from the as-new baseline storage amount (in watt hours) exhibited by the Vehicle at the time of sale, and provided that environmental storage conditions, use conditions and connectivity and other factors listed above, have been met throughout the term. Damage to the batteries resulting from the following activities is not covered under this warranty: 1) damaging the batteries or intentionally attempting, either by physical means, programming, or other methods, to extend or reduce the life of the batteries, 2) exposing the batteries to direct flame, 3) flooding the batteries, 4) damaging the batteries resulting from intentional acts, 5) a collision or accident damaging the batteries, and 6) servicing the batteries by non-certified personnel.

TO THE EXTENT ALLOWED BY APPLICABLE LAW, THIS WARRANTY IS EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESSED OR IMPLIED IN A FACT OR BY LAW, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE REMEDIES OF REPAIR OR REPLACEMENT AS ABOVE SET FORTH ARE THE ONLY REMEDIES UNDER THIS WARRANTY. THE COMPANY DISCLAIMS ANY OBLIGATION OR LIABILITY, WHETHER IN CONTRACT OR IN TORT (AND WHETHER FOR NEGLIGENCE, STRICT LIABILITY, PRODUCT LIABILITY, OR OTHERWISE), INCLUDING LOSS OF USE OF THE PRODUCT WARRANTED, LOSS OF TIME, INCONVENIENCE, COMMERCIAL LOSS, OR ANY OTHER DIRECT, CONSEQUENTIAL, SPECIAL, OR INCIDENTAL DAMAGES. THIS WARRANTY IS IN LIEU OF ANY OTHER OBLIGATION OR LIABILITY OF THE COMPANY OF ANY NATURE WHATSOEVER BY REASON OF THE MANUFACTURE, SALE, LEASE, OR USE OF SUCH VEHICLE PRODUCTS. THE COMPANY NEITHER ASSUMES NOR AUTHORIZES ANYONE TO ASSUME FOR IT ANY OTHER OBLIGATION OR LIABILITY IN CONNECTION WITH SUCH VEHICLE PRODUCTS AND/OR THIS WARRANTY.

Exhibit C

RELEASE OF LIABILITY AND ASSUMPTION OF RISK

The individual named below (referred to as "I" or "me") desires to operate, including piloting (hereinafter, the "**Activity**"), the Personal Aerial Vehicle (the "**Vehicle**") manufactured by Pivotal Aero, LLC, a California limited liability company, with offices located at 1029 Corporation Way, Palo Alto, California 94303 (the "**Company**"). In consideration of being authorized and permitted by the Company to participate in the Activity and in recognition of the Company's reliance hereon, I agree to all the terms and conditions set forth in this instrument (this "**Release**").

THE VEHICLE IS AN ENTIRELY NEW CLASS OF VEHICLE WITHOUT A HISTORY OF COMMERCIAL OPERATIONS. IN ADDITION TO THE INHERENT RISKS OF ANY SMALL AIRCRAFT VEHICLE OPERATIONS, WELL-KNOWN TO RESULT IN HIGH RATES OF DEATH AND SERIOUS INJURY, OPERATING THE VEHICLE CARRIES ADDITIONAL RISKS ARISING FROM THE NOVELTY OF THE AIRCRAFT VEHICLE, INCLUDING WITHOUT LIMITATION RISKS WITH RESPECT TO ITS DESIGN AND ENGINEERING; TESTING AND QUALIFYING OF COMPONENTS, MATERIALS, SOFTWARE AND ASSEMBLED VEHICLES; MANUFACTURING TECHNIQUES AND PROCESSES; SOFTWARE AND FIRMWARE BUGS; PRODUCT SUPPORT AND OPERATOR TRAINING. I AM AWARE AND UNDERSTAND THAT THE ACTIVITY IS POTENTIALLY DANGEROUS AND INVOLVES THE RISK OF SERIOUS INJURY, DISABILITY, DEATH, AND/OR PROPERTY DAMAGE. I ACKNOWLEDGE THAT ANY INJURIES THAT I SUSTAIN MAY RESULT FROM OR BE COMPOUNDED BY THE ACTIONS, OMISSIONS, OR NEGLIGENCE OF THE COMPANY. NOTWITHSTANDING THE RISK, I ACKNOWLEDGE THAT I AM VOLUNTARILY PARTICIPATING IN THE ACTIVITY WITH KNOWLEDGE OF THE DANGER INVOLVED AND HEREBY AGREE TO ACCEPT AND ASSUME ANY AND ALL RISKS OF INJURY, DISABILITY, DEATH, AND/OR PROPERTY DAMAGE ARISING FROM MY PARTICIPATION IN THE ACTIVITY, WHETHER CAUSED BY STRICT AND/OR THE NEGLIGENCE OF THE COMPANY OR OTHERWISE.

The Company has created a training course for individuals that the Company requires to be completed prior to participating in the Activity. The Company has created extensive operating and safety materials (the "**Documentation**") with a view to reducing the risk of the Activity, though all of such risk reduction measures cannot eliminate that risk. I agree that I will complete the Company-required training and testing, prior to engaging in the Activity. I agree to observe all of the operating and safety rules and requirements set forth in the Documentation.

I hereby expressly waive and release any and all claims, now known or hereafter known, against the Company, and its officers, managers, employees, agents, affiliates, members, successors, and assigns (collectively, "**Releases**"), arising out of or attributable to my participation in the Activity, whether arising out of strict and/or the negligence of the Company or any Releases or otherwise. I covenant not to make or bring any such claim against the Company or any other Releasee, and forever release and discharge the Company and all other Releases from liability under such claims. This waiver and release does not extend to claims for gross negligence, willful misconduct, or any other liabilities that applicable law does not permit to be released by agreement.

I shall defend, indemnify, and hold harmless the Company and all other Releases against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorney fees, the costs of enforcing any right to indemnification under this Release, and the cost of pursuing any insurance providers, incurred by/awarded against the Company or any other Releases arising out or resulting from any claim of a third party related to my participation in the Activity, including any claim related to strict and/or products liability and/or my own negligence or the negligence of the Company.

I hereby consent to receive medical treatment deemed necessary if I am injured or require medical attention during my participation in the Activity. I understand and agree that I am solely responsible for all costs related to such medical treatment and any related medical transportation and/or evacuation. I hereby release, forever discharge, and hold harmless the Company from any claim based on such treatment or other medical services.

This Release constitutes the sole and entire agreement of the Company and me with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter. If any term or provision of this Release is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Release or invalidate or render unenforceable such term or provision in any other jurisdiction.

This Release is binding on and shall inure to the benefit of the Company and me and their respective successors and assigns. All matters arising out of or relating to this Release shall be governed by and construed in accordance with the internal laws of the State of California without giving effect to any choice or conflict of law provision or rule (whether of the State of California or any other jurisdiction). Any claim or cause of action arising under this Release may be brought only in the federal and state courts located in Santa Clara County, California, and I hereby consent to the exclusive jurisdiction of such courts.

BY SIGNING, I ACKNOWLEDGE THAT I HAVE READ AND UNDERSTOOD ALL OF THE TERMS OF THIS RELEASE AND THAT I AM VOLUNTARILY GIVING UP SUBSTANTIAL LEGAL RIGHTS, INCLUDING THE RIGHT TO SUE THE COMPANY.

Signed by:	
Signature:	
Full Name:	
Address:	
Date:	

Accepted by:

PIVOTAL AERO, LLC

Signature:	
Full Name:	
Title:	
Date:	

<u>Exhibit D</u>

Disclosures

- 1.1. The Vehicle is not certified as airworthy by a regulatory authority such as the FAA, nor can a vehicle that is defined as a Part 103 Ultralight possess or ever have been granted an Airworthiness Certificate. The Vehicle does not comply with the federal safety regulations for standard certified aircraft ("standard aircraft"). Standard aircraft certified by regulatory authorities are required to achieve design and/or performance standards defined by regulation. As an Ultralight, this vehicle is not required to adhere to such standards and in the case of standards that prescribe design attributes, (e.g. Light Sport Aircraft), it is not possible for a novel aeroarchitecture such as this Vehicle to comply.
- 1.2. The Vehicle performance and safety has not been consistently verified using the same methods processes and reference standards utilized by regulatory authorities to achieve Type Certification of an aircraft design. Certified Aircraft require full compliance with all design and performance factors specified in the regulation applicable to that aircraft's classification (e.g. General Aviation, Light Sport, Rotorcraft, etc.) The primary method of verifying this Vehicle's suitability for flight operations has been (and is anticipated to be) test and demonstration, which may, or in many cases, does not to align with nor would it be considered commensurate with required practices outlined in regulation and utilized in the course of formal Standard Aircraft certification.
- 1.3. Ultralights are a special category of air vehicles with unique risks, responsibilities, and operational limitations. As the operator of an Ultralight ("Ultralight Pilot") you are responsible for your safety and the safety of the aircraft. The vehicle definitions and requirements and operational limitations for Ultralights are outlined in <u>Title 14</u>, <u>Chapter I, Subchapter F, Part</u> 103 of the Code of Federal Regulations, as well as Federal Aviation Administration <u>Advisory Circular AC 107-7</u> which further interprets the law and describes in detail permissible use cases, operational considerations, operator requirements and FAA interpreted definitions of Ultralight Vehicles. For example, Ultralight vehicles are restricted from most commercial uses and are intended for recreation or sport purposes only.
- 1.4. Ultralight vehicle operational safety mitigations are reduced compared to non-ultralight aircraft operations. Ultralight vehicles are not required to adhere to aircraft safety mitigations, such as pilot training, medical standards, airport design, and aircraft maintenance. Ultralight operators are responsible for their own personal safety. FAA ultralight vehicle guidance describes that safety during ultralight operations requires knowledge and personal responsibility. FAR 103 is based on the assumption that any individual who elects to fly an Ultralight vehicle has assessed the dangers involved and assumes personal responsibility for his/her safety.
- 1.5. Ultralight vehicle operator training does not meet pilot certification criteria. Training presently consist of 65 hours of study, practical exercises, simulator and flight training and evaluations, and includes normal and emergency flight operations, as well as ground operations. The Ultralight operator training provided does not meet pilot certification criteria
- 1.6. Medical fitness for flight is not mandated by law for Ultralight operators. Ultralight vehicle operators are not required to pass aviation medical examinations. Medical conditions may contribute to an aviation incident or be aggravated by flight. As a Vehicle operator you should never undertake flight if your health or fitness is in question.
- 1.7. As with aviation generally, Ultralight operations may be affected by unpredicted events and the resulting impact could be **more severe.** There may be events that, for example, cause a delay in planned landing. Ultralight vehicles may not possess the minimum energy reserves required in Type Certified aircraft and may not be able to reach a safe alternate landing site
- 1.8. Ultralight vehicles are not required to adhere to maintenance practices of non-ultralight aircraft, including but not limited to, inspections by certificated maintenance personnel.
- 1.9. Ultralight operations at locations other than sanctioned airports, airparks, runways and landing pads may increase the risk of colliding with obstacles and obstructions.

- 1.10. The Vehicle, and its operation, includes known specific hazards and characteristics which may result in, among other things, death, serious injury and equipment damage:
 - 1.10.1. The Vehicle includes characteristics which are not standard practice within the aviation industry, including a tiltaircraft configuration, distributed electric propulsion, novel aerostructure, novel crew alerting system, and novel flight control system. As with any novel aero architecture, there is a limited flight history, and the possibility exists that unidentified hazards may be present which can result in loss of Vehicle control and a loss of ability to make a safe landing.
 - **1.10.2.** At the time of this publication, the Vehicle Documentation describes approximately one hundred fifty (150) warning, caution, and note items, forty (40) emergency procedures, twenty (20) normal operation procedures, and twenty (20) flight maneuvers, including those used to mitigate hazards and established procedures and methods necessary to avoid identified hazards during normal operations.
 - 1.10.3. The Vehicle design is intended to be resilient to failures of a single component, such as a propulsion motor or avionics computer; however, the Vehicle will not operate with loss of propulsion, or functional loss of digital flight control. The Vehicle is incapable of maintaining controlled flight and incapable of effecting a controlled landing if the propulsion system is excessively damaged or degraded, or if the flight control system is excessively damaged or degraded. A loss of flight control may result in a high rate of descent and may result in operator injury which could may be mitigated under most conditions through activation of the installed parachute system, provided deployment altitude is sufficient to achieve parachute inflation.
 - 1.10.4. Although the vehicle has a redundant, fault tolerant design, the Vehicle is or could be subject to certain known, and potentially unknown, single-initiating-events which may result in loss of flight control. These could include battery thermal runaway, fire, defects in flight control software failure, failed deployment of the parachute system, physical damage to multiple neighboring propulsion components, physical damage to multiple neighboring avionics components, unacceptable degradation to multiple battery components following exposure to a common cause, and unacceptable degradation to multiple digital communication paths following exposure to a common cause.
 - 1.10.5. At the time of this publication, the Vehicle has yet to be fully verified to perform at the maximum of its environmental flight envelope for factors including elevated temperature and altitude.
 - 1.10.6. The Vehicle's parachute system may not function under all circumstances. The parachute recovery system is designed to allow for a safe landing if deployed above a minimum altitude above ground level. Following a parachute landing, a parachute may drag and invert the Vehicle, which may result in operator injury.