

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q/A

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For The Quarterly Period Ended November 30, 2008



TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

Commission File Number: 000-33305



FLIGHT SAFETY TECHNOLOGIES, INC.



(Exact name of small business issuer as specified in its charter)

Nevada



(State or other jurisdiction of
incorporation or organization)

95-4863690



(IRS Employer Identification No.)

28 Cottrell Street, Mystic, Connecticut 06355



(Address of principal executive offices)

(860) 245-0191



(Issuer's telephone number)



(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The number of shares of common stock outstanding as of January 9, 2009 was 8,945,063 shares.

Explanatory Note

This Amendment No 1. on Form 10-Q/A (this "Amendment") amends our Quarterly Report on Form 10-Q for the quarterly period ended November 30, 2008, as filed with the Securities and Exchange Commission on January 16, 2009 (the "Original Filing"). This Amendment is filed solely to (i) file a corrected Exhibit 10.1/A which is the final version of the Certificate of Designations of the Powers, Preferences and Relative, Participating, Optional and Other Special Rights of Preferred Stock and Qualifications, Limitations and Restrictions Thereof of Series A Convertible Preferred Stock for Flight Safety Technologies, Inc., dated December 15, 2008, which was accurately described in Item 5 of the Original Filing but which, as attached as Exhibit 10.1 to our Original Filing, contained minor deviations from the final form that we adopted and filed with the Nevada Secretary of State; (ii) attach a note immediately after the description of Exhibit 10.6/A in our List of Exhibits under Item 6 of Part II to disclose that we have requested confidential treatment from the U.S. Securities and Exchange Commission of certain information we redacted from the UTRF License Agreement filed as Exhibit 10.6 to our Original Filing and file a new Exhibit 10.6/A that more clearly designates where we redacted the information; and (iii) pursuant to the rules of the SEC, Exhibits 31.1, 31.2 and 32.1 under Item 6 of Part II of the Original Filing have been amended to contain currently-dated certifications from our chief executive officer and chief financial officer, as required by the Sarbanes-Oxley Act of 2002.

For the convenience of the reader, this Form 10-Q/A sets forth the Original Filing in its entirety. This Form 10-Q/A only amends and restates the certain information as previously noted, and no other items in the Original Filing are amended hereby. Except for the amended and restated information described above and contained herein, information has not been updated to reflect events subsequent to January 16, 2009, the filing date of the Original Filing.

FLIGHT SAFETY TECHNOLOGIES, INC. AND SUBSIDIARY

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PART I-FINANCIAL INFORMATION

Item 1. Financial Statements.

FLIGHT SAFETY TECHNOLOGIES, INC. AND SUBSIDIARY BALANCE SHEETS Unaudited

ASSETS	November 30, 2008	May 31, 2008
Current assets:		
Cash and cash equivalents	\$ 67,354	\$ 877,899
Contract receivables	113,318	64,396
Investment, at fair value	-	125,000
Other current assets	119,932	60,512
	300,604	
Machinery and equipment, net of accumulated depreciation of \$432,447 and \$478,149, respectively	234,978	38,821

Other assets:					
	Intangible assets, net of accumulated amortization of \$16,392 and \$10,662, respectively			307,458	68,188
	Other receivables			-	30,460
	TOTAL ASSETS			\$ 843,040	\$ 1,265,276
	LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities:					
	Accounts payable			\$ 212,827	\$ 187,574
	Note payable			85,000	-
	Accrued expenses			159,735	289,739
				457,562	
Stockholders' equity:					
	Preferred stock, \$.001 par value, 5,000,000 shares authorized, none issued and outstanding			--	--
	Common stock, \$.001 par value, 50,000,000 shares authorized, 8,981,363 and 8,431,510 shares outstanding, respectively			8,981	8,432
	Additional paid-in-capital			13,842,776	13,470,027
	Treasury stock, 36,300 shares, at cost			(62,371)	(62,371)
	Accumulated deficit			(13,403,908)	(12,628,125)
				385,478	
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			\$ 843,040	\$ 1,265,276

The accompanying notes are an integral part of these financial statements

FLIGHT SAFETY TECHNOLOGIES, INC. AND SUBSIDIARY
STATEMENT OF OPERATIONS
FOR THE THREE-MONTHS and SIX-MONTHS ENDED
NOVEMBER 30,
(unaudited)

	Three-months ended November 30,		Six-months ended November 30,	
	2008	2007	2008	2007
Contract revenues	\$ 82,858	\$ 75,144	\$ 137,713	\$ 121,345

Cost of revenues	35,997	35,265	61,036	78,016
Gross profit	46,861	39,879	76,677	43,329
Operating expenses:				
Selling, general and administrative	427,137	742,980	765,536	1,557,907
Depreciation and amortization	18,753	27,250	25,941	54,500
Research and development	69,644	84,338	90,726	193,760
Other income	(24,281)	-	(24,281)	-
Total operating expenses	491,253	854,568	857,922	1,806,167
Operating loss	(444,392)	(814,689)	(781,245)	(1,762,838)
Interest income, net	2,330	30,793	5,462	70,773
Loss before provision for income taxes	(442,062)	(783,896)	(775,783)	(1,692,065)
Provision for income taxes	-	-	-	-
NET LOSS	<u>\$ (442,062)</u>	<u>\$ (783,896)</u>	<u>\$ (775,783)</u>	<u>\$ (1,692,065)</u>
Net loss per share:				
Basic	\$ (0.05)	\$ (0.09)	\$ (0.09)	\$ (0.21)
Diluted	\$ (0.05)	\$ (0.09)	\$ (0.09)	\$ (0.21)
Weighted average number of shares outstanding:				
Basic	8,919,307	8,278,116	8,662,153	8,252,041
Diluted	8,919,307	8,278,116	8,662,153	8,252,041

The accompanying notes are an integral part of these financial statements

FLIGHT SAFETY TECHNOLOGIES, INC. AND SUBSIDIARY
STATEMENTS OF CASH FLOW
FOR THE SIX-MONTHS ENDED NOVEMBER 30,
(unaudited)

	2008	2007
Cash flows from operating activities:		
Net loss	\$ (775,783)	\$ (1,692,065)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	25,941	54,500
Share-based compensation	23,298	151,970
Gain on disposition of assets	(18,393)	-
Changes in operating assets and liabilities:		
(Increase) decrease in contract receivables	(18,462)	(7,836)
Decrease in other current assets and other Assets	(59,420)	49,057
Increase (decrease) in accounts payable and accrued expenses	(104,751)	202,251
Net cash used in operating activities	(927,570)	(1,242,123)
Cash flows from investing activities:		
Purchase of furniture and equipment	(20,000)	-
Proceeds from sale of investment securities	125,000	550,000
Proceeds from sale of assets	22,025	-
Payments for patents and trademarks	(95,000)	(49,955)
Net cash (used in) provided by investing activities	32,025	500,045
Cash flows from financing activities:		
Proceeds from installment note	85,000	-
Net cash provided by financing activities	85,000	-
Net increase (decrease) in cash and cash equivalents	(810,545)	(742,078)
Cash and cash equivalents at beginning of period	877,899	2,439,911
Cash and cash equivalents at end of period	\$ 67,354	\$ 1,697,833
Supplemental non-cash disclosures:		
Issuance of common stock for purchase of furniture and equipment and license fee	\$ 350,000	- -

The accompanying notes are an integral part of these financial statements

FLIGHT SAFETY TECHNOLOGIES, INC. AND SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTHS ENDED NOVEMBER 30, 2007 and 2008
(Unaudited)

	Common Stock		Additional Paid-in- Capital	Treasury Stock	Accumulated Deficit	Stockholders' Equity
	Shares	Amount				
Balance May 31, 2007	8,331,510	\$ 8,332	\$13,125,455	\$(165,463)	\$ (9,341,826)	\$ 3,626,498
Issuance of treasury stock			32,228	103,092		135,320
Share-based compensation			16,650			16,650
Net loss					(1,692,065)	(1,692,065)
Balance November 30, 2007	8,331,510	\$ 8,332	\$ 13,174,333	\$ (62,371)	\$(11,033,891)	\$ 2,086,403
Balance May 31, 2008	8,431,510	\$ 8,432	\$ 13,470,027	\$ (62,371)	\$(12,628,125)	\$ 787,963
Share-based compensation			23,298			23,298
Issuance of stock	549,853	549	349,451			350,000
Net loss					(775,783)	\$ (775,783)
Balance November 30, 2008	8,981,363	\$ 8,981	\$ 13,842,776	\$ (62,371)	\$(13,403,908)	\$ 385,478

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The accompanying notes are an integral part of these financial statements

FLIGHT SAFETY TECHNOLOGIES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED NOVEMBER 30, 2008 AND 2007
(Unaudited)

Note 1. Basis of Presentation

The interim consolidated financial statements include the accounts of Flight Safety Technologies, Inc. and its newly formed wholly-owned subsidiary Advanced Plasma Products, Inc.

On August 7, 2008, the Company executed a letter of intent with the University of Tennessee Research Foundation (UTRF) for the licensing of patent rights related to atmospheric glow plasma technology. The agreement provides for exclusive worldwide rights to commercialize the technology in all but a few fields of use. The letter of intent provides for an initial license fee of \$150,000 payable in shares of common stock of the Company and minimum annual royalty payments starting in year two. Additionally, in a related transaction, on August 28, 2008, Advanced Plasma Products, Inc. purchased the assets of Atmospheric Glow Technologies, Inc., the previous licensee of this technology and a company in bankruptcy. These assets included essential instrument prototypes, engineering drawings, test equipment and a variety of facility related assets. We paid \$125,000 in cash and issued 289,436 shares of our common stock valued at \$200,000. On September 10, 2008, we concluded our agreement with UTRF and subsequently issued 260,417 shares of our common stock as payment for the license fee.

These interim financial statements for the three and six-months ended November 30, 2008 and November 30, 2007, included herein, have been prepared, without audit, pursuant to the rules and regulations of the SEC. Results for the periods presented are not necessarily indicative of results for the entire year. In the opinion of management, all adjustments, consisting of normal recurring adjustments, which are necessary for a fair statement of operating results for the interim periods have been made. These financial statements do not include all disclosures associated with annual financial statements and, accordingly, should be read in conjunction with our financial statements and related footnotes for the years ended May 31, 2008 and 2007 which are included in our annual report on Form 10-KSB filed on August 29, 2008.

Certain reclassifications have been made to prior interim period balances in order to conform to the current year's presentation.

Note 2. Going Concern and Liquidity

The report of our independent registered public accountant issued in conjunction with our audited financial statements and notes thereto for the year-ended May 31, 2008 indicated that there is substantial doubt about our ability to continue as a going concern.

FLIGHT SAFETY TECHNOLOGIES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED NOVEMBER 30, 2008 AND 2007
(Unaudited) (Continued)

The Company has had recurring losses from operations that have diminished its financial resources. Our liquidity to date has primarily been provided by revenue from government contracts and proceeds from the sale of our equity securities. We have not been successful in securing any additional government funding and we will have to rely on the sale of our equity securities to generate sufficient working capital in order to successfully commercialize our newly acquired technology and to pay for our ongoing operations. As a result of the lack of government funding for our aviation security technologies, we have suspended all related research and develop work. As of November 30, 2008, we had cash on hand of \$67,000 which would be insufficient to fund our operations through the current year. On January 14, 2009, we completed a series of transactions in order to generate additional cash resources. See Note 9 of Notes to Consolidated Financial Statements for a full description of the transactions. As a result of these transactions, the Company anticipates it will have sufficient cash resources into its fiscal 4th quarter, at which time it will need to seek additional working capital. We anticipate the amount of such additional working capital could be in the range of approximately \$350,000 to \$500,000 but cannot predict or estimate such amount with certainty as the ultimate amount will depend on many variables, such as potential third party development or licensing fees, the pace and success of our product development and sales, and cash generated the by the transactions described in Note 9. **In the event we are unable to secure additional working capital we will have to curtail our operations accordingly, thus slowing down our product development and marketing efforts. Any curtailment of our operations could have a material adverse effect on our operations and financial position.**

On September 29, 2008, we were delisted from the American Stock Exchange for failure to maintain the required listing standards. We are currently trading on the Over-the-counter market under the symbol "FLTS".

Note 3. Summary of Significant Accounting Policies

Use of Estimates In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the balance sheet date and the reported amounts of revenue and expenses during the reporting period. Material estimates that are particularly susceptible to significant change in the near term relate to the carrying values of investments, inventory, intangible assets, other receivables and the calculation of share-based compensation. Actual results could differ from those estimates.

FLIGHT SAFETY TECHNOLOGIES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED NOVEMBER 30, 2008 AND 2007
(Unaudited) (Continued)

Share-Based Compensation: Effective June 1, 2006, the Company adopted the provisions of Statement of Financial Accounting Standards (SFAS) No. 123, "Share-Based Payments (revised 2004)," (SFAS No. 123R) which requires the Company to measure the cost of employee services received in exchange for an award of equity instruments based on the grant date fair value of the award. That cost is recognized over the period during which an employee is required to provide services in exchange for the award, the requisite service period (usually the vesting period). Under SFAS No. 123R, the Company provides an estimate of forfeitures at initial grant date. The Company elected the modified prospective transition method under SFAS 123R and accordingly has not restated periods prior to adoption. The Company recognized \$11,648, \$8,325, \$23,298 and \$16,650, as compensation expense related to employee stock options in each of the three and six-month periods ended November 30, 2008 and 2007, respectively.

The fair value of each option grant is estimated as of the grant date using the Black-Scholes option pricing model. There were no options granted in each of the six-months ended November 30, 2008 and 2007, respectively.

Loss Per Share: Basic loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during the period. For the interim periods presented the effect of stock options and warrants was anti-dilutive; therefore, they were not included in the computation of diluted loss per share. The number of shares issuable upon the exercise of outstanding stock options and warrants that were excluded from the computation as their effect would be anti-dilutive, were 2,925,737, 3,840,716, 2,963,930, and 3,953,215 for the three and six-month periods ended November 30, 2008 and November 30, 2007, respectively.

Cash and Cash Equivalents: For purposes of reporting cash flows the Company considers all highly liquid investments with maturities of three months or less at the date of purchase to be cash and cash equivalents.

Revenue and Cost Recognition: Our prior contracts with the United States government and our maritime industry customers are cost-reimbursable contracts that provide for a fixed profit percentage (base fee) applied to our actual costs to complete the work. These contracts are subject to audit and adjustment by our customer, and are subject to cost limitations as provided by the contract and the Federal Acquisition Regulations. The government has audited and accepted our rates through our fiscal year ended May 31, 2006.

For these contracts, revenue is recorded at the time services are performed based upon actual project costs incurred including a reimbursement for general, administrative, and overhead costs and the base fee. The general, administrative, and overhead costs are estimated periodically in accordance with government contract accounting regulations and may change based on actual costs incurred subject to approval. Revenue may be adjusted for our estimate of costs that may be categorized as disputed or unallowable as a result of cost overruns or the audit process.

FLIGHT SAFETY TECHNOLOGIES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED NOVEMBER 30, 2008 AND 2007
(Unaudited) (Continued)

Project costs include all direct material, labor and subcontracting costs. General and administrative costs are charged to expense as incurred. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. Changes in job performance, job conditions and estimated profitability and final contract settlements may result in revisions to chargeable costs and revenue recorded and are recognized in the period in which the revisions are determined. Revenue related to additional claims under the contract is recorded at the lesser of actual costs incurred or the amount expected to be realized.

Machinery and Equipment: Machinery and equipment are stated at original cost or fair value at date acquisition in the case of the bulk purchase of machinery and equipment purchased by Advanced Plasma Products, Inc. ("APP") less accumulated depreciation. Depreciation is computed using the straight-line method. Cost and accumulated depreciation of assets retired or disposed of are removed from the accounts. Gains and losses are recognized upon disposal of assets. The cost of maintenance and repairs is charged to operations as incurred, whereas significant repairs are capitalized.

Estimated useful lives by asset class are as follows:

Machinery & equipment	7 years
Furniture & fixtures	10 years

Automobiles	5 years
Software	3 years

Intangible Assets: At November 30, 2008, intangible assets consist of patent costs associated with, AWSM, TIICM™ and atmospheric glow technologies. Acquisition costs related to obtaining new patents are capitalized. Patent costs are being amortized using the straight-line method over the lesser of seventeen years from the date incurred or the remaining life of the underlying patent.

In accordance with Statement of Financial Accounting Standards No. 144, "Accounting for Impairment or Disposal of Long-Lived Assets" (SFAS 144) the Company assesses its patents for impairment whenever events or changes in circumstances indicate their carrying value may not be recoverable. Such circumstances may include a significant adverse change in legal factors or the business climate that could affect the value of the patents. The Company also considers the likelihood of obtaining required research and development funding. In determining recoverability, the Company must determine the asset's fair value, which may require Management to make significant assumptions about the future cash generating ability of the asset. If an asset is determined to be impaired, the difference between the asset's fair value and book value is charged to expense in the period the impairment is identified. After an impairment loss is recognized, the adjusted carrying amount of the intangible asset becomes its new basis. Subsequent reversal of a previously recognized impairment loss is prohibited under SFAS 144.

FLIGHT SAFETY TECHNOLOGIES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED NOVEMBER 30, 2008 AND 2007
(Unaudited) (Continued)

Concentration of Credit Risk: The Company had amounts in excess of \$100,000 in a single bank during the year. Amounts over \$100,000 are not covered by the Federal Deposit Insurance Corporation. Concentration of credit risk also exists with respect to investment securities and contract receivables. The concentrated risk associated with contract receivables is mitigated by the fact that these receivables are due primarily from the United States Government. The risk for investment securities is mitigated by an Investment Policy which, approved by the Board of Directors, restricts investing in fixed income securities below an "A" rating at the time of purchase and investments in asset backed securities, mortgage backed securities and collateralized mortgage obligations below a "AAA" rating at the time of purchase.

Research and Development: Company sponsored research and development costs, including proposal costs and un-reimbursed expenditures for developmental activities, are charged to operations as incurred.

Income Taxes: The Company uses the asset and liability method of accounting for income taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. A valuation allowance is provided on deferred tax assets when it is more likely than not that some portion of the assets will not be realized. Deferred tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period of enactment.

Fair Values of Financial Instruments: The estimated fair value of financial instruments has been determined based on the available market information and appropriate valuation methodologies. The carrying amounts of cash and cash equivalents, accounts receivable (including other receivables), other current assets, accounts payable, notes payable and accrued expenses, approximate fair value at November 30, 2008 and May 31, 2008, because of the short maturity of these financial instruments.

Retirement Savings Plan: Effective July 1, 2004, the Company established a Retirement Savings Plan (the "Plan") under the provisions of Section 401(k) of the Internal Revenue Code. Employees, as defined in the plan, are eligible to participate on their first day of employment. Under the terms of the Plan, the Company can match up to the employee's contribution of 5% of gross pay. The Company matching funds immediately vest 100%. The Company match for each of the three and six-months ended November 30, 2008 and 2007 were \$0, \$7,780, \$7,456 and \$23,431 respectively.

FLIGHT SAFETY TECHNOLOGIES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED NOVEMBER 30, 2008 AND 2007
(Unaudited) (Continued)

Recent Accounting Pronouncements: Fair Values of Assets and Liabilities: The Company adopted Statement of Financial Accounting Standards No. 157 ("SFAS 157"), *Fair Value Measurements*, which provides a framework for measuring fair value under generally accepted accounting principles. This Statement became effective for the Company on June 1, 2008 and did not have a material impact on the Company's consolidated financial statements. The Company also adopted SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities, including an amendment of FASB Statement No. 115*. SFAS 159 allows an entity the irrevocable option to elect fair value for the initial and subsequent measurement for certain financial assets and liabilities on a contract-by-contract basis. The Company did not elect fair value treatment for any financial assets or liabilities upon adoption. SFAS 159 also became effective for the Company on June 1, 2008 and did not have a material impact on the Company's consolidated financial statements.

In accordance with SFAS 157, the Company groups its financial assets and financial liabilities measured at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value:

Level 1 - Quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. For example, Level 2 assets and liabilities may include debt securities with quoted prices that are traded less frequently than exchange-traded instruments or mortgage loans held for sale, for which the fair value is based on what the securitization market is currently offering for mortgage loans with similar characteristics.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

Also, the Company may be required, from time to time, to measure certain other financial assets on a nonrecurring basis in accordance with GAAP. These adjustments to fair value usually result from application of lower-of-cost-or-market accounting or write-downs of individual assets. The Company had no such assets as of November 30, 2008.

FLIGHT SAFETY TECHNOLOGIES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED NOVEMBER 30, 2008 AND 2007
(Unaudited) (Continued)

At May 31, 2008 the investment consisted of an auction market preferred security, valued using Level 2 methodology.

Note 4: Contract Receivables

Accounts receivable consisted of the following at:

	<u>November 30, 2008</u>	<u>May 31, 2008</u>
Contract receivables-billed	\$ 113,318	\$ 64,396
Contract receivables-unbilled	=	<u>30,460</u>
	<u>\$ 113,318</u>	<u>\$ 94,856</u>

The amount classified as other receivables and contract receivables unbilled is a retained fee on a recently completed government contract.

Note 5: Machinery and Equipment

Property and equipment are summarized by major classifications as follows:

	November 30, <u>2008</u>	May 31, <u>2008</u>
Machinery and equipment	\$ 403,836	\$ 225,163
Furniture and fixtures	42,792	16,177
Automobiles	52,730	122,278
Software and computers	<u>168,067</u>	<u>153,352</u>
	667,425	516,970
Less accumulated depreciation	<u>(432,447)</u>	<u>(478,149)</u>

Note 6: Intangible Assets

Intangible assets currently consist of costs associated with the newly acquired atmospheric glow technology, as well as the company's existing TIICM and AWSM technologies. As more fully explained in Note 2, above, the company has suspended all further research and development on the TIICM and AWSM technologies. Accordingly, we will be evaluating the carrying value of the TIICM and AWSM technologies to determine if those values have been impaired. The carrying values of TIICM and AWSM at November 30, 2008 were \$53,196 and \$12,676, respectively.

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**FLIGHT SAFETY TECHNOLOGIES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED NOVEMBER 30, 2008 AND 2007
(Unaudited) (Continued)**

Note 7: Note Payable

Note payable consists of an installment note relating to the financing of certain insurance policies. The note is payable in 10 equal installments of \$7,407 commencing December 22, 2008 after a \$12,750 down payment. Interest is at 5.47%

Note 8: Stockholders' Equity

Warrants: As of both November 30, 2008 and May 31, 2008, the Company had 1,919,200 warrants outstanding with exercise prices ranging from \$3.30 to \$5.40 with an expiration date of January 29, 2009. The weighted average exercise price was \$3.49.

Stock Options: Under the Company's 2005 Stock Incentive Plan, there are 1,302,000 shares available for future awards at November 30, 2008. During the three and six-month period ended November 30, 2008, no award were made and 275,000 shares were cancelled. The weighted average exercise price of the 1,302,000 options outstanding is \$3.50. The aggregate intrinsic value of the outstanding options is \$0.

As of November 30, 2008 there was \$30,055 of total unrecognized compensation cost related to the non-vested stock options that is expected to be expensed over the next one and one-quarter years.

Note 9: Subsequent Events

We have filed with the Nevada Secretary of State a Certificate of Designations of the Powers, Preferences and Relative, Participating, Optional and Other Special Rights of Preferred Stock and Qualifications, Limitations and Restrictions Thereof of Series A Convertible Preferred Stock for Flight Safety Technologies, Inc. (the "Certificate") designating a Series A Convertible Preferred Stock ("Preferred Stock"), par value \$0.01 per share. Each share of Preferred Stock has a liquidating value of \$100 per share, is convertible into 1,429 shares of Common Stock of the Company (subject to adjustment) and pays a cash dividend of 8% or a dividend in kind of 10%. The dividends are paid quarterly and are based on the original purchase price of the Preferred Stock. No dividends will accrue or be paid for any fiscal quarter where shares of our common stock, on a volume weighted average price, trade in excess of \$0.14. Initially, each share of Preferred Stock will have the equivalent voting rights of 1,429 shares of common stock and will vote with our existing common shareholders as a group on all matters subject to shareholder vote. However, the Preferred Stock shareholders will not be able to vote on issues involving redemption or a liquidation event until there has been an affirmative vote on such issues by our common stock shareholders. In that event,

**FLIGHT SAFETY TECHNOLOGIES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED NOVEMBER 30, 2008 AND 2007
(Unaudited) (Continued)**

they will be allowed to vote as a group with the Common Stock shareholders on such issues, in effect, giving them a veto right. In the event of a liquidation of the Company, the Preferred Stock will have a liquidating preference and will participate in any remaining liquidating proceeds on an as-converted basis with the common shareholders after receiving the liquidating value of their Preferred Stock. Each share of Preferred Stock is convertible at the option of the holder at any time into shares of our common stock by dividing the liquidity value of \$100 by a conversion price of \$0.07 per share of common stock. The number of shares of common stock issuable upon conversion is subject to antidilution protections if we issue additional shares of common stock at less than \$0.07 per share and upon stock splits, dividends and certain other events. Reference is made to the Certificate of Designation for a complete description of the terms of the Preferred Stock. We will not register the shares of Preferred Stock or shares of common stock into which it may be converted with the U.S. Securities and Exchange Commission so as to make them eligible for publicly trading, and have no obligation or plans to do so in the future. Such shares will only be eligible to be sold or traded pursuant to the requirements of Rule 144, promulgated by the U.S. Securities and Exchange Commission, and applicable state securities laws.

SALE OF SHARES OF PREFERRED STOCK TO INVESTORS

Pursuant to a Purchase Agreement dated as of January 13, 2009 (the "Investor Purchase Agreement"), we are selling 4,400 shares of Preferred Stock for \$100 per share to a group of investors (the "Investors") in order to raise an aggregate of \$440,000 of equity for working capital purposes. Participating in this transaction are our two senior executives and three key employees (together "Employees"). Payment will be in the form of cash at closing, except for the employees who will purchase an aggregate amount of \$100,000 of Preferred Stock. Four of these employees will purchase shares with a 20% cash payment at closing and by executing a non-interest bearing promissory note payable semimonthly with a maturity date of March 31, 2009. One of these employees will purchase shares with an 8% cash payment at closing and execute a non-interest bearing promissory note payable semimonthly with a maturity date of October 31, 2009. These notes are nonrecourse and collateralized solely by the employee's Preferred Stock. The Preferred Stock sold herewith, is convertible at \$0.07 per share into a total of 6,285,714 shares of the Company's common stock, significantly diluting our existing common stock shareholders. In the Investor Purchase Agreement, we agree to indemnify investors against damages they may suffer as a result of our breach of certain representations and warranties we have made in that Agreement. Reference is made to the Certificate and the Investor Purchase Agreement for a complete description of the terms of the Preferred Stock.

FLIGHT SAFETY TECHNOLOGIES, INC. AND SUBSIDIARY NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED NOVEMBER 30, 2008 AND 2007 (Unaudited) (Continued)

DESCRIPTION OF OUR ACQUISITION OF CFP WITH SHARES OF PREFERRED STOCK

Pursuant to a Purchase Agreement dated as of January 13, 2009 (the "CFP Purchase Agreement"), we are acquiring from the Cummins Family Limited Partnership, an Idaho limited partnership (the "Purchaser"), 100% of the outstanding stock of Cummins Family Produce, Inc., ("CFP") a potato packing business located in Idaho. The general partner and majority limited partner of the Purchaser is Cummins Family Holdings, LLC, an Idaho limited liability company controlled by Mr. Wes Cummins, a director of the Company. The consideration we are providing is the assumption of a bank promissory note in the amount of approximately \$211,000 owed by Mr. Cummins in connection with the operations of CFP and 20,000 shares Preferred Stock we will issue at closing, valued at \$2 million. Under a performance based earn-out provision, we are obligated to issue an additional number of shares of Preferred Stock, such that the total purchase price is equal to 4.25 times the yearly average EBITDA calculated over the next two years, less the value of the bank promissory note assumed. Immediately prior to this transaction, CFP will execute (a) a 5-year supply agreement with Southern Slope, Inc., and Black Rock Ag., Inc. (together the "Growers") who will provide their entire potato harvest to the packing facility and (b) a 5-year lease agreement whereby CFP will lease the packing facility and equipment from Cummins Family Holdings, LLC. We believe that both agreements reflect current pricing in the industry. We have no rights to renew these agreements. Mr. Cummins is a majority shareholder in Southern Slope, Inc. and family members of his are the majority shareholders in Black Rock Ag., Inc. The Preferred Stock initially issued to the Purchaser in regard to this transaction is convertible at \$0.07 per share into a total of 28,571,429 shares of our common stock and will substantially dilute our existing common shareholders. As a result of this transaction, Mr. Cummins will control over 60% of the voting shares of the Company.

In the CFP Purchase Agreement, we agree to indemnify the Purchaser against damages it may suffer as a result of our breach of certain representations and warranties we have made in that Agreement. The Purchaser also has agreed to indemnify us against damages that may result if it breaches certain representations and warranties it has made relating to CFP and the Purchaser. Reference is made to, and each investor in the Preferred Stock must review, the CFP Purchase Agreement for a complete description of the terms of the CFP transactions.

RELATED PARTY TRANSACTIONS

As previously stated, Mr. Wesley Cummins is a director and shareholder of the Company, and holds a controlling interest in Cummins Family Limited Partnership, Cummins Family Holdings, LLC and Southern Slope, Inc. Mr. Wesley Cummins' family members hold a controlling interest in Black Rock Ag., Inc.

FLIGHT SAFETY TECHNOLOGIES, INC. AND SUBSIDIARY NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED NOVEMBER 30, 2008 AND 2007 (Unaudited) (Continued)

Mr. James Schwartz, a director of the Company, is the managing member of Harvey Partners, LLC, a Delaware limited liability company that is the manager of Harvey SMidCap Fund LP, a Delaware limited partnership, and Harvey SMidCap Offshore Fund, Ltd., a Cayman Islands exempted company, which are participating in the Preferred Stock offering.

Mr. Kenneth Wood, President and Chief Executive Officer and a director of the Company is participating in the Preferred Stock offering.

Mr. Richard S. Rosenfeld, Chief Financial Officer, Vice president of Operations, Secretary/Treasurer is participating in the Preferred Stock

offering.

CHANGE IN CONTROL

As a result of these transactions, Mr. Wesley Cummins will exercise or control in excess of 60% of the voting power of the Company.

This change in control will also create limitations to the use of the Company's existing net operating tax loss carryforwards.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Cautionary Statement Pursuant to Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995:

Except for the historical information presented in this document, the matters discussed in this annual report on Form 10-Q for the three and six month periods ended November 30, 2008 or otherwise incorporated by reference into this document, contain "forward-looking statements" (as such term is defined in the Private Securities Litigation Reform Act of 1995). These statements are identified by the use of forward-looking terminology such as "believes", "plans", "intend", "scheduled", "potential", "continue", "estimates", "hopes", "goal", "objective", "expects", "may", "will", "should" or "anticipates" or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy that involve risks and uncertainties. The safe harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended, apply to forward-looking statements made by us. We caution you that no statements contained in this Form 10-Q should be construed as a guarantee or assurance of future performance or results. These forward-looking statements involve risks and uncertainties, which include risks and uncertainties associated with, among other things, availability of capital to fund operations, research and development, the impact of competitive products and pricing, limited visibility into future product demand, generally slower economic growth, difficulties inherent in the development of complex technology, new products sufficiency, fluctuations in operating results, and other risks are discussed in the "Known Trends, Risks and Uncertainties" section of Management's Discussion and Analysis of Financial Conditions and Results of Operations of this Form 10-Q. The actual results that we achieve may differ materially from any forward-looking statements due to such risks and uncertainties. These forward-looking statements are based on current expectations, and, except as required by law, we assume no obligation to update this information whether as a result of new information, future events or otherwise. Readers are urged to carefully review and consider the various disclosures made by us in this Form 10-Q and in our annual report on Form 10-KSB and in our other reports filed with the Securities and Exchange Commission that attempt to advise interested parties of the risks and factors that may affect our business.

Overview

We have four basic developmental technologies, all in the field of aviation security that we were pursuing. These technologies were substantially funded by government contracts. We have been unsuccessful in securing additional funding for these projects, and at May 31, 2008 decided to suspend all efforts on them.

In an effort to reduce our reliance on our aviation security technologies, we have undertaken an effort to identify potential diversifying, technology-based acquisitions to enhance shareholder value and provide better opportunity for profitable operations. To that end, through our wholly owned subsidiary, Advanced Plasma Products, Inc. ("APP"), which is a Nevada corporation, we have licensed patent rights from the University of Tennessee Research Foundation relating to atmospheric glow plasma technology. In addition, APP acquired the key assets from the previous licensee of that technology, hired some of its key employees, and secured a lease on its former facility. We believe that this technology has been advanced to the stage where several products can be commercialized and released to the market within two years.

Atmospheric glow discharge plasma is a technology that produces tailored plasma gas chemistry for a wide range of applications such as air purification, materials processing, decontamination, sterilization and many others. We believe these applications can create market opportunities that cover homeland security, health care, process control, and environmental protection, remediation and control.

The report of our independent registered public accountant issued in conjunction with our audited financial statements and notes thereto for the year-ended May 31, 2008 indicated that there is substantial doubt about our ability to continue as a going concern. We have had recurring losses from operations that have greatly diminished our financial resources. Our liquidity to date has primarily been provided by revenue from government contracts and proceeds from the sale of its equity securities. Because we have not been successful in securing any additional government funding for development of our aviation security technologies, it became apparent that we needed to rely on the sale of equity securities and/or some type of financial transaction in order to generate sufficient working capital to successfully commercialize our newly acquired plasma gas technology and to pay for ongoing operations. In Item 5 of this Report on Form 10-Q, we described certain transactions we closed on January 14, 2009 which partially fill our need for working capital.

On September 29, 2008, we were delisted from the American Stock Exchange for failure to maintain the required listing standards. Our shares of common stock currently trade on the over-the-counter market under the symbol "FLTS".

Critical Accounting Policies and Estimates

The discussion and analysis of our financial condition and results of operations are based on our financial statements that have been prepared according to accounting principles generally accepted in the United States of America. In preparing these financial statements, we are required to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosures of contingent assets and liabilities. We evaluate these estimates on an on-going basis. We base these estimates on historical experiences and on various other assumptions that we believe are reasonable under the circumstances, the results of which form the basis for making judgments

about the carrying values of assets and liabilities. Actual results may differ from these estimates under different assumptions or conditions. Our management has discussed these estimates and assumptions with our finance and audit committee. Subjective judgments may have a material impact on our financial statements, including the valuation of inventory and intangible assets.

Federal Acquisitions Regulations require that, among other things, our reimbursable costs are reasonable. We have analyzed our actual overhead rate and general administrative rate for the fiscal year ended May 31, 2008. We believe all component costs have been ordinary and necessary but that government auditors may consider some of our selling, general and administrative expenses for the fiscal year ended May 31, 2008 unreasonable for a company our size. The government has audited and accepted our rates through our fiscal year ended May 31, 2006. Since there is a degree of subjectivity in the judgment of what levels of cost are reasonable, we can make no assurance that the government will not require further adjustments.

Results of Operations

Revenues: Revenues for the three and six months ended November 30, 2008 and 2007 of \$82,858, \$75,144, \$137,713 and \$121,345 respectively, consisted entirely of revenue from our hydrodynamic software development contracts issued by companies in the maritime industry. The level of revenues is dependent upon the hours worked on the tasks required. As of November 30, 2008, we terminated these contracts as the software developer who worked on them resigned. We do not have the personnel to complete these contracts, nor do we believe we can hire such replacement personnel, therefore we expect these contracts to be cancelled.

Cost of revenues: Cost of revenues for the three and six months ended November 30, 2008 and 2007 were \$35,997, \$35,265, \$61,036 and \$78,016, respectively. It is comprised of subcontract, consultant and direct labor costs. The variances between the periods reported reflects the differences in direct labor hours incurred and billed and whether subcontractors and consultants were used.

Selling, general and administrative expenses: Selling, general and administrative expenses for the three and six months ended November 30, 2008 and 2007 were \$427,137, \$742,980, \$765,536 and \$1,557,907, respectively. For the three-months ended November 30, 2008 and 2007, the decrease in expenses of \$315,843 resulted from the curtailment of operations in the aviation security part of our business which reduced expenditures by \$408,709, partially offset by expenses relating to acquisition and development of our newly acquired plasma gas technology of \$92,866. For the six months ended November 30, 2008 and 2007, the decrease in expenses of \$792,371 also related to the curtailment of operations in the aviation security part of our business which reduced expenditures by \$885,237, partially offset by expenses of \$92,866 of the plasma gas technology.

Depreciation and amortization: Depreciation and amortization expense for the three and six months ended November 30, 2008 and 2007 was \$18,753, \$27,250, \$25,941 and \$54,500, respectively. For all periods involved, the reduction in depreciation and amortization related to the write-down or disposition of several assets and the completion of depreciation on other assets, partially offset by depreciation expense relating to the Plasma business.

Research and development: Research and development expenses for the three and six months ended November 30, 2008 and 2007 were \$69,644, \$84,338, \$90,726 and \$193,760, respectively. The reductions in each of the respected periods resulted from the decision to suspend all development activities on our aviation related technologies until we are able to raise sufficient working capital for such purposes.

Other income: Other income for the three and six month periods ending November 31, 2008 relates to the disposition of several vehicles and fully-depreciated surplus equipment..

Interest income, net: Interest income, net for the three and six months ended November 30, 2008 and 2007 was \$2,330, \$30,973, \$5,462 and \$70,773, respectively. The reduction in each of the periods presented was attributable to a reduction in cash available for investment in interest bearing investments and accounts.

Liquidity and Capital Resources

The report of our independent registered public accountant issued in conjunction with our audited financial statements and notes thereto for the year-ended May 31, 2008 indicated that there is substantial doubt about our ability to continue as a going concern. Our sources of liquidity have been primarily from government contracts and equity financings. We have undertaken several actions to mitigate the liquidity issue. We have suspended all research and development activities on our related aviation technologies, as we currently do not have the funds to continue such efforts. In the event third party funding becomes available for this effort we will re-evaluate the resumption of such activities. In addition, our maritime contracts were terminated as a result of the resignation of the employee who specialized in such research and development. The maritime contracts were the Company's sole source of revenue in all periods presented. This lack of funding has had an adverse impact on our ability to develop our current aviation and security related technologies. As a result we have undertaken to diversify our technology base by identifying other technologies to reduce our reliance on our current technologies.

As a result of this diversification effort, on September 10, 2008, we finalized our licensing agreement with the University of Tennessee Research Foundation for the licensing of patent rights related to atmospheric glow plasma technology. The agreement provides for exclusive worldwide rights to commercialize the technology in all but a few fields of use. The payment for the UTRF license agreement consists of our issuance of 260,417 shares of our common stock to UTRF and on-going royalties which we believe are generally in line with the market for this type of license. The UTRF license agreement is filed as Exhibit 10.6 to this Report on Form 10-Q without certain information proprietary to UTRF that it has required us to redact. We believe this technology can be applied to produce products used for, among other things, the sterilization or cleaning of a wide variety of objects and substances, such as medical instruments and air. Commercialization of this technology will require final product development and for certain applications may require regulatory approval. Additionally, in a related transaction on August 28, 2008, we purchased the assets of the previous licensee of this technology. These assets included essential instrument prototypes, engineering drawings, test equipment and a variety of facility related assets. The payment to the prior licensee for the assets was \$125,000 cash

and \$200,000 paid by the issuance of 289,436 shares of our common stock. We have also hired two senior executives to manage the newly acquired technology and oversee the overall growth plan for the Company, due to their experience in growing early stage companies. As of September 2008, we started incurring additional operating costs relating to this new business. The Company's previous senior management had since resigned.

To develop products under the licensed technology and bring products to market, we estimate that we will require approximately \$2.5 million of new working capital. We are looking to obtain this working capital with proceeds from one or more private placements of our securities, some type of financial transaction or a combination of both. On January 14, 2009, we completed a series of transactions in order to generate a portion of the required additional working capital, including the acquisition of a potato packing business located in Idaho known as Cummins Family Produce Inc., an Idaho corporation. In Item 5 of this Report on Form 10-Q, we describe these transactions and their anticipated impact on us and we refer the reader to Item 5 which must be read as a continuation of this discussion of our liquidity and capital resources.

Item 3. Qualitative and Quantitative Disclosures About Market Risk

Not applicable.

Item 4. Controls and procedures

a) The Company's Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-14(c) and 15d-14(c) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") as of the end of the period covered by this Form 10-Q (the "Evaluation Date"). Based on such evaluation, such officers has concluded that, as of the Evaluation Date, 1) the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports the Company files under the Securities Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and 2) the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed in the reports that the Company files or submits under the Exchange Act is accumulated and communicated to our management, including our chief executive officer and chief financial officer, to allow timely decisions regarding required disclosure.

c) Changes in Internal Controls. Effective September 2, 2008, the Company hired a new Chief Financial Officer. However, we do not believe that this will have a material affect on our internal control over financial reporting. There has been no change in our internal control over financial reporting that occurred during our most recent fiscal quarter that has materially affected or is reasonably likely to materially affect our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1: Legal Proceedings

None

Item 1A: Risk Factors

The following discussion supplements the discussion of the Company's known trends, risks and uncertainties contained in the Company's Annual Report filed on form 10-KSB for the year-ended May 31, 2008.

RISKS RELATING TO CONTINUATION OF OUR BUSINESS

To develop products under the licensed technology and bring products to market, we estimate that we will require approximately \$2.5 million of new working capital. We are looking to obtain this working capital with proceeds from one or more private placements of our securities, some type of financial transaction or a combination of both. On January 14, 2009, we completed a series of transactions in order to generate additional working capital. See Item 5 in this Form 10-Q for a full description of the transactions. As a result of these transactions, we anticipate we will have sufficient cash resources into the middle of our fiscal 4th quarter, i.e., approximately April 15, 2009, at which time we will need to seek additional working capital. We anticipate the amount of such additional working capital could be in the range of approximately \$350,000 to \$500,000 but cannot predict or estimate such amount with certainty as the ultimate amount will depend on many variables, such as potential third party development or licensing fees, the pace and success of our product development and sales, and cash generated the by the transactions described in Note 9. **In the event we are unable to secure additional working capital we will have to curtail our operations accordingly, thus slowing down our product development and marketing efforts. Any curtailment of our operations could have a material adverse effect on our operations and financial position.**

Risks Related to Our Business

CONTINUING OPERATING LOSSES

We have a history of incurring significant operating losses, including an operating loss of \$775,783 for the six-months ended November 30, 2008. We anticipate that we will continue to incur operating losses until such time as we are able to successfully commercialize our newly licensed technology. However, we can provide no assurances as to when, if ever, we will achieve operating profits or if we do, that we will be able to sustain such profitability and at what level of profitability.

OUR SUCCESS DEPENDS ON OUR SUCCESSFUL COMMERCIALIZATION OF THE ATMOSPHERIC GLOW PLASMA TECHNOLOGY

Our future success will depend on our ability to execute our operating plan to commercialize our newly acquired atmospheric glow plasma technology. On September 2, 2008 we organized a wholly owned subsidiary named Advanced Plasma Products, Inc. ("APP") to develop our plasma products line of business. APP has no history of operations or experience in commercialization of technology. We believe that our new senior management will be able to provide the necessary expertise to manage the commercialization of the technology, including the identification, acquisition and retention of the necessary resources. However, we estimate we will need approximately \$2.5 million of working capital to execute our operating plan. There can be no assurances that we will be successful in obtaining this working capital at all or in a timely manner.

GOVERNMENT APPROVAL OF OUR PRODUCTS

Certain markets to be targeted by APP will require that our products receive governmental approval before they can be offered for sale. There can be no assurances that we will be able to secure such governmental approval or that we can get such governmental approval on a timely basis to take advantage of market conditions.

LOSS OF KEY PERSONNEL

The future success of APP depends to a significant degree on the skills, experience and efforts of Messrs. Wood and Rosenfeld and certain key employees of APP and of the Company. The loss of any one or more of those individuals for any reason could have a material adverse impact on the operations of APP and the Company. We anticipate hiring additional expertise so as to minimize this risk, but will be unable to do so until we have raised sufficient working capital. However, there is no assurance that we will be able to hire the additional expertise or be able to do so in a timely manner.

SUCCESSFUL SALES AND MARKETING

The sales and marketing of our products will require us to find additional capable employees or distributors and manufacturer's representatives, who can understand, explain, market, and sell our technology and products to our targeted markets. We may not be successful in attracting, integrating, motivating or retaining new personnel for this effort.

SUCCESSFUL PRODUCTION

We also will need to assemble new personnel for the production of our products or identify an outside manufacturer for the production of our products. These demands will require us to rapidly increase the number of our employees, vendors, and subcontractors. There is intense competition for capable personnel in all of these areas, and we may not be successful in attracting, integrating, motivating, or retaining new personnel, vendors, or subcontractors for these required functions.

SIGNIFICANT COMPETITION

In many of our targeted markets, we may face significant competition in areas such as price, performance, perceived value, product recognition and availability of financial resources. Our strategy will be to design and position our products so that we can overcome these risks. However, we cannot guarantee that we will be able to overcome any or all of these competitive issues.

ACQUISITIONS COULD DISRUPT OUR BUSINESS

We may attempt to acquire businesses or technologies that we believe are a strategic or financial fit with our business. Any future acquisitions may result in unforeseen operating difficulties and expenditures and may absorb significant management attention. Since we may not be able to accurately predict these difficulties and expenditures, these costs may outweigh the value we realize from a future acquisition. Future acquisitions could result in issuances of equity securities that would reduce our stockholders' ownership interest.

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Risks Related to Investment in Our Securities

RISKS RELATING TO PENNY STOCKS

On September 29, 2008 our securities were delisted from the American Stock Exchange because we were unable to meet the continuing listing requirements relating to minimum stockholders' equity, share price and our history of continuing losses. Our share price was \$.20 at the time our delisting. Securities trading below \$5.00 per share are subject to the requirements of certain rules promulgated under the Securities Exchange Act of 1934. These rules require additional disclosure by broker-dealers in connection with any trades involving a security defined as a penny stock and impose various sales practice requirements on broker-dealers who sell penny stocks to persons other than established customers and accredited investors, generally institutions. The additional burdens imposed upon broker-dealers by such requirements may discourage broker-dealers from effecting transactions in our securities, which could severely limit the market price and liquidity of such securities and the ability of purchasers to sell our securities in the secondary market. A penny stock is defined generally as any non-exchange listed equity security that has a market price of less than \$5.00 per share, subject to certain exceptions. Shares of our common stock are now trading over-the-counter.

RISKS RELATING TO SHAREHOLDER DILUTION

We have indicated that we need to raise an additional approximately \$2.5 million dollars in working capital. The transactions we describe in Item 5 to this Report on Form 10-Q result in substantial dilution to our shareholders. With the trading range of the share price of our common stock between approximately \$.02 and \$.50, any future issuance of securities will significantly dilute the position of current shareholders.

YOU SHOULD CAREFULLY READ AND EVALUATE THIS ENTIRE FORM 10-Q AND OUR CURRENT SEC FILINGS INCLUDING THE RISKS IT DESCRIBES AND NOT CONSIDER OR RELY UPON ANY STATEMENT OR OPINION ABOUT US THAT IS NOT CONTAINED IN THIS FORM 10-Q AND OUR CURRENT SEC FILINGS.

Certain statements, information and opinions about us have appeared and may continue to appear in published news reports, analysts' reports, other media sources and our web site. Some of the information contained in these reports or sources may not be material to understanding our business or may be out of date, erroneous or inconsistent with that disclosed in this Form 10-Q and our current SEC filings. In making a decision to invest in our securities, you should not rely upon any of these statements, information or opinions and should only rely upon, consider and carefully evaluate the information and risks contained in this Form 10-Q and our current SEC filings.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Not applicable

Item 3. Defaults Upon Senior Securities

Not applicable

Item 4. Submission of Matters to a Vote of Security Holders

- a. The Company held its annual meeting on November 13, 2008.
- b. Not applicable
- c. Each matter voted upon at the meeting:
 - (i) Election of Directors

	<u>For</u>	<u>Withheld</u>
Kenneth S. Wood	6,057,281	234,672
Joseph J. Luca	6,056,281	235,672
James A. Schwartz	6,057,448	234,505
Wes Cummins	6,057,415	234,538

- (ii) Ratification of Appointment of Directors

	<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>BNV</u>
Beneficial common	6,201,002	32,615	15,287	0
Registered common	38,551	1,397	3,100	0

Item 5. Other Information

Entry into Material Definitive Agreements, Completion of Acquisition of Assets, and Unregistered Sales of Equity Securities

DESCRIPTION OF SERIES A CONVERTIBLE PREFERRED STOCK

On December 16, 2008, we filed with the Nevada Secretary of State a Certificate of Designations of the Powers, Preferences and Relative, Participating, Optional and Other Special Rights of Preferred Stock and Qualifications, Limitations and Restrictions Thereof of Series A Convertible Preferred Stock (the "Certificate") designating a Series A Convertible Preferred Stock ("Preferred Stock"), par value \$0.001 per share. Each share of Preferred Stock has a liquidating value of \$100 per share, is convertible into 1,429 shares of Common Stock of the Company (subject to adjustment) and pays a cash dividend of 8% or a dividend in kind of 10%. The dividends are paid quarterly and are based on the original purchase price of the Preferred Stock. No dividends will accrue or be paid for any fiscal quarter where shares of our common stock, on a volume weighted average price, trade in excess of \$0.14. Initially, each share of Preferred Stock will have the equivalent voting rights of 1,429 shares of our common stock and will vote with our existing common shareholders as a group on all matters subject to shareholder vote. However, the Preferred Stock shareholders will not be able to vote on issues involving redemption or a liquidation event until there has been an affirmative vote on such issues by our common stock shareholders. In that event, they will be allowed to vote as a group with our common stock shareholders on such issues, in effect, giving them a veto right. In the event of a liquidation of our assets, the Preferred Stock will have a liquidating preference and will participate in any remaining liquidating proceeds on an as-converted basis with our common shareholders after receiving the liquidating value of their Preferred Stock. Each share of Preferred Stock is convertible at the option of the

holder at any time into shares of our common stock by dividing the liquidity value of \$100 by a conversion price of \$0.07 per share of common stock. The number of shares of common stock issuable upon conversion is subject to antidilution protections if we issue additional shares of common stock at less than \$0.07 per share and upon stock splits, dividends and certain other events. The preceding description of the Preferred Stock is qualified in all respects by and reference is made to the Certificate which is filed as Exhibit 10.1 hereto, for a complete description of the terms of the Preferred Stock.

We will not register the shares of Preferred Stock or shares of common stock into which it may be converted with the U.S. Securities and Exchange Commission so as to make them eligible for publicly trading, and have no obligation or plans to do so in the future. Such shares will only be eligible to be sold or traded pursuant to the requirements of Rule 144, promulgated by the U.S. Securities and Exchange Commission, and applicable state securities laws.

SALE OF SHARES OF PREFERRED STOCK TO INVESTORS

On January 13, 2009, we entered into a Purchase Agreement (the "Investor Purchase Agreement"), pursuant to which on January 14, 2009 we sold and issued 4,400 shares of Preferred Stock for \$100 per share to a group of investors (the "Investors") in order to raise an aggregate of \$440,000 of equity for working capital purposes. Participating in this transaction are our two senior executives and three key employees (together "employees"). Payment will be in the form of cash at closing, except for the employees who will purchase an aggregate amount of \$100,000 of Preferred Stock. Four of these employees will purchase shares with a 20% cash payment at closing and by executing a non-interest bearing promissory note payable semimonthly with a maturity date of March 31, 2009. One of these employees will purchase shares with an 8% cash payment at closing and execute a non-interest bearing promissory note payable semimonthly with a maturity date of October 31, 2009. These notes are nonrecourse and collateralized solely by the employee's Preferred Stock.

The Preferred Stock sold herewith, is convertible at \$0.07 per share into a total of 6,285,714 shares of the Company's common stock, and significantly dilutes our existing common stock shareholders.

In the Investor Purchase Agreement, we agree to indemnify investors against damages they may suffer as a result of our breach of certain representations and warranties we have made in that Agreement.

The preceding description is qualified in all respects by and reference is made to, the Certificate and the Investor Purchase Agreement, respectively filed as Exhibits 10.1 and 10.2 hereto.

SALE OF SHARES OF PREFERRED STOCK TO ACQUIRE NEW BUSINESS

On January 13, 2009, we entered into a Purchase Agreement (the "CFP Purchase Agreement"), pursuant to which on January 14, 2009 we sold and issued 20,000 shares of Preferred Stock for \$100 per share to Cummins Family Limited Partnership, an Idaho limited partnership (the "Purchaser"). The Purchaser conveyed and transferred to us 100% of the outstanding stock of Cummins Family Produce, Inc., ("CFP") a potato packing business located in Idaho. The general partner and majority limited partner of the Purchaser is Cummins Family Holdings, LLC, an Idaho limited liability company controlled by Mr. Wes Cummins, a director of the Company. The consideration we are providing to the Purchaser also includes CFP's assumption of a bank promissory note in the amount of approximately \$211,000 incurred and owed by Mr. Cummins in connection with the operations of CFP. Under a performance based earn-out provision, we are obligated to issue an additional number of shares of Preferred Stock, such that the total purchase price is equal to 4.25 times the yearly average EBITDA of CFP calculated over the next two years, less the value of the bank promissory note assumed.

Just prior to the closing of this transaction, CFP executed (a) a 5-year supply agreement with Southern Slope, Inc., and Black Rock Ag., Inc. (together the "Growers") who will provide their potato harvest to the potato packing facility operated by CFP and (b) a 5-year lease agreement whereby CFP will lease the packing facility and equipment from Cummins Family Holdings, LLC, an Idaho limited liability company, which is controlled by Mr. Cummins. We believe that both agreements reflect current pricing in the industry. We have no rights to renew these agreements. Mr. Cummins is a majority shareholder in Southern Slope, Inc. and family members of his are the majority shareholders in Black Rock Ag., Inc.

The Preferred Stock initially issued to the Purchaser in regard to this transaction is convertible at \$0.07 per share into a total of 28,571,429 shares of our common stock and substantially dilutes our existing common shareholders. As a result of this transaction, Mr. Cummins will control over 60% of our voting shares.

In the CFP Purchase Agreement, we agree to indemnify the Purchaser against damages it may suffer as a result of our breach of certain representations and warranties we have made in that Agreement. The Purchaser also has agreed to indemnify us against damages that may result if it breaches certain representations and warranties it has made relating to CFP and the Purchaser.

The preceding description is qualified in all respects by and reference is made to, the Certificate, CFP Purchase Agreement, the Supply Agreement and the Lease Agreement, respectively filed as Exhibits 10.1, 10.3, 10.4 and 10.5 hereto, for a complete description of the terms of the CFP transactions.

DESCRIPTION OF NEW BUSINESS

Independent potato growers generally do not take their product directly to market. They contract with packers, such as Cummins Family Produce, Inc., the company we have acquired, which charges a packing fee to clean, grade, pack, and sell the potatoes to end users in the specific packing configurations requested by the customer. We believe the commodity risk to CFP is mitigated in that the amount it will pay to the grower generally will be the difference between the sales price of the potatoes to the customer and the packing fee paid to CFP. The more potatoes that CFP can bring into its operation and the better the quality of the potato, the more packing revenue it can generate. This operation

is highly automated and we believe can handle significant growth in its business without additional capital outlays, by extending or adding additional shifts of processing labor. We anticipate that this business can generate between \$700,000 and \$900,000 of free cash flow per year, as currently configured, although realization of revenue will depend on many factors and we can make no assurance as to the ultimate amount of revenue or cash flow that CFP will generate for us.

Our basic goal is to acquire cash flow, not hard assets, that CFP generates over a five year period, since the facility and equipment for the packing operation are being leased to us under a five (5) year lease and we have no renewal rights. Primarily all of the purchase price will be accounted for as goodwill. CFP has four full time salaried employees and approximately twenty hourly employees. We anticipate that all current employees of CFP will remain with CFP, including the current employee who manages its day-to-day operations.

RATIONALE FOR ACQUISITION OF NEW BUSINESS

We consider our acquisition of CFP strictly as a financial transaction by which we intend to procure cash flow from CFP over a five year period that will support development, marketing and sales of the atmospheric glow plasma technology we licensed from the University of Tennessee Research Foundation. As we have previously indicated, we need approximately \$2.5 million over a period of time in order to execute our business plan with respect to the acquired atmospheric glow plasma technology. It became apparent that we would not be able to raise that amount of equity in a single transaction as a result of the deterioration of our financial condition, the delisting from Amex, the decline of our share price and the current state of the financial markets. Our management and directors therefore explored other means to provide the needed capital.

The cash provided by our sale of \$440,000 of Preferred Stock will provide us with the initial capital to continue product development and start sales and marketing effort in our plasma business. We anticipate the cash provided by the CFP packing facility acquisition will supplement the initial capital as well as continue to supplement our monthly cash needs into our fourth fiscal quarter that begins March 1, 2009 so as to enable us to continue to operate and enable our wholly owned subsidiary, APP, to continue to develop the atmospheric plasma glow technology. However, we anticipate that by the middle of our fiscal 4th quarter, i.e., approximately April 15, 2009, we will need to secure additional working capital financing, until product revenues and cash flow from the packing facility create a sustainable operation. We anticipate the amount of such additional working capital could be in the range of approximately \$350,000 to \$ 500,000 but cannot predict or estimate such amount with certainty as the ultimate amount will depend on many variables, such as potential third party development or licensing fees, the pace and success of our product development and sales, and cash generated by CFP. **In the event we are unable to secure additional working capital we will have to curtail our operations accordingly, thus slowing down our product development and marketing efforts. Any curtailment of our operations could have a material adverse effect on our operations and financial position.**

OTHER ISSUANCES OF SHARES OF OUR COMMON STOCK

To complete the licensing of the atmospheric glow technology, we issued 260,417 shares of our unregistered common stock to UTRF on January 7, 2009. We also are issuing 20,000 shares of our common stock to a former employee as part of a severance and transition assistance package.

CERTAIN RISK FACTORS

CFP acquired its packing business in May, 2008. As part of its diligence, our management has visited the operations of CFP and reviewed its books and records and unaudited financial statements. CFP has only been in operation since May 2008 and does not have audited financial statements.

Because of cash constraints, we have not received a third party evaluation or fairness opinion on the foregoing transactions. Our management and board of directors has evaluated and discussed these transactions both with the input of Mr. Cummins and outside of his presence, and in view of the alternatives, believe they are fair and in the best interests of our shareholders. Mr. Cummins recused himself from all director votes required to approve these transactions.

In addition to the risks described above and those set forth in our Annual Report of Form 10-KSB for the year ended May 31, 2008 and in our quarterly report of Form 10-Q for the quarter ended August 31, 2008, which are hereby incorporated by reference, there will be other risks associated with our acquisition of CFP such as:

1. Falling demand for potatoes
2. Poor potato harvests
3. Loss of key employees of CFP
4. Increase in operating costs of CFP
5. Failure to achieve the expected cash flow levels
6. Failure of potato growers to maintain required acreage resulting in supply shortages
7. Poor quality potato product
8. Competition from other potato packers
9. Inability to keep the potato packing schedule full
10. Catastrophic breakdown in equipment and software relating to the automated potato packing processes
11. Failure to raise the additional working capital projected to be needed in our fiscal 4th quarter

RELATED PARTY TRANSACTIONS

As previously stated, Mr. Wesley Cummins, who is a director and shareholder of the Company, and holds a controlling interest in Cummins Family Limited Partnership, Cummins Family Holdings, LLC and Southern Slope, Inc., is a principal and affiliate of CFP, the company we are

purchasing and a principal or affiliate of the other parties to the Supply Agreement and Lease Agreement. Mr. Wesley Cummins' family members hold a controlling interest in Black Rock Ag., Inc.

Mr. James Schwartz, a director of the Company, is the managing member of Harvey Partners, LLC, a Delaware limited liability company that is the manager of Harvey SMidCap Fund LP, a Delaware limited partnership, and Harvey SMidCap Offshore Fund, Ltd., a Cayman Islands exempted company, which are participating in the Preferred Stock offering.

Mr. Kenneth Wood, President and Chief Executive Officer and a director of the Company is participating in the Preferred Stock offering.

Mr. Richard S. Rosenfeld, Chief Financial Officer, Vice President of Operations, Secretary/Treasurer is participating in the Preferred Stock offering.

Changes in Control of Registrant

As previously described, as a result of the transactions that occurred on January 14, 2009 as previously described in this report, Mr. Cummins, or his affiliates, own approximately 60% of our outstanding equity securities, comprised of our common shares and shares of Preferred Stock, and, subject to the rights and limitations contained in the Certificate, can cast approximately 60% of the votes attributable to all of our outstanding securities.

In addition, Mr. Cummins' voting the Preferred Stock as a class effectively can veto fundamental transactions, such as a sale of assets or merger.

This change in control will also create limitations to the use of our existing net operating tax loss carryforwards.

Amendment to Bylaws

Effective on December 15, 2008, we amended our bylaws by a unanimous vote of our board of directors, with Mr. Cummins abstaining, to add a new Section 6.11 that makes Sections 78.378 through and including Section 78.3793 of the Nevada Revised Statutes inapplicable to us.

Item 6. Exhibits

The following is a list of exhibits filed as part of the quarterly report on Form 10-Q. Where so indicated by footnote, exhibits which were previously filed are incorporated by reference. For exhibits incorporated by reference, the location of the exhibit in the previous filing is indicated.

Exhibit

Number Description

- | | |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3ii | *Amended and Restated Bylaws of Flight Safety Technologies, Inc. |
| 3.1 | Amended and Restated Articles of Incorporation (1) |
| 10.1/A | *Certificate of Designations of the Powers, Preferences and Relative, Participating, Optional and Other Special Rights of Preferred Stock and Qualifications, Limitations and Restrictions Thereof of Series A Convertible Preferred Stock for Flight Safety Technologies, Inc. dated December 15, 2008 |
| 10.2 | *Purchase Agreement dated as of January 13, 2009 |
| 10.3 | *Investor Purchase Agreement dated January 13, 2009 |
| 10.4 | *Supply Agreement dated as of January 13, 2009 |
| 10.5 | *Lease Agreement dated as of January 13, 2009 |
| 10.6/A† | *UTRF License Agreement dated as of September 10, 2008 |
| 10.9 | Agreement between Flight Safety Technologies, Inc. and Advanced Acoustics Concepts, Inc., dated January 14, 2000 (2) |
| 10.11 | Phase IV Contract issued by U.S. Department of Transportation/RITA/Volpe Center, dated September 1, 2005 (3) |
| 31.1 | *Chief Executive Officer Certification as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350) |
| 31.2 | *Chief Financial Officer Certification as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350) |

32.1 *Certification of Chief Executive Officer and Chief Financial Officer as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)

*Submitted herewith

- (1) Incorporated by reference to Exhibit 3.1 on our Form 10-QSB, which was filed on April 6, 2004.
- (2) Incorporated by reference to Exhibit 10.9 on our Form SB-2/A, which was filed on November 26, 2003.
- (3) Incorporated by reference to Exhibit 10.11 on our Form 10-QSB, which was filed on September 7, 2006.
- ✚ Portions of this Exhibit have been omitted and filed separately with the Securities and Exchange Commission as part of an application for confidential treatment.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: February 5, 2009	Flight Safety Technologies, Inc. a Nevada corporation By: /s/ Kenneth S. Wood
	Kenneth S. Wood Chief Executive Officer
Date: February 5, 2009	By: /s/ Richard S. Rosenfeld
	Richard S. Rosenfeld Chief Financial Officer

AMENDED AND RESTATED
BYLAWS
OF
FLIGHT SAFETY TECHNOLOGIES, INC
a Nevada corporation

SECTION 1. OFFICES

The principal office of Flight Safety Technologies, a Nevada corporation ("Corporation") shall be located at the principal place of business or such other place as the Board of Directors ("Board") may designate. The Corporation may have such other offices, either within or without the State of Nevada, as the Board may designate or as the business of the Corporation may require from time to time.

SECTION 2. SHAREHOLDERS

2.1 Annual Meeting

The annual meeting of the shareholders shall be held the first Friday of March in each year, or on such other day as shall be fixed by resolution of the Board, at the principal office of the Corporation, or such other place as fixed by the Board, for the purpose of electing directors and transacting such other business as may properly come before that meeting. If the day fixed for the annual meeting is a legal holiday at the place of that meeting, that meeting shall be held on the next succeeding business day.

2.2 Special Meetings

The Board, the President, or the Chairperson of the Board, may call special meetings of the shareholders for any purpose. The holders of not less than ten percent (10%) of all the outstanding shares of the Corporation entitled to vote for or against any issue proposed to be considered at the proposed special meeting, if they date, sign and deliver to the Corporation's Secretary a written demand for a special meeting specifying the purpose or purposes for which it is to be held, may call a special meeting of the shareholders for such specified purpose.

2.3 Place of Meeting

All meetings shall be held at the principal office of the Corporation, or at such other place as designated by the Board, by any persons entitled to call a meeting pursuant to the bylaws, or in a waiver of notice signed by all of the shareholders entitled to vote at that meeting.

2.4 Notice of Meeting

(a) The Corporation shall cause to be delivered to each shareholder entitled to notice of, or to vote at, an annual or special meeting of shareholders, either personally or by mail, not less than ten (10) days nor more than sixty (60) days before that meeting, written notice stating the date, time and place of that meeting and, in the case of a special meeting, the purpose or purposes for which that meeting is called.

(b) Notice to a shareholder of an annual or special shareholders meeting shall be in writing. Such notice, if in comprehensible form, is effective (a) when mailed, if it is mailed postpaid and is correctly addressed to that shareholder's address specified in the Corporation's then current record of shareholders, or (b) when received by that shareholder, if it is delivered by telegraph, facsimile transmission or private courier.

(c) If an annual or special shareholders meeting is adjourned to a different date, time, or place, notice of the new date, time, or place shall not be required if the new date, time, or place is announced at that meeting before adjournment, unless a new record date for the adjourned meeting is, or must be, fixed pursuant to (i) Section 2.6(a) of these bylaws or (ii) the Nevada General Corporation Law.

2.5 Waiver of Notice

(a) Whenever any notice is required to be given to any shareholder pursuant to the provisions of these bylaws, the Articles of Incorporation or the Nevada General Corporation Law, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time specified in such notice, and delivered to the Corporation for inclusion in the minutes for filing with the corporate records, shall be deemed equivalent to the giving of such notice.

(b) The attendance of a shareholder at a meeting shall be a waiver of each objection to lack of, or defect in, notice of such meeting or of consideration of a particular matter at that meeting, unless that shareholder, at the beginning of that meeting or prior to consideration of such matter, objects to holding that meeting, transacting business at that meeting, or considering the matter when presented at that meeting.

2.6 Fixing of Record Date for Determining Shareholders

(a) For the purpose of determining shareholders entitled to notice of, or to vote at, any meeting of shareholders, or any adjournment thereof, or

shareholders entitled to receive payment of any dividend, or to make a determination of shareholders for any other purpose, the Board may fix in advance a date as the record date for any such determination. Such record date shall be not more than seventy (70) days, and in-case of a meeting of shareholders, not less than ten (10) days, prior to the date on which the particular action requiring such determination is to be taken. If no record date is fixed for the determination of shareholders entitled to notice of, or to vote at, a meeting, or to receive payment of a dividend, the date on which the notice of meeting is mailed or on which the resolution of the Board declaring such dividend is adopted, as the case may be, shall be the record date for such determination. Such determination shall apply to any adjournment of that meeting; provided, however, such adjournment is not set for a date more than one hundred twenty (120) days after the date fixed for the original meeting.

(b) The record date for the determination of shareholders entitled to demand a special shareholders meeting shall be the date the first shareholder signs the demand.

2.7 Shareholders' List

(a) Beginning two (2) business days after notice of a meeting of shareholders is given, a complete alphabetical list of the shareholders entitled to notice of that meeting shall be made, arranged by voting group, and within each voting group by class or series, with the address of and number of shares held by each shareholder. Such record shall be kept on file at the Corporation's principal office or at a place identified in that meeting notice in the city where the meeting will be held. On written demand, such record shall be subject to inspection by any shareholder at any time during normal business hours. Such record shall also be kept open at that meeting for inspection by any shareholder.

(b) A shareholder may, on written demand, copy the shareholders' list at such shareholder's expense during regular business hours; provided, however, that:

- i. Such shareholder's demand is made in good faith and for another purpose;
- ii. Such shareholder has described with reasonable particularity such shareholder's purpose specified in the written demand; and
- iii. The shareholders' list is directly related to such shareholder's purpose.

2.8 Quorum

A majority of the votes entitled to be cast on a matter at a meeting by a voting group, represented in person or by proxy, shall constitute a quorum of that voting group for action on that matter at a meeting of the shareholders. If a quorum is not present for a matter to be acted upon, a majority of the shares represented at that meeting may adjourn that meeting from time to time without additional notice. If the necessary quorum is present or represented at a reconvened meeting following such an adjournment, any business may be transacted that might have been transacted at the meeting as originally called. The shareholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

2.9 Manner of Acting

(a) If a quorum exists, action on a matter (other than the election of directors) by a voting group is approved if the votes cast within the voting group favoring the action exceed the votes cast opposing the action, unless the affirmative vote of a greater number is required by these bylaws, the Articles of Incorporation or the Nevada General Corporation Law.

(b) If a matter is to be voted on by a single group, action on that matter is taken when voted upon by that voting group. If a matter is to be voted on by two (2) or more voting groups, action on that matter is taken only when voted upon by each of those voting groups counted separately. Action may be taken by one voting group on a matter even though no action is taken by another voting group entitled to vote on such matter.

2.10 Proxies

A shareholder may vote by proxy executed in writing by that shareholder or by his or her attorney-in-fact. Such proxy shall be effective when received by the Secretary or other officer or agent authorized to tabulate votes at the meeting. A proxy shall become invalid eleven (11) months after the date of its execution, unless otherwise expressly provided in the proxy. A proxy for a specified meeting shall entitle the holder thereof to vote at any adjournment of that meeting, but shall not be valid after the final adjournment thereof.

2.11 Voting of Shares

Each outstanding share entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of shareholders.

2.12 Voting for Directors

Each shareholder may vote, in person or by proxy, the number of shares owned by such shareholder that are entitled to vote at an election of directors, for as many persons as there are directors to be elected and for whose election such shares have a right to vote. Unless otherwise provided in the Articles of Incorporation, directors are elected by a plurality of the votes cast by shares entitled to vote in the election at a meeting at which a quorum is present.

2.13 Voting of Shares by Corporations

2.13.1 Shares Held by Another Corporation

Shares standing in the name of another corporation may be voted by such officer, agent or proxy as the bylaws of such other corporation may prescribe, or, in the absence of such provision, as the board of directors of such corporation may determine; provided, however, such shares are not entitled to vote if the Corporation owns, directly or indirectly, a majority of the shares entitled to vote for directors of such other corporation.

2.13.2 Shares Held by the Corporation

Authorized but unissued shares shall not be voted or counted for determining whether a quorum exists at any meeting or counted in determining the total number of outstanding shares at any given time. Notwithstanding the foregoing, shares of its own stock held by the Corporation in a fiduciary capacity may be counted for purposes of determining whether a quorum exists, and may be voted by the Corporation.

2.14 Acceptance or Rejection of Shareholder Votes, Consents, Waivers and Proxy Appointments

2.14.1 Documents Bearing Name of Shareholders

If the name signed on a vote, consent, waiver or proxy appointment corresponds to the name of a shareholder, the Secretary or other agent authorized to tabulate votes at the meeting may, if acting in good faith, accept such vote, consent, waiver or proxy appointment and give it effect as the act of the shareholder.

2.14.2 Documents Bearing Name of Third Parties

If the name signed on a vote, consent, waiver or proxy appointment does not correspond to the name of its shareholder, the Secretary or other agent authorized to tabulate votes at the meeting may nevertheless, if acting in good faith, accept such vote, consent, waiver or proxy appointment and give it effect as the act of the shareholder if:

- (a) The shareholder is an entity and the name signed purports to be that of an officer or an agent of that entity;
- (b) The name signed purports to be that of an administrator, executor, guardian or conservator representing the shareholder and, if the Secretary or other agent requests, acceptable evidence of fiduciary status has been presented;
- (c) The name signed purports to be that of a receiver or trustee in bankruptcy of the shareholder, and, if the Secretary or other agent requests, acceptable evidence of this status has been presented;
- (d) The name signed purports to be that of a pledgee, beneficial owner or attorney-in-fact of the shareholder and, if the Secretary or other agent requests, acceptable evidence of the signatory's authority to sign has been presented; or
- (e) Two or more persons are the shareholder as co-owners or fiduciaries and the name signed purports to be the name of at least one of the co-owners and the person signing appears to be acting on behalf of all co-owners.

2.14.3 Rejection of Documents

The Secretary or other agent authorized to tabulate votes at the meeting is entitled to reject a vote, consent, waiver or proxy appointment if such agent, acting in good faith, has reasonable basis for doubt about the validity of the signature on it or about the signatory's authority to sign for the shareholder.

SECTION 3. BOARD OF DIRECTORS

3.1 General Powers

The business and affairs of the Corporation shall be managed by the Board, except as may be otherwise provided in these Bylaws, the Articles of Incorporation or the Nevada General Corporation Law.

3.2 Number, Tenure and Qualifications

The Board of Directors shall consist of no less than one (1) and no more than fifteen (15) Directors, the specific number to be set by resolution of the Board of Directors. The number of directors may be changed from time to time by amendment to these Bylaws, but no decrease in the number of directors shall shorten the term of any incumbent director. The terms of the directors expire at the next annual shareholder's meeting following their election. Despite the expiration of a director's term, however, the director shall continue to serve until such director's successor is elected and qualifies or until there is a decrease in the number of directors. Directors need not be shareholders of the Corporation or residents of the State of Nevada.

3.3 Annual and Regular Meetings

An annual meeting of the Board of Directors shall be held without additional notice immediately after and at the same place as the annual meeting of shareholders.

By resolution the Board of Directors, or any committee thereof, may specify the time and place for holding regular meetings thereof without

other notice than such resolution.

3.4 Special Meetings

Special meetings of the Board of Directors or any committee designated by the Board of Directors may be called by or at the request of the Chair of the Board of Directors, or the President or any director and, in the case of any special meeting of any committee designated by the Board of Directors, by the Chair thereof. The person or persons authorized to call special meetings may fix any place either within or without the State of Nevada as the place for holding any special Board or committee meeting called by them.

3.5 Meetings by Telecommunications

Members of the Board of Directors or any committee designated by the Board of Directors may participate in a meeting of the Board of Directors or such committee by use of any means of telecommunications equipment pursuant to which all persons participating may simultaneously hear each other during such meeting. Participation by such method shall be deemed presence in person at such meeting.

3.6 Notice of Special Meetings

Notice of a special Board of Directors or committee meeting specifying the date, time and place of such meeting shall be given to a director in writing or orally by telephone or in person as specified below. Neither the business to be transacted at, nor the purpose of, any special meeting need be specified in the notice of such meeting.

3.6.1 Personal Delivery

If delivery is by personal service, the notice shall be effective if delivered at the address specified on the records of the Corporation at least one day before the meeting.

3.6.2 Delivery by Mail

If notice is delivered by mail, the notice shall be deemed effective if deposited in the official government mail at least five (5) days before the meeting properly addressed to a director at his or her address specified on the records of the Corporation with postage prepaid.

3.6.3 Delivery by Telegraph

If notice is delivered by telegraph, the notice shall be deemed effective if the content thereof is delivered to the telegraph company by such time that the telegraph company guarantees delivery at least one day before the meeting.

3.6.4 Oral Notice

If notice is delivered orally, by telephone or in person, the notice shall be effective if personally given to a director at least one day before the meeting.

3.6.5 Notice by Facsimile Transmission

If notice is delivered by facsimile transmission, the notice shall be deemed effective if the content thereof is transmitted to the office of a director, at the facsimile number specified on the records of the Corporation, at least one day before the meeting, and receipt is either confirmed by confirming transmission equipment or acknowledged by the receiving office.

3.6.6 Notice by Private Courier

If notice is delivered by private courier, the notice shall be deemed effective if delivered to the courier, properly addressed and prepaid, by such time that the courier guarantees delivery at least one day before the meeting.

3.7 Waiver of Notice

3.7.1 Written Waiver

Whenever any notice is required to be given to any director pursuant to the provisions of these Bylaws, the Articles of Incorporation or the Nevada General Corporation Law, a waiver thereof in writing, executed at any time, specifying the meeting for which notice is waived, signed by the person or persons entitled to such notice, and filed with the minutes or corporate records, shall be deemed equivalent to the giving of such notice.

3.7.2 Waiver by Attendance

The attendance of a director at a Board of Directors or committee meeting shall constitute a waiver of notice of such meeting, unless such director, at the beginning of the meeting, or promptly upon such director's arrival, objects to holding the meeting or transacting any business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

3.8 Quorum

A majority of the number of directors determined by or in the manner provided by these Bylaws shall constitute a quorum for the transaction of business at any Board of Directors meeting.

3.9 Manner of Acting

The act of the majority of the directors present at a Board of Directors or committee meeting at which there is a quorum shall be the act of the Board of Directors or committee, unless the vote of a greater number is required by these Bylaws, the Articles of Incorporation or the Nevada General Corporation Law.

3.10 Presumption of Assent

A director of the Corporation present at a Board of Directors or committee meeting at which action on any corporate matter is taken shall be deemed to have assented to the action taken unless such director objects at the beginning of the meeting, or promptly upon such director's arrival, to holding the meeting or transacting business at the meeting; or such director's dissent is entered in the minutes of the meeting; or such director delivers a written notice of dissent or abstention to such action with the presiding officer of the meeting before the adjournment thereof; or such director forwards such notice by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. A director who voted in favor of such action may not thereafter dissent or abstain.

3.11 Action by Board of Directors or Committee Without a Meeting

Any action which could be taken at a meeting of the Board of Directors or of any committee appointed by the Board of Directors may be taken without a meeting, if a written consent setting forth the action so taken is signed by each Director or by each committee member. The action shall be effective when the last signature is placed on the consent, unless the consent specifies an earlier or later date. Such written consent, which shall have the same effect as a unanimous vote of the directors or such committee, shall be inserted in the minute book as if it were the minutes of a Board of Directors or committee meeting.

3.12 Resignation

Any director may resign at any time by delivering written notice to the Chair of the Board of Directors, the Board of Directors, or to the registered office of the Corporation. Such resignation shall take effect at the time specified in the notice, or if no time is specified, upon delivery. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board of Directors.

3.13 Removal

One or more members of the Board of Directors (including the entire Board of Directors) may be removed at a meeting of shareholders called expressly for that purpose, provided that the notice of such meeting states that the purpose, or one of the purposes, of the meeting is such removal. A member of the Board of Directors may be removed with or without cause, unless the Articles of Incorporation permit removal for cause only, by a vote of the holders of a majority of the shares then entitled to vote on the election of the director. A director may be removed only if the number of votes cast to remove the director exceeds the number of votes cast to not remove the director. If a director is elected by a voting group of shareholders, only the shareholders of that voting group may participate in the vote to remove such director.

3.14 Vacancies

Any vacancy occurring on the Board of Directors, including a vacancy resulting from an increase in the number of directors, may be filled by the shareholders, by the Board of Directors, by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors, or by a sole remaining director. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office; except that the term of a director elected by the Board of Directors to fill a vacancy expires at the next shareholders' meeting at which directors are elected. Any directorship to be filled by reason of an increase in the number of directors may be filled by the affirmative vote of a majority of the number of directors fixed by the Bylaws prior to such increase for a term of office continuing only until the next election of directors by the shareholders. Any directorship not so filled by the directors shall be filled by election at the next annual meeting of shareholders or at a special meeting of shareholders called for that purpose. If the vacant directorship is filled by the shareholders and was held by a director elected by a voting group of shareholders, then only the holders of shares of that voting group are entitled to vote to fill such vacancy. A vacancy that will occur at a specific later date by reason of a resignation effective at such later date or otherwise may be filled before the vacancy occurs, but the new director may not take office until the vacancy occurs.

3.15 Minutes

The Board of Directors shall keep minutes of its meetings and shall cause them to be recorded in books kept for that purpose.

3.16 Executive and Other Committees

3.16.1 Creation of Committees

The Board of Directors, by resolution adopted by a majority of the number of Directors fixed in the manner provided by these Bylaws, may appoint standing or temporary committees, including an Executive Committee, from its own number. The Board of Directors may invest such committee(s) with such powers as it may see fit, subject to such conditions as may be prescribed by the Board of Directors, these Bylaws, the Articles of Incorporation and the Nevada General Corporation Law.

3.16.2 Authority of Committees

Each committee shall have and may exercise all of the authority of the Board of Directors to the extent provided in the resolution of the Board of Directors designating the committee and any subsequent resolutions pertaining thereto and adopted in like manner, except that no such committee shall have the authority to (a) authorize distributions, except as may be permitted by Section 3.16.2 (g) of these Bylaws; (b) approve or propose to shareholders actions required by the Nevada General Corporation Law to be approved by shareholders; (c) fill vacancies on the Board of Directors or any committee thereof; (d) adopt, amend or repeal these Bylaws; (e) amend the Certificate of Incorporation; (f) approve a plan of merger not requiring shareholder approval; or (g) authorize or approve reacquisition of shares, except within limits prescribed by the Board of Directors.

3.16.3 Quorum and Manner of Acting

A majority of the number of Directors composing any committee of the Board of Directors, as established and fixed by resolution of the Board of Directors, shall constitute a quorum for the transaction of business at any meeting of such committee.

3.16.4 Minutes of Meetings

All committees so appointed shall keep regular minutes of their meetings and shall cause them to be recorded in books kept for that purpose.

3.16.5 Resignation

Any member of any committee may resign at any time by delivering written notice thereof to the Board of Directors, the Chair of the Board of Directors or the Corporation. Any such resignation shall take effect at the time specified in the notice, or if no time is specified, upon delivery. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board of Directors.

3.16.6 Removal

The Board of Directors may remove from office any member of any committee elected or appointed by it, but only by the affirmative vote of not less than a majority of the number of directors fixed by or in the manner provided by these Bylaws.

3.17 Compensation

By Board of Directors resolution, directors and committee members may be paid their expenses, if any, of attendance at each Board of Directors or committee meeting, or a fixed sum for attendance at each Board of Directors or committee meeting, or a stated salary as director or a committee member, or a combination of the foregoing. No such payment shall preclude any director or committee member from serving the Corporation in any other capacity and receiving compensation therefor.

SECTION 4. OFFICERS

4.1 Number

The Officers of the Corporation shall be a President and a Secretary, each of whom shall be appointed by the Board of Directors. One or more Vice Presidents, a Treasurer and such other Officers and assistant Officers, including a Chair of the Board of Directors, may be appointed by the Board of Directors; such officers and assistant officers to hold office for such period, have such authority and perform such duties as are provided in these Bylaws or as may be provided by resolution of the Board of Directors. Any Officer may be assigned by the Board of Directors any additional title that the Board of Directors deems appropriate. The Board of Directors may delegate to any officer or agent the power to appoint any such subordinate officers or agents and to prescribe their respective terms of office, authority and duties. Any two or more offices may be held by the same person.

4.2 Appointment and Term of Office

The officers of the Corporation shall be appointed annually by the Board of Directors at the Board of Directors meeting held after the annual meeting of the shareholders. If the appointment of officers is not made at such meeting, such appointment shall be made as soon thereafter as a Board of Directors meeting conveniently may be held. Unless an officer dies, resigns, or is removed from office, he or she shall hold office until the next annual meeting of the Board of Directors or until his or her successor is appointed.

4.3 Resignation

Any officer may resign at any time by delivering written notice to the Corporation. Any such resignation shall take effect at the time specified in the notice, or if no time is specified, upon delivery. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board of Directors.

4.4 Removal

Any officer or agent appointed by the Board of Directors may be removed by the Board of Directors, with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Appointment of an officer or agent shall not of itself create contract rights.

4.5 Vacancies

A vacancy in any office because of death, resignation, removal, disqualification, creation of a new office or any other cause may be filled by the Board of Directors for the unexpired portion of the term, or for a new term established by the Board of Directors. If a resignation is made effective at a later date, and the Corporation accepts such future effective date, the Board of Directors may fill the pending vacancy before the effective date, if the Board of Directors provides that the successor does not take office until the effective date.

4.6 Chair of the Board of Directors

If appointed, the Chair of the Board of Directors shall perform such duties as shall be assigned to him or her by the Board of Directors from time to time and shall preside over meetings of the Board of Directors and shareholders unless another officer is appointed or designated by the Board of Directors as Chair of such meeting.

4.7 President

The President shall be the chief executive officer of the Corporation unless some other Officer is so designated by the Board of Directors, shall preside over meetings of the Board of Directors and shareholders in the absence of a Chair of the Board of Directors and, subject to the Board of Directors' control, shall supervise and control all of the assets, business and affairs of the Corporation. The President shall have authority to sign deeds, mortgages, bonds, contracts, or other instruments, except when the signing and execution thereof have been expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation, or are required by law to be otherwise signed or executed by some other officer or in some other manner. In general, the President shall perform all duties incident to the office of President and such other duties as are prescribed by the Board of Directors from time to time.

4.8 Vice President

In the event of the death of the President or his or her inability to act, the Vice President (or if there is more than one Vice President, the Vice President who was designated by the Board of Directors as the successor to the President, or if no Vice President is so designated, the Vice President first appointed to such office) shall perform the duties of the President, except as may be limited by resolution of the Board of Directors, with all the powers of and subject to all the restrictions upon the President. Vice Presidents shall have, to the extent authorized by the President or the Board of Directors, the same powers as the President to sign deeds, mortgages, bonds, contracts or other instruments. Vice Presidents shall perform such other duties as from time to time may be assigned to them by the President or by the Board of Directors.

4.9 Secretary

The Secretary shall (a) prepare and keep the minutes of meetings of the shareholders and the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be responsible for custody of the corporate records and seal of the corporation; (d) keep registers of the post office address of each shareholder and Director; (e) have general charge of the stock transfer books of the Corporation; and (f) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors. In the absence of the Secretary, an Assistant Secretary may perform the duties of the Secretary.

4.10 Treasurer

If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such amount and with such surety or sureties as the Board of Directors shall determine. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in banks, trust companies or other depositories selected in accordance with the provisions of these Bylaws; and in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors. In the absence of the Treasurer, an Assistant Treasurer may perform the duties of the Treasurer.

4.11 Salaries

The salaries of the Officers shall be fixed from time to time by the Board of Directors or by any person or persons to whom the Board of Directors has delegated such authority. No officer shall be prevented from receiving such salary by reason of the fact that he or she is also a Director of the Corporation.

**SECTION 5. CONTRACTS, LOANS,
CHECKS AND DEPOSITS**

5.1 Contracts

The Board of Directors may authorize any Officer or Officers, or agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances.

5.2 Loans to the Corporation

No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

5.3 Loans to Directors

The Corporation shall not lend money to or guarantee the obligation of a Director unless (a) the particular loan or guarantee is approved by a majority of the votes represented by the outstanding voting shares of all classes, voting as a single voting group, excluding the votes of the shares owned by or voted under the control of the benefitted director; or (b) the Board of Directors determines that the loan or guarantee benefits the Corporation and either approves the specific loan or guarantee or a general plan authorizing the loans and guarantees. The fact that a loan or guarantee is made in violation of this provision shall not affect the borrower's liability on the loan.

5.4 Checks, Drafts, Etc.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, or agent or agents, of the Corporation and in such manner as is from time to time determined by resolution of the Board of Directors.

5.5 Deposits

All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

**SECTION 6. CERTIFICATES FOR SHARES
AND THEIR TRANSFER**

6.1 Issuance of Shares

No shares of the Corporation shall be issued unless authorized by the Board of Directors, which authorization shall include the maximum number of shares to be issued and the consideration to be received for each share. Before the Corporation issues shares, the Board of Directors shall determine that the consideration received or to be received for such shares is adequate. Such determination by the Board of Directors shall be conclusive insofar as the adequacy of consideration for the issuance of shares relates to whether the shares are validly issued, fully paid and nonassessable.

6.2 Escrow for Shares

The Board of Directors may authorize the placement in escrow of shares issued for a contract for future services or benefits or a promissory note, or may authorize other arrangements to restrict the transfer of shares, and may authorize the crediting of distributions in respect of such shares against their purchase price, until the services are performed, the note is paid or the benefits received. If the services are not performed, the note is not paid, or the benefits are not received, the Board of Directors may cancel, in whole or in part, such shares placed in escrow or restricted and such distributions credited.

6.3 Certificates for Shares

Certificates representing shares of the Corporation shall be in such form as shall be determined by the Board of Directors. Such certificates shall be signed by any two of the following officers: the Chair of the Board of Directors, the President, any Vice President, the Treasurer, the Secretary or any Assistant Secretary. Any or all of the signatures on a certificate may be facsimiles if the certificate is manually signed on behalf of a transfer agent or a registrar other than the Corporation itself or an employee of the Corporation. All certificates shall be consecutively numbered or otherwise identified.

6.4 Stock Records

The stock transfer books shall be kept at the registered office or principal place of business of the Corporation or at the office of the Corporation's transfer agent or registrar. The name and address of each person to whom certificates for shares are issued, together with the

class and number of shares represented by each such certificate and the date of issue thereof, shall be entered on the stock transfer books of the Corporation. The person in whose name shares stand on the books of the Corporation shall be deemed by the Corporation to be the owner thereof for all purposes.

6.5 Restriction on Transfer

6.5.1 Securities Laws

Except to the extent that the Corporation has obtained an opinion of counsel acceptable to the Corporation that transfer restrictions are not required under applicable securities laws, or has otherwise satisfied itself that such transfer restrictions are not required, all certificates representing shares of the Corporation shall bear conspicuously on the front or back of the certificate a legend or legends describing the restriction or restrictions.

6.5.2 Other Restrictions

In addition, the front or back of all certificates shall include conspicuous written notice of any further restrictions which may be imposed on the transferability of such shares.

6.6 Transfer of Shares

Transfer of shares of the Corporation shall be made only on the stock transfer books of the Corporation pursuant to authorization or document of transfer made by the holder of record thereof or by his or her legal representative, who shall furnish proper evidence of authority to transfer, or by his or her attorney-in-fact authorized by power of attorney duly executed and filed with the Secretary of the Corporation. All certificates surrendered to the Corporation for transfer shall be cancelled and no new certificate shall be issued until the former certificates for a like number of shares shall have been surrendered and cancelled.

6.7 Lost or Destroyed Certificates

In the case of a lost, destroyed or mutilated certificate, a new certificate may be issued therefor upon such terms and indemnity to the Corporation as the Board of Directors may prescribe.

6.8 Transfer Agent and Registrar

The Board of Directors may from time to time appoint one or more Transfer Agents and one or more Registrars for the shares of the Corporation, with such powers and duties as the Board of Directors shall determine by resolution.

6.9 Officer Ceasing to Act

In case any officer who has signed or whose facsimile signature has been placed upon a stock certificate shall have ceased to be such officer before such certificate is issued, it may be issued by the Corporation with the same effect as if the signer were such officer at the date of its issuance.

6.10 Fractional Shares

The Corporation shall not issue certificates for fractional shares.

6.11 Waiver of Sections 78.378 - 78.3793

Sections 78.378 through and including 78.3793 of the Nevada Revised Statutes shall not apply to the Corporation.

SECTION 7. BOOKS AND RECORDS

The Corporation shall keep correct and complete books and records of account, stock transfer books, minutes of the proceedings of its shareholders and Board of Directors and such other records as may be necessary or advisable.

SECTION 8. FISCAL YEAR

The fiscal year of the Corporation shall be the calendar year; provided, however, that the Board of Directors may select a different fiscal year at any time for purposes of federal income taxes, or otherwise.

SECTION 9. SEAL

The seal of the Corporation, if any, shall consist of the name of the Corporation and the state of its incorporation

SECTION 10. INDEMNIFICATION

10.1 Right to Indemnification of Directors and Officers

Each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereafter a "proceeding"), by reason of the fact that he or she is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director or officer of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan hereinafter an "indemnitee"), whether the basis of such proceeding is alleged action in an official capacity as a director or officer or in any other capacity while serving as a director or officer shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Nevada General Corporation Law, as the same exists or may hereafter be amended, (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than permitted prior thereto), against all expense, liability and loss (including attorney's fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such indemnitee in connection therewith and such indemnification shall continue as to an indemnitee who has ceased to be a director or officer and shall inure to the benefit of the indemnitee's heirs, executors and administrators; provided, however, that, except as provided in Section 10.3 of these Bylaws or with respect to proceedings to enforce rights to indemnification, the Corporation shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation.

10.2 Right to Advancement of Expenses

The right to indemnification conferred in Section 10.1 of these Bylaws shall include the right to be paid by the Corporation the expenses incurred in defending any proceeding for which such right to indemnification is applicable in advance of its final disposition (hereinafter an "advancement of expenses"); provided, however, that, if the Nevada General Corporation Law requires, an advancement of expenses incurred by an indemnitee in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the Corporation of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this section or otherwise.

10.3 Right of Indemnitee to Bring Suit

The rights to indemnification and to the advancement of expenses conferred in Sections 10.1 and 10.2 of these Bylaws shall be contract rights. If a claim under Sections 10.1 and 10.2 of these Bylaws is not paid in full by the Corporation within sixty (60) days after a written claim has been received by the Corporation, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty (20) days, the indemnitee may at any time thereafter bring suit against the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit. In (i) any suit brought by the indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the indemnitee to enforce a right to an advancement of expenses) it shall be a defense that, and (ii) in any suit by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking the Corporation shall be entitled to recover such expenses upon a final adjudication that, the indemnitee has not met any applicable standard for indemnification set forth in the Nevada General Corporation Law. Neither the failure of the Corporation (including its board of directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct set forth in Nevada General Corporation Law, nor an actual determination by the Corporation (including its board of directors, independent legal counsel, or its stockholders) that the indemnitee has not met such applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this section or otherwise shall be on the Corporation.

10.4 Non-Exclusivity of Rights

The rights to indemnification and to the advancement of expenses conferred in this article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, the Corporation's certificate of incorporation, bylaw, agreement, vote of stockholders or disinterested directors or otherwise.

10.5 Insurance

The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Nevada General Corporation Law.

10.6 Indemnification of Employees and Agents of the Corporation

The Corporation may, to the extent authorized from time to time by the board of directors, grant rights to indemnification, and to the advancement of expenses to any employee or agent of the Corporation to the fullest extent of the provisions of this article with respect to the indemnification and advancement of expenses of directors and officers of the Corporation.

10.7 No Presumption of Bad Faith

The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of this Corporation, or, with respect to any criminal proceeding, that the person had reasonable cause to believe that the conduct was unlawful.

10.8 Survival of Rights

The rights conferred on any person by this Bylaw shall continue as to a person who has ceased to be a director, officer, employee or other agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

10.9 Amendments to Law

For purposes of this Bylaw, the meaning of "law" within the phrase "to the fullest extent not prohibited by law" shall include, but not be limited to, the Nevada General Corporation Law, as the same exists on the date hereof or as it may be amended; provided, however, that in the case of any such amendment, such amendment shall apply only to the extent that it permits the Corporation to provide broader indemnification rights than the Act permitted the Corporation to provide prior to such amendment.

10.10 Savings Clause

If this Bylaw or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, the Corporation shall indemnify each director, [officer or other agent] to the fullest extent permitted by any applicable portion of this Bylaw that shall not have been invalidated, or by any other applicable law.

10.11 Certain Definitions

For the purposes of this Section, the following definitions shall apply:

(a) The term "proceeding" shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement and appeal of any threatened, pending or completed action, suit or proceeding, whether brought in the right of the Corporation or otherwise and whether civil, criminal, administrative or investigative, in which the director or officer may be or may have been involved as a party or otherwise by reason of the fact that the director or officer is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise.

(b) The term "expenses" shall be broadly construed and shall include, without limitation, all costs, charges and expenses (including fees and disbursements of attorneys, accountants and other experts) actually and reasonably incurred by a director or officer in connection with any proceeding, all expenses of investigations, judicial or administrative proceedings or appeals, and any expenses of establishing a right to indemnification under these Bylaws, but shall not include amounts paid in settlement, judgments or fines.

(c) "Corporation" shall mean Flight Safety Technologies, Inc. and any successor corporation thereof.

(d) Reference to a "director" or "officer" of the Corporation shall include, without limitation, situations where such person is serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise.

(e) References to "other enterprises" shall include employee benefit plans. References to "fines" shall include any excise taxes assessed on a person with respect to any employee benefit plan. References to "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants, or beneficiaries. A person who acted in good faith and in a manner the person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this Bylaw.

SECTION 11. AMENDMENTS

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board of Directors at any regular or special meeting of the Board of Directors; provided, however, that the shareholders, in amending or repealing a particular Bylaw, may provide expressly that the Board of Directors may not amend or repeal that Bylaw. The shareholders may also make, alter, amend and repeal the Bylaws of the Corporation at any annual meeting or at a special meeting called for that purpose. All Bylaws made by the Board of Directors may be amended, repealed, altered or modified by the shareholders at any regular or special meeting called for that purpose.

The foregoing Bylaws were adopted by the Board of Directors of the Corporation on May 22, 2001 and amended on December 15, 2008.

December 15, 2008	By: /s/ Richard S. Rosenfeld
Date	Richard S. Rosenfeld Secretary of Flight Safety Technologies, Inc.

CERTIFICATE OF DESIGNATIONS OF THE POWERS, PREFERENCES AND RELATIVE, PARTICIPATING, OPTIONAL AND OTHER SPECIAL RIGHTS OF PREFERRED STOCK AND QUALIFICATIONS, LIMITATIONS AND RESTRICTIONS THEREOF

Of

SERIES A

CONVERTIBLE PREFERRED STOCK

for

FLIGHT SAFETY TECHNOLOGIES, INC.

FLIGHT SAFETY TECHNOLOGIES, INC., a Nevada corporation (the "**Corporation**"), pursuant to the provisions of Section 78.1955 of the General Corporation Law of the State of Nevada, does hereby make this Certificate of Designations and does hereby state and certify that pursuant to the authority expressly vested in the Board of Directors of the Corporation by the Certificate of Incorporation of the Corporation, the Board of Directors duly adopted the following resolutions, which resolutions remain in full force and effect as of the date hereof:

RESOLVED, that, pursuant to Article Fourth of the Certificate of Incorporation of the Corporation, the Board of Directors hereby authorizes the issuance of, and fixes the designation and preferences and relative, participating, optional and other special rights, and qualifications, limitations and restrictions, of a series of preferred stock consisting of 70,000 shares, par value \$.001 per share, to be designated "Series A Convertible Preferred Stock" (the "**Preferred Shares**"); and

RESOLVED, that each of the Preferred Shares shall rank equally in all respects and shall be subject to the following terms and provisions:

1. **Designation.** There is hereby created out of the authorized and unissued shares of preferred stock of the Corporation a series of preferred stock designated as the "Series A Convertible Preferred Stock", par value \$.001 per share. The number of shares constituting such series shall be 70,000 shares.

2. **Dividends.**

(a) **Dividend Rate.** For so long as any Preferred Shares are outstanding, the Corporation shall pay, at its discretion either: (i) a dividend payable in cash at a per annum rate of 8% of the Original Purchase Price (as defined below) per share; or (ii) a dividend payable in additional shares of Preferred Shares at a per annum rate of 10% of the Original Purchase Price per share; *provided, however*, that if the VWAP (as such term is defined below) for the common stock, par value \$.001 of the Corporation ("**Common Stock**") exceeds Fourteen Cents (\$0.14) per share with respect to any fiscal quarter, no dividends shall be due with respect to such fiscal quarter. Dividends shall be calculated on the basis of a 30-day month and a 360-day year. For purposes of calculating the number of Preferred Shares to be issued as a dividend under Section 2(a)(ii) hereof, the Preferred Shares to be issued shall be valued at a price per share equal to the Original Purchase Price. For purposes of this Certificate, the following terms shall have the meanings indicated:

"**VWAP**" means the quarterly volume-weighted average sale price per share of Common Stock on the principal market for any particular fiscal quarter as reported, as such figure may be adjusted for stock splits and combinations of the Common Stock.

(b) **Dividend Payment Dates.** The dividend payment dates for the Preferred Shares are the first days of March, June, September, and December commencing March 1, 2009; provided that if any such payment date is not a Business Day (as defined below) then such dividend shall be payable on the next Business Day. The initial dividend period for any Preferred Shares shall commence on the day when such shares are issued. The term "Business Day" means a day other than a Saturday, Sunday or day on which banking institutions in New York are authorized or required to remain closed.

(c) **Consent.** For so long as any Preferred Shares are outstanding, the Corporation shall not pay any dividends on any shares of Common Stock (except for dividends payable in Common Stock) or any shares of any other capital stock, or repurchase any shares of Common Stock (other than the repurchase of shares of Common Stock issued pursuant to employment or consulting agreements with the Corporation, which are repurchased upon termination of employment or services for consideration no greater than the original issue price) or capital stock, without having received written consent of a majority of the votes attributable to the outstanding Preferred Shares (the "**Required Holders**"), voting separately from the holders of Common Stock.

3. **Liquidation Events.**

(a) **Liquidation Preference.** Upon (i) any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or (ii) unless otherwise agreed by the holders of the Preferred Shares, (A) a merger or consolidation of the Corporation with or into another entity (except for a merger or consolidation in which the holders of capital stock of the Corporation immediately prior to such merger or consolidation continue to hold at least 50% of the outstanding voting power of such surviving Corporation), (B) the sale or transfer of all or substantially all of the assets of the Corporation (for this purpose "substantially all" shall mean properties or assets with a fair market value equal to 60% or more of the fair market value of the Corporation's total properties or assets as of the end of the most recent fiscal quarter and "sale" shall not include a bona fide pledge of assets), (C) any issuance of shares of capital stock by the Corporation in one or more related transactions except for (x) an issuance of shares of capital stock in which the holders of capital stock of the Corporation immediately prior to such issuance of

stock continue to hold at least 50% of the outstanding voting power of the Corporation after such issuance of shares of capital stock or (y) the issuance of Preferred Shares on the Original Issue Date (as such term is defined below), or (D) the repurchase by the Corporation of shares of capital stock of the Corporation (other than the Preferred Shares in accordance with the terms hereof) such that the holders of capital stock of the Corporation immediately prior to such repurchase do not hold at least 50% of the outstanding voting power of the Corporation after such repurchase (each of the transactions or events described in Sections (i) and (ii) (A) - (D) of this Section 3(a) is referred to as a "**Liquidation Event**" herein), each holder of outstanding Preferred Shares shall be entitled to be paid out of the consideration payable to the stockholders of the Corporation (in the case of a merger or consolidation, for example) or of the consideration payable to the Corporation (net of obligations owed by the Corporation) together with all other available assets of the Corporation (in the case of an asset sale, for example), as the case may be, whether such assets are capital, surplus or capital earnings, prior and in preference to any payments being paid to holders of Common Stock of the Corporation or other shares ranking junior to the Preferred Shares, an amount in cash equal to \$100.00 per share (the "**Original Purchase Price**") plus any declared or accrued but unpaid dividends thereon (collectively with the Original Purchase Price per share, the "**Preferred Share Liquidation Preference**"); *provided* that if, upon any Liquidation Event, the Preferred Share Liquidation Preference as provided in this Section 3(a) is not paid in full, the holders of the Preferred Shares shall share ratably in any distribution of assets in proportion to the full respective preferential amounts to which they are entitled. For the avoidance of doubt, a sale of shares of capital stock of the Corporation by anyone other than the Corporation (for example a sale of shares of capital stock on the open market) shall not result in a Liquidation Event, notwithstanding a change of control of the Corporation, so long as such transaction does not otherwise fall under the provisions of (A) - (D) of this Section 3(a).

(b) Participation. After payment in the full of the Preferred Share Liquidation Preference, the holders of outstanding Preferred Shares and Common Stock shall share in any consideration payable to the stockholders of the Corporation (in the case of a stock repurchase, for example) or of the consideration payable to the Corporation (net of obligations owed by the Corporation) together with all other available assets of the Corporation (in the case of an asset sale, for example) pro rata (as if the Preferred Shares had been converted into Common Stock as of the date immediately prior to the date fixed for determination of stockholders entitled to receive such distribution). Notwithstanding the foregoing, if the amount which would be receivable if the Preferred Shares had been converted into Common Stock immediately prior to the Liquidation Event is greater than the amount which would be paid under the foregoing provisions of Section 3(a) and this Section 3(b), then the holders of the Preferred Shares shall be entitled to receive such greater amount.

(c) Surrender of Certificates. On the effective date of any Liquidation Event, the Corporation shall pay all consideration to which the holders of Preferred Shares shall be entitled under this Section 3. Upon receipt of such payment, each holder of Preferred Shares shall surrender the certificate or certificates representing such shares, duly assigned or endorsed for transfer to the Corporation (or accompanied by duly executed stock powers relating thereto), at the principal executive office of the Corporation or the offices of the transfer agent for the Corporation, or shall notify the Corporation or any transfer agent that such certificates have been lost, stolen or destroyed, whereupon each surrendered certificate shall be canceled and retired.

(d) Notice. Prior to the occurrence of any Liquidation Event, the Corporation will furnish each holder of Preferred Shares notice to each holder at its address shown on the records of the Corporation, together with a certificate prepared by the chief financial officer of the Corporation describing in reasonable detail the facts of such Liquidation Event, stating in reasonable detail the amount(s) per share of Preferred Shares each holder of Preferred Shares would receive pursuant to the provisions of Sections 3(a) and 3(b) hereof and stating in reasonable detail the facts upon which such amount was determined and describing (if applicable) in reasonable detail all material terms of such Liquidation Event, to the extent known by the Corporation, including without limitation the consideration to be delivered in connection with such Liquidation Event, the valuation of the Corporation at the time of such Liquidation Event and the identities of the parties to the Liquidation Event.

4. Conversion. The holders of the Preferred Shares shall have optional conversion rights as follows (the "**Conversion Rights**"):

(a) Right to Convert. Each share of Preferred Shares shall be convertible, in whole or in part, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing (i) the Original Purchase Price by (ii) the Conversion Price (as defined below) in effect at the time of conversion. The "**Conversion Price**" for the Preferred Shares shall initially be Seven Cents (\$0.07); *provided, however*, that such conversion shall be mandatory in the event the Required Holders vote to convert all of the Preferred Shares. Such Conversion Price, and the rate at which shares of Preferred Shares may be converted into shares of Common Stock, shall be subject to adjustment as provided in Section 4(d) below.

(b) Special Definitions. For purposes of this Section 4, the following definitions shall apply:

(i) "**Additional Shares of Common Stock**" shall mean all shares of Common Stock issued or deemed to be issued by the Corporation after the date upon which a share of the Preferred Shares was first issued (the "**Original Issue Date**"), other than:

(A) shares of Common Stock issued or issuable by reason of a dividend or other distribution on (x) the Preferred Shares pursuant to Section 2(a) above or (y) shares of Common Stock that is covered by Section 4(f) or Section 4(g) below;

(B) shares of Common Stock issued or issuable upon conversion of shares of Preferred Shares;

(C) shares of Common Stock actually issued (as opposed to deemed issued under Section 4(d)(iii)) upon exercise of any Option or Convertible Security outstanding on the Original Issue Date;

(D) shares of Common Stock issued or issuable to employees, directors or consultants pursuant to equity incentive plans approved by the board of directors of the Corporation and adopted by the shareholders of

the Corporation; or

(E) shares of Common Stock designated as exempt from the definition of Additional Shares of Common Stock by the Required Holders.

(ii) "**Appraisal Procedure**" shall be the procedure to determine fair market value of any security or other property (in either case, the "valuation amount"). If the Required Holders and the Board of Directors are not able to agree on the valuation amount within a reasonable period of time (not to exceed 20 days), the valuation amount shall be determined by an investment banking firm, which firm shall be unaffiliated with the Corporation and shall be reasonably acceptable to the Board of Directors and the Required Holders. If the Board of Directors and the Required Holders are unable to agree upon an acceptable investment banking firm within 10 days after the date either party proposed that one be selected, the investment banking firm will be selected by an arbitrator located in New York, New York selected by the American Arbitration Association (or if such organization ceases to exist, the arbitrator shall be chosen by a court of competent jurisdiction). The arbitrator shall select the investment banking firm (within 10 days of his appointment) from a list, jointly prepared by the Required Holders and the Board of Directors, of not more than four investment banking firms in the United States, of which no more than two may be named by the Board of Directors and no more than two may be named by the Required Holders. The arbitrator may consider, within the ten-day period allotted, arguments from the parties regarding which investment banking firm to choose, but the selection by the arbitrator shall be made in its sole discretion from the list of four. The Board of Directors and the Required Holders shall submit their respective valuations and other relevant data to the investment banking firm, and the investment banking firm shall as soon as practicable thereafter make its own determination of the valuation amount. The final valuation amount for purposes hereof shall be the average of the two valuation amounts closest together, as determined by the investment banking firm, from among the valuation amounts submitted by the Corporation and the Required Holders and the valuation amount calculated by the investment banking firm. The determination of the final valuation amount by such investment banking firm shall be final and binding upon the parties. The Corporation shall pay the fees and expenses of the investment banking firm and arbitrator (if any) used to determine the valuation amount. If required by any such investment banking firm or arbitrator, the Corporation shall execute a retainer and engagement letter containing reasonable terms and conditions, including, without limitation, customary provisions concerning the rights of indemnification and contribution by the Corporation in favor of such investment banking firm or arbitrator and its officers, directors, partners, employees, agents and affiliates. If the valuation amount is for Common Stock of the Corporation, the valuation amount shall not include a discount for minority ownership or illiquidity or a control premium.

(iii) "**As-Converted Basis**" shall mean, for the purpose of determining the number of shares of Common Stock outstanding, a basis of calculation which takes into account (A) the number of shares of Common Stock actually issued and outstanding at the time of such determination, and (B) the number of shares of Common Stock that is then issuable upon the conversion of all outstanding Convertible Securities (as defined below), including without limitation, the Preferred Shares.

(iv) "**Convertible Securities**" shall mean any evidences of indebtedness, shares (other than Common Stock) or other securities directly or indirectly convertible into or exchangeable for Common Stock.

(v) "**Option**" shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities.

(c) Mechanics of Conversion.

(i) In order for a holder of Preferred Shares to convert shares of Preferred Shares into shares of Common Stock, such holder shall provide, at the office of the transfer agent for the Preferred Shares (or at the principal office of the Corporation if the Corporation serves as its own transfer agent), written notice that such holder elects to convert all or any number of the shares of the Preferred Shares represented by the certificate or certificates held by such holder. Such notice shall state such holder's name or the names of the nominees in which such holder wishes the certificate or certificates for shares of Common Stock to be issued; *provided*, that in the case the nominee is different than such holder, the holder shall also provide such additional documentation as the Corporation shall reasonably request to establish that such transfer is in compliance with the Securities Act of 1933, as amended. The date of receipt of such certificates and notice by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) shall be the conversion date ("**Conversion Date**"). The Corporation shall, as soon as practicable after the Conversion Date, but in any event within 3 business days after the later of (A) the Conversion Date or (B) in the event the holder has requested that the shares be issued in the name of a nominee different than such holder, the date on which the holder provides such additional documentation as the Corporation shall reasonably request to establish that such transfer is in compliance with the Securities Act of 1933, as amended, issue and deliver at such office to such holder of Preferred Shares, or to his or its nominees, a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled, together with cash in lieu of any fraction of a share. On the Conversion Date, each holder of record of shares of Preferred Shares to be surrendered for conversion shall be deemed to be the holder of record of the Common Stock issuable upon conversion of such Preferred Shares, notwithstanding that the certificates representing such shares of Preferred Shares shall not have been surrendered at the office of the Corporation, that notice from the Corporation shall not have been received by any holder of record of shares of such Preferred Shares, or that the certificates evidencing such shares of Common Stock shall not then be actually delivered to such holder.

(ii) At all times when any Preferred Shares are outstanding, the Corporation shall reserve and keep available out of its authorized but unissued stock, for the purpose of effecting the conversion of the Preferred Shares, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Preferred Shares. The Corporation promptly will take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose, including without limitation engaging in best

efforts to obtain the requisite stockholder approval. Before taking any action which would cause an adjustment reducing any Conversion Price below the then par value of the shares of Common Stock issuable upon conversion of the applicable Preferred Shares, the Corporation will take any corporate action which may be necessary in order that the Corporation may validly and legally issue fully paid and nonassessable shares of Common Stock at such adjusted Conversion Price.

(iii) All shares of Preferred Shares which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares, including the rights, if any, to receive notices and to vote, shall immediately cease and terminate on the Conversion Date, except only the right of the holders thereof to receive shares of Common Stock in exchange therefor and payment of any dividends declared but unpaid thereon. Any shares of Preferred Shares so converted shall be retired and cancelled and shall not be reissued, and the Corporation (without the need for stockholder action) may from time to time take such appropriate action as may be necessary to reduce the authorized number of shares of Preferred Shares accordingly.

(iv) The Corporation shall pay any and all issue, transfer, stamp and other taxes that may be payable in respect of any issuance or delivery of shares of Common Stock upon conversion of shares of Preferred Shares pursuant to this Section 4. The Corporation shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of shares of Common Stock in a name other than that in which the shares of Preferred Shares so converted were registered, and no such issuance or delivery shall be made unless and until the person or entity requesting such issuance has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid.

(d) Adjustments to Conversion Price for Diluting Issues.

(i) *No Adjustment of Conversion Price.* No adjustment in the Conversion Price of the Preferred Shares shall be made unless the consideration per share for an Additional Share of Common Stock issued or deemed to be issued by the Corporation is less than the applicable Conversion Price in effect on the date of, and immediately prior to, the issuance or deemed issuance of such Additional Shares.

(ii) *Full Ratchet; Weighted Average.*

(A) *Full Ratchet.* If the Corporation at any time or from time to time prior to the one (1) year anniversary of the Original Issue Date shall issue any Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Section 4(d)(iii) below but excluding shares issued as stock split or combination as provided in Section 4(f) below, issued upon a dividend or distribution as provided in Section 4(g) below or deemed to be issued upon a dividend of Preferred Shares as provided in Section 2(a) above) without consideration or for consideration per share lower than the Conversion Price in effect on the date of and immediately prior to such issue, the Conversion Price for the Preferred Shares shall be lowered to equal such consideration per share. For purposes of this Section 4(d)(ii), any Additional Shares of Common Stock issued for no consideration shall be deemed to be issued for a consideration per share of \$.001, subject to adjustments for Common Stock splits, dividends, and combinations.

(B) *Weighted Average.* If the Corporation at any time or from time to time on or after the one (1) year anniversary of the Original Issue Date shall issue any Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Section 4(d)(iii) below but excluding shares issued as stock split or combination as provided in Section 4(f) below, issued upon a dividend or distribution as provided in Section 4(g) below or deemed to be issued upon a dividend of Preferred Shares as provided in Section 2(a) above) without consideration or for consideration per share lower than the Conversion Price in effect on the date of and immediately prior to such issue, then in such event the Conversion Price for the Preferred Shares shall be lowered to an amount determined by multiplying the Conversion Price in effect immediately prior to such issue by a fraction, (x) the numerator of which shall be the sum of (1) the number of shares of Common Stock outstanding immediately prior to such issue (on an As-Converted Basis) plus (2) the number of shares of Common Stock which the aggregate consideration received or to be received by the Company for such Additional Shares of Common Stock would purchase at such Conversion Price, and (y) the denominator of which shall be the sum of (1) the number of shares of Common Stock outstanding immediately prior to such issue (on an As-Converted Basis) plus (2) the number of such Additional Shares of Common Stock so issued and/or deemed to be issued. For purposes of this Section 4(d)(ii), any Additional Shares of Common Stock issued for no consideration shall be deemed to be issued for a consideration per share of \$.001, subject to adjustments for Common Stock splits, dividends, and combinations.

(iii) *Issue of Securities, Deemed Issue of Additional Shares of Common Stock.* If the Corporation at any time or from time to time after the Original Issue Date shall issue any Options or Convertible Securities or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares of Common Stock (as set forth in the instrument relating thereto without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common

Stock issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date, provided that in any such case in which Additional Shares of Common Stock are deemed to be issued:

(A) No further adjustment in the Conversion Price shall be made upon the subsequent issue of Convertible Securities or shares of Common Stock upon (1) the exercise or conversion of any Options or Convertible Securities outstanding as of the date hereof; (2) the exercise of any Options by employees, directors, or consultants pursuant to equity incentive plans approved by the board of directors of the Corporation and adopted by the shareholders of the Corporation; or (3) the conversion of the Preferred Shares;

(B) If such Options or Convertible Securities by their terms provide, with the passage of time or otherwise, for any increase or decrease in the consideration payable to the Corporation, upon the exercise, conversion or exchange thereof, the Conversion Price computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto), and any subsequent adjustments based thereon, shall, upon any such increase or decrease becoming effective, be recomputed to reflect such increase or decrease insofar as it affects such Options or the rights of conversion or exchange under such Convertible Securities;

(C) Upon the expiration of any such Options or any rights of conversion or exchange under such Convertible Securities which shall not have been exercised, the Conversion Price computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto), and any subsequent adjustments based thereon, shall, upon such expiration, be recomputed as if:

1) in the case of Convertible Securities or Options for Common Stock, the only Additional Shares of Common Stock issued were the shares of Common Stock, if any, actually issued upon the exercise of such Options or the conversion or exchange of such Convertible Securities and the consideration received therefor was the consideration actually received by the Corporation for the issue of all such Options, whether or not exercised, plus the consideration actually received by the Corporation upon such exercise, or for the issue of all such Convertible Securities which were actually converted or exchanged, plus the additional consideration, if any, actually received by the Corporation upon such conversion or exchange; and

2) in the case of Options for Convertible Securities, only the Convertible Securities, if any, actually issued upon the exercise thereof were issued at the time of issue of such Options, and the consideration received by the Corporation for the Additional Shares of Common Stock deemed to have been then issued was the consideration actually received by the Corporation for the issue of all such Options, whether or not exercised, plus the consideration deemed to have been received by the Corporation upon the issue of the Convertible Securities with respect to which such Options were actually exercised;

(D) In the event of any change in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any Option or Convertible Security, the Conversion Price then in effect shall forthwith be readjusted to such Conversion Price as would have obtained had the adjustment which was made upon the issuance of such Option or Convertible Security not exercised or converted prior to such change been made upon the basis of such change; and

(E) No readjustment pursuant to clause (B), (C) or (D) above shall have the effect of increasing the Conversion Price to an amount which exceeds the lower of (1) the Conversion Price on the original adjustment date, or (2) the Conversion Price that would have resulted from any issuances of Additional Shares of Common Stock between the original adjustment date and such readjustment date.

In the event the Corporation, after the Original Issue Date, amends any Options or Convertible Securities (whether such Options or Convertible Securities were outstanding on the Original Issue Date or were issued after the Original Issue Date) to increase the number of shares issuable thereunder or decrease the consideration to be paid upon exercise or conversion thereof, then such Options or Convertible Securities, as so amended, shall be deemed to have been issued after the Original Issue Date and the provisions of this Section 4(d)(iii) shall apply.

(e) *Determination of Consideration.* For purposes of this Section 4, the consideration received by the Corporation for the issue of any Additional Shares of Common Stock shall be computed as follows:

(i) *Cash and Property.* Such consideration shall:

(A) insofar as it consists of cash, be computed at the aggregate of cash received by the Corporation, excluding amounts paid or payable for accrued interest;

(B) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board of Directors, or if requested by the Required Holders, by agreement of the Board of Directors and the Required Holders, and if the Board of Directors

and the Required Holders do not agree on such fair market value, in accordance with the procedures set forth in the definition of Appraisal Procedure; and

(C) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (i) and (ii) above, as determined in good faith by the Board of Directors.

(ii) *Options and Convertible Securities*. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Section 4(d)(iii) above, relating to Options and Convertible Securities, shall be determined by dividing:

(A) the total amount, if any, received by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a potential subsequent adjustment of such consideration) payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by

(B) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a potential subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities.

(f) *Adjustment for Stock Splits and Combinations*. If the Corporation shall at any time or from time to time after the Original Issue Date effect a subdivision of the outstanding Common Stock, each Conversion Price then in effect immediately before that subdivision shall be proportionately decreased. If the Corporation shall at any time or from time to time after the Original Issue Date combine the outstanding shares of Common Stock, each Conversion Price then in effect immediately before the combination shall be proportionately increased. Any adjustment under this paragraph shall become effective at the close of business on the date the subdivision or combination becomes effective.

(g) *Adjustment for Certain Dividends and Distributions*. In the event the Corporation at any time, or from time to time after the Original Issue Date, shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable solely in additional shares of Common Stock, then and in each such event each Conversion Price then in effect shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying the applicable Conversion Price then in effect by a fraction:

(i) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and

(ii) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution;

provided, however, if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the applicable Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter each Conversion Price shall be adjusted pursuant to this paragraph as of the time of actual payment of such dividends or distributions.

(h) *Adjustment for Reclassification, Exchange, or Substitution*. If the Common Stock issuable upon the conversion of the Preferred Shares shall be changed into the same or a different number of shares of any class or classes of stock, whether by capital reorganization, reclassification, or otherwise (other than a subdivision or combination of shares or stock dividend provided for above, or a reorganization, merger, consolidation, or sale of assets provided for below), then and in each such event the holder of each such share of Preferred Shares shall have the right thereafter to convert such share into the kind and amount of shares of stock and other securities and property receivable, upon such reorganization, reclassification, or other change, by holders of the number of shares of Common Stock into which such shares of Preferred Shares might have been converted immediately prior to such reorganization, reclassification, or change, all subject to further adjustment as provided herein.

(i) *Adjustment for Merger or Reorganization, Etc*. In case of any consolidation or merger of the Corporation with or into another company or the sale of all or substantially all of the assets of the Corporation to another company, each share of Preferred Shares, if any, remaining outstanding after such consolidation, merger or sale shall thereafter be convertible (or shall be converted into a security which shall be convertible) into the kind and amount of shares of stock or other securities or property to which a holder of the number of shares of Common Stock of the Corporation deliverable upon conversion of such Preferred Shares would have been entitled upon such consolidation, merger or sale; and, in such case, appropriate adjustment shall be made in the application of the provisions in this Section 4 set forth with respect to the rights and interest thereafter of the holders of the Preferred Shares, to the end that the provisions set forth in this Section 4 (including provisions with respect to changes in and other adjustments of the Conversion Price) shall thereafter be applicable, as nearly equivalent a manner as may be practicable as before the consolidation or merger. If any event occurs of the type contemplated by the provisions of this Section 4 but not expressly provided for by such provisions (including, without limitation, the granting of stock appreciation rights, phantom stock rights or other rights with equity features), then the Corporation's Board of Directors shall make an appropriate reduction in each Conversion Price so as to protect the rights of the holders of the Preferred Shares.

(j) *Certificate as to Adjustments*. Upon the occurrence of each adjustment or readjustment of any Conversion Price pursuant to this Section 4, the Corporation at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of Preferred Shares a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, upon the written request at any time of any holder of Preferred Shares, furnish or cause to be furnished to such holder a similar certificate setting forth (i) such adjustments and readjustments, (ii) the Conversion Price then in effect, and (iii) the number of shares of Common Stock and the amount, if any, of other property which then would be received upon the conversion of Preferred Shares.

(k) *Fractional Shares*. No fractional shares of Common Stock shall be issued upon conversion of the Preferred Shares. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall pay cash equal to the product of such fraction multiplied by the fair market value of a share of Common Stock, as mutually agreed by the Board of Directors of the Corporation and the Required Holders; *provided, however*, that if such mutual agreement cannot be reached, such fair market value shall be determined by following the Appraisal Procedures. The determination of fractional shares shall be based on the aggregate number of shares of Preferred Shares surrendered for conversion by any holder of Preferred Shares and not on the individual shares of Preferred Shares held by such holder.

(l) *Notice of Record Date*. In the event:

(i) that the Corporation declares a dividend (or any other distribution) on its Common Stock payable in Common Stock or other securities of the Corporation;

(ii) that the Corporation subdivides or combines its outstanding shares of Common Stock;

(iii) of any reclassification of the Common Stock of the Corporation (other than a subdivision or combination of its outstanding shares of Common Stock or a stock dividend or stock distribution thereon), or of any consolidation or merger of the Corporation into or with another company, or of the sale of all or substantially all of the assets of the Corporation; or

(iv) of the involuntary or voluntary dissolution, liquidation or winding up of the Corporation;

then the Corporation shall cause to be filed at its principal office or at the office of the transfer agent of the Preferred Shares, and shall cause to be mailed to the holders of the Preferred Shares at their last addresses as shown on the records of the Corporation or such transfer agent, at least ten (10) days prior to the date specified in (1) below or 20 days before the date specified in (2) below, a notice stating

(1) the record date of such dividend, distribution, subdivision or combination, or, if a record is not to be taken, the date as of which the holders of Common Stock of record to be entitled to such dividend, distribution, subdivision or combination are to be determined, or

(2) the date on which such reclassification, consolidation, merger, sale, dissolution, liquidation or winding up is expected to become effective, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reclassification, consolidation, merger, sale, dissolution or winding up.

5. **Voting Rights**.

(a) *Voting with Common*. Except as provided in Section 5(b) and Section 5(c) below or as otherwise expressly set forth herein, the holders of Preferred Shares shall vote together with the Common Stock on all matters as a single class, with each Preferred Share entitled to cast the number of votes equal to the number of Common Stock into which it may be converted (as adjusted from time to time pursuant to Section 4 hereof) as of the record date.

(b) *Common Voting First on Certain Matters*. In addition to all other requirements imposed by Nevada law, and all other voting rights granted under the Corporation's Articles of Incorporation, as supplemented by this Certificate, the Corporation shall not undertake (i) any transaction giving rise to a Liquidation Event or (ii) any redemption of Preferred Shares, without the prior approval of the Common Stock voting as a single class. If such transaction referred in clause (i) or (ii) hereof is first approved by the requisite number of holders of Common Stock, such matter shall then be put to the vote of the holders Preferred Shares and Common Stock, voting together as a single class, with each Preferred Share entitled to cast the number of votes equal to the number of Common Stock into which it may be converted (as adjusted from time to time pursuant to Section 4 hereof) as of the record date. For purposes of such joint vote, (A) any shares of Common Stock voted in favor of the transaction when voting as a single class shall be considered to have voted in favor of the transaction when voting together with the Preferred Shares, (B) any shares of Common Stock voted against the transaction when voting as a single class shall be considered to have voted against the transaction when voting together with the Preferred Shares and (C) any shares of Common Stock not voted on the transaction when voting as a single class shall be considered to have not voted on the transaction when voting together with the Preferred Shares.

(c) *Voting as Separate Class*. In addition to all other requirements imposed by Nevada law, and all other voting rights granted under the Corporation's Articles of Incorporation, as supplemented by this Certificate, the Corporation shall not, and shall not permit any company or trust of which the Corporation directly or indirectly owns at the time 50% or more of the outstanding shares that represent either 50% of the voting power, 50% of the economic power, or control of the board of directors of such company or trust, other than directors' qualifying shares (a "**Subsidiary**") to, without the prior written consent of Required Holders voting together as a single class:

(i) amend, modify or repeal this Certificate of Designations (whether by reclassification, merger, consolidation, reorganization or otherwise);

(ii) enter into any reclassification, merger, consolidation or reorganization;

(iii) increase or decrease (whether by amendment to the Articles of Incorporation or by reclassification, merger, consolidation, reorganization or otherwise) the number of authorized Preferred Shares;

(iv) authorize or issue (by amendment to the Articles of Incorporation or by reclassification, merger, consolidation, reorganization or otherwise) any class or series of capital stock or securities convertible into capital stock with equal or superior rights to those of the Preferred Shares;

(v) whether by amendment to the Articles of Incorporation or by reclassification, merger, consolidation, reorganization or otherwise, (i) alter, amend or waive any rights, preferences or privileges of the Preferred Shares or (ii) otherwise alter, amend or waive any provisions of the Corporation's Articles of Incorporation or by-laws in a manner adverse to the holders of the Preferred Shares;

(vi) authorize, declare or pay any dividend (other than dividends payable solely in Common Stock) on any share of the capital stock of the Corporation or any Subsidiary, with the exception of the dividends on the Preferred Shares set forth in Section 2 hereof; or

(vii) redeem, purchase or otherwise acquire for value any share or shares of the capital stock of the Corporation or any Subsidiary.

6. **Notices.** The Corporation shall distribute to the holders of Preferred Shares copies of all notices, materials, annual and quarterly reports, proxy statements, information statements and any other documents distributed generally to the holders of shares of Common Stock of the Corporation, at such times and by such method as such documents are distributed to such holders of such Common Stock.

7. **Replacement Certificates.** The certificate(s) representing the Preferred Shares held by any holder of Preferred Shares may be exchanged by such holder at any time and from time to time for certificates with different denominations representing an equal aggregate number of Preferred Shares, as reasonably requested by such holder, upon surrendering the same. No service charge will be made for such registration or transfer or exchange.

8. **Attorneys' Fees.** In connection with enforcement by a holder of Preferred Shares of any obligation of the Corporation hereunder, the prevailing party shall be entitled to recovery of reasonable attorneys' fees and expenses incurred.

9. **No Reissuance.** No Preferred Shares acquired by the Corporation by reason of redemption, purchase, conversion or otherwise shall be reissued.

10. **Severability of Provisions.** If any right, preference or limitation of the Preferred Shares set forth in this Certificate of Designations (as this Certificate of Designations may be amended from time to time) is found to be invalid, unlawful or incapable of being enforced by reason of any rule or law or public policy, all other rights, preferences and limitations set forth in this Certificate of Designations, which can be given effect without the invalid, unlawful or unenforceable right, preference or limitation, shall nevertheless remain in full force and effect, and no right, preference or limitation herein set forth be deemed dependent upon any such other right, preference or limitation unless so expressed herein.

11. **Specific Performance.** The Corporation acknowledges and agrees that irreparable damage would occur in the event that the Corporation failed to perform any of the provisions of this Certificate in accordance with its specific terms. It is accordingly agreed that each holder of Preferred Shares shall be entitled to an injunction or injunctions to prevent or cure breaches of the provisions of this Certificate and to enforce specifically the terms and provisions hereof, this being in addition to any other remedy to which such holder may be entitled by law or equity.

Signed on **December ____, 2008**

	FLIGHT SAFETY TECHNOLOGIES, INC.
	By:
	Name: Title:

PURCHASE AGREEMENT

Purchase Agreement ("**Agreement**") dated as of January 13, 2009 between Flight Safety Technologies, Inc., a Nevada corporation (the "**Company**") and Cummins Family Limited Partnership, an Idaho limited partnership (the "**Purchaser**").

W I T N E S S E T H:

Whereas, the Company desires to sell and issue to Purchaser, and Purchaser wishes to purchase from the Company: (i) an aggregate of 20,000 shares of the Company's Series A Convertible Preferred Stock, par value \$.001 per share ("**Preferred Shares**") on the Closing Date (as such term is defined below) and (ii) such number of additional Preferred Shares on the Earn-out Closing Date (as such term is defined below) determined in accordance with Section 1.1(a)(ii) hereof; and

Whereas, the Preferred Shares shall have the rights, designations and preferences set forth in the Certificate of Designations (the "**Certificate**") in the form of **Exhibit 1.1A** attached hereto, and shall be convertible into shares ("**Common Shares**"), of the Company's common stock, par value \$.001 par share ("**Common Stock**");

Now, Therefore, in consideration of the foregoing premises and the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1.

Purchase and Sale of Series A Convertible Preferred Shares

1. Issuance of Preferred Shares.

a. *Issuance.*

- i. *Initial Closing.* On the Closing Date (as such term is defined below), and upon the following terms and conditions, the Company shall issue and sell to Purchaser, and Purchaser shall purchase from the Company, 20,000 Preferred Shares.
- ii. *Earn-out Closing.* On the two (2) year anniversary of the Closing Date (the "**Earn-out Closing Date**"), and upon the following terms and conditions, the Company shall issue and sell to Purchaser, and Purchaser shall purchase from the Company, such number of Preferred Shares as shall equal the quotient of (A) the excess (if any) of (x) the Cummins Family Produce Value (as such term is defined below) over (y) the Initial Closing Consideration Value divided by (B) the Original Issue Price (as such term is defined below). In the event the Cummins Family Produce Value does not exceed the Initial Closing Consideration Value, no Preferred Shares shall be issued under this Section 1.1(a)(ii).

For purpose of this Agreement, the following terms shall have the meanings indicated:

"Average Monthly Cummins Family Produce EBITDA" shall equal the average of the Monthly Cummins Family Produce EBITDA during the preceding twenty-four (24) month period, as calculated one (1) month prior to the Earn-out Closing Date.

"Cummins Family Produce" means Cummins Family Produce, Inc., an Idaho corporation.

"Cummins Family Produce Value" shall equal the product of (A) 4.25 multiplied by (B) 12 multiplied by (C) the Average Monthly Cummins Family Produce EBITDA (as such term is defined above).

"GAAP" means generally accepted accounting principles as from time to time in effect, including the statements and interpretations of the United States Financial Accounting Standards Board.

"Initial Closing Consideration Value" shall mean the sum of (A) the Preferred Share Value plus (B) the Stearns Note Value.

"Monthly Cummins Family Produce EBITDA" means, for each month, (A) the net income (or loss) of Cummins Family Produce determined in accordance with GAAP plus (B) all amounts deducting in computing such net income in respect of (x) depreciation, amortization and other noncash charges, (y) interest expense, and (z) income tax expense.

"Original Issue Price" means One Hundred and No/100ths Dollars (\$100.00).

"Preferred Share Value" means Two Million and No/100ths Dollars (\$2,000,000.00).

"Stearns Note" means the promissory note of Wesley Cummins to Stearns Bank National Association dated May 15, 2008 in the original principal amount of Two Hundred Fifty Thousand and No/100ths Dollars (\$250,000.00).

"Stearns Note Value" means the principal amount outstanding under the Stearns Note as of the Closing Date.

The calculations set forth in this Section 1.1(a)(ii) shall be performed by an accounting firm mutually acceptable to the Company and Purchaser. In the event they are unable to agree upon such an accounting firm at least ninety (90) days prior to the Earn-out Closing Date, the accounting firm will be selected by an arbitrator located in New York, New York selected by the American Arbitration Association (or if such organization ceases to exist, the arbitrator shall be chosen by a court of competent jurisdiction). The arbitrator shall select the accounting firm (within 10 days of his appointment) from a list, jointly prepared by the Purchaser and the Company, of not more than four accounting firms in the United States, of which no more than two may be named by the Company and no more than two may be named by the Purchaser. The arbitrator may consider, within the ten-day period allotted, arguments from the parties regarding which accounting firm to choose, but the selection by the arbitrator shall be made in its sole discretion from the list of four.

The Company and the Purchaser shall submit their respective calculations and other relevant data to the accounting firm, and the accounting firm shall as soon as practicable thereafter make its own determination of the calculations set forth herein. The determination of the final calculations by such accounting firm shall be final and binding upon the parties. The Company shall pay the fees and expenses of the accounting firm and arbitrator (if any). If required by any such accounting firm or arbitrator, the Company shall execute a retainer and engagement letter containing reasonable terms and conditions, including, without limitation, customary provisions concerning the rights of indemnification and contribution by the Company in favor of such accounting firm or arbitrator and its officers, directors, partners, employees, agents and affiliates.

b. *Purchase Price.* The purchase price for the Preferred Shares to be acquired by Purchaser (the "**Purchase Price**") shall be an aggregate of 1,000 shares (collectively, the "**Cummins Family Produce Shares**") of common stock, no par value per share, of Cummins Family Produce (the "**Cummins Family Produce Stock**").

c. *Initial Closing.*

i. The initial closing of the purchase and sale of the Preferred Shares (the "**Closing**") shall take place at the offices of Tobin, Carberry, O'Malley, Riley & Selinger, P.C., 43 Broad Street, New London, CT 06320-0058 (the "**Company's Counsel**") at 10:00 am. local time on: (x) the date on which the last to be fulfilled or waived of the conditions set forth in Article 4 hereof and applicable to the Closing shall be fulfilled or waived in accordance herewith, or (y) such other time and place and/or on such other date as Purchaser and the Company may agree. The date on which the Closing occurs is referred to herein as the "**Closing Date**".

ii. On the Closing Date, (x) the Company shall deliver to Pacific Stock Transfer Company, the stock registrar and transfer agent for the Company, irrevocable instructions to register 20,000 Preferred Shares in the name of the Purchaser and to immediately deliver to the Purchaser one or more certificates (as reasonably requested by the Purchaser) representing such Preferred Shares and (y) the Purchaser shall deliver to the Company one or more certificates (as reasonably requested by the Company) representing the Cummins Family Produce Shares in the name of the Company. In addition, each party shall deliver all documents, instruments and writings required to be delivered by such party pursuant to this Agreement at or prior to the Closing.

d. *Earn-out Closing.*

i. The closing with respect to the shares to be issued (if any) under Section 1.1(a)(ii) (the "**Earn-out Closing**") shall take place at the offices of the Company's Counsel at 10:00 am. local time on the Earn-out Closing Date, or at such other time and place and/or on such other date as Purchaser and the Company may agree.

ii. On the Earn-out Closing Date, the Company shall deliver to Purchaser one or more certificates (as reasonably requested by such Purchaser) representing such number of Preferred Shares calculated in accordance with Section 1.1(a)(ii), which Preferred Shares shall be issued in the name of Purchaser or its nominee. In addition, each party shall deliver all documents, instruments and writings required to be delivered by such party pursuant to this Agreement at or prior to the Earn-out Closing.

2.

Representations and Warranties

1. Representations and Warranties of the Company. The Company hereby makes the following representations and warranties to Purchaser as of the date hereof and as of the Closing Date:

a. *Organization and Qualification; Material Adverse Effect.* The Company is a corporation duly incorporated and existing in good standing under the laws of the State of Nevada and has the requisite corporate power to own its properties and to carry on its business as now being conducted. The Company does not have any direct or indirect subsidiaries (defined as any entity of which the Company owns, directly or indirectly, 50% or more of the equity or voting power) other than the subsidiaries listed on **Schedule 2.1(a)** attached hereto. The subsidiaries listed on Schedule 2.1(a) hereto are direct subsidiaries wholly owned by the Company, and there are no outstanding shares, options, warrants or other rights to subscribe for or acquire any capital stock in such subsidiaries except outstanding common stock in such subsidiaries held by the Company. Except where specifically indicated to the contrary, all references in this Agreement to subsidiaries shall be deemed to refer to all direct and indirect subsidiaries of the

Company. Except where specifically indicated to the contrary, all references in this Article 2 to the Company shall be deemed to refer to the Company and its consolidated subsidiaries. Except as for **Schedule 2.1(b)**, each of the Company and its subsidiaries is duly qualified as a foreign corporation to do business and is in good standing in every jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary other than those in which the failure so to qualify would not have a Material Adverse Effect. "**Material Adverse Effect**" with respect to any entity means any adverse effect on the business, operations, properties or financial condition of the entity with respect to which such term is used and which is (either alone or together with all other adverse effects) material to such entity and its subsidiaries taken as a whole, and any material adverse effect on the transactions contemplated under Transaction Documents (as defined below).

- b. *Authorization; Enforcement.* (i) The Company has all requisite corporate power and authority to enter into and perform this Agreement and the Certificate (the "**Transaction Documents**") and to issue the Preferred Shares in accordance with the terms hereof and thereof, (ii) the execution and delivery of the Transaction Documents by the Company and the consummation by it of the transactions contemplated hereby and thereby, including the issuance of the Preferred Shares and Common Shares, have been duly authorized by all necessary corporate action, and no further consent or authorization of the Company or its Board of Directors (or any committee or subcommittee thereof) is necessary, (iii) the Transaction Documents have been duly executed and delivered by the Company and (iv) the Transaction Documents constitute valid and binding obligations of the Company enforceable against the Company in accordance with their terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of creditors' rights and remedies or by other equitable principles of general application.
- c. *Capitalization.* The authorized capital stock of the Company consists of 50 million shares of Common Stock and 5 million shares of preferred stock; as of October 17, 2008 there were 8,684,646 shares of Common Stock issued and outstanding; prior to giving effect to the transactions completed by this Agreement, there are no shares of preferred stock issued or outstanding; and, except as set forth on **Schedule 2.1(c)** or in the Pre-Agreement SEC Documents (as such term is defined below), no shares of Common Stock and no shares of preferred stock were reserved for issuance to persons other than the Purchaser or purchasers of Preferred Shares pursuant to the Cash Purchase Agreement (as such term is defined below). All of the outstanding shares of the Company's Common Stock have been validly issued and are fully paid and nonassessable. No shares of capital stock are entitled to preemptive rights and, except as set forth in the Pre-Agreement SEC Documents, there are no outstanding options and outstanding warrants for shares of Common Stock. Except as set forth on **Schedule 2.1(c)(i)** or in the Pre-Agreement SEC Documents, there are no other scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights exchangeable for or convertible into, any shares of capital stock of the Company, or contracts, commitments, understandings, or arrangements by which the Company is or may become bound to issue additional shares of capital stock of the Company or options, warrants, scrip, rights to subscribe to, or commitments to purchase or acquire, any shares, or securities or rights convertible or exchangeable into shares, of capital stock of the Company. There are no scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights exchangeable for or convertible into, any shares of capital stock of the subsidiaries of the Company, or contracts, commitments, understandings, or arrangements by which the subsidiaries of the Company is or may become bound to issue additional shares of capital stock of the subsidiaries of the Company or options, warrants, scrip, rights to subscribe to, or commitments to purchase or acquire, any shares, or securities or rights convertible or exchangeable into shares, of capital stock of the subsidiaries of the Company. Attached hereto as **Exhibit 2.1(c)(ii)** is a true and correct copy of the Company's Articles of Incorporation (the "**Charter**"), as in effect on the date hereof, and attached hereto as **Exhibit 2.1(c)(iii)** is a true and correct copy of the Company's By-Laws, as in effect on the date hereof (the "**By-Laws**"). Attached hereto as **Exhibit 2.1(c)(iv)** is a true and correct copy of the Articles of Incorporation of Advanced Plasma Products, Inc. (the "**Subsidiary Charter**"), as in effect on the date hereof, and attached hereto as **Exhibit 2.1(c)(v)** is a true and correct copy of the By-Laws of Advanced Plasma Products, Inc., as in effect on the date hereof (the "**Subsidiary By-Laws**"). All corporate minute books and records of the Company and its subsidiaries have been made available for inspection by the Purchaser. The corporate minute books and records of the Company and its subsidiaries contain all material resolutions adopted by the stockholders or the board of directors of the Company and its subsidiaries. The Company and its subsidiaries' books, accounts and records are, and have been, maintained in the Company and its subsidiaries' usual, regular and ordinary manner, in accordance with generally accepted accounting principles and all material transactions to which either the Company or its subsidiaries is or has been a party are properly reflected therein.
- d. *Issuance of Common Shares.* The Preferred Shares and Common Shares are duly authorized and reserved for issuance and, upon issuance in accordance with terms of this Agreement, the Certificate, and the Preferred Shares, respectively, such Preferred Shares and Common Shares, as the case may be, will be validly issued, fully paid and non-assessable, free and clear of any and all liens and claims and the holders of such Preferred Shares and Common Shares shall be entitled to all rights and preferences accorded to a holder of Preferred Shares and Common Stock, as the case may be. The Common Stock is currently traded on the Over-the-Counter market.
- e. *No Conflicts.* The execution, delivery and performance of the Transaction Documents by the Company and the consummation by the Company of the transactions contemplated hereby and thereby, the issuance of the Preferred Shares and the issuance of Common Shares do not and will not (i) result in a violation of the Company's Charter or By-Laws or (ii) except as set forth on **Schedule 2.1(e)**, conflict with, or constitute a default (or an event which with

notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture, patent, patent license or material instrument to which the Company or any of its subsidiaries is a party (collectively, "**Company Agreements**") except for such conflicts, defaults or rights of termination, amendment, acceleration or cancellation which would not have a Material Adverse Effect, or (iii) result in a violation of any federal, state, local or foreign law, rule, regulation, order, judgment or decree (including federal and state securities laws and regulations) applicable to the Company or any of its subsidiaries or by which any property or asset of the Company or any of its subsidiaries is bound or affected, except (other than in the case of clause (i) above) where such violation would not reasonably be expected to have a Material Adverse Effect. The business of the Company and its direct and indirect subsidiaries is being conducted in compliance with (i) its Charter and By-Laws, (ii) the Subsidiary Charter and Subsidiary By-Laws (as applicable), (iii) all Company Agreements (except where such violation would not reasonably be expected to have a Material Adverse Effect) and (iv) all applicable laws, ordinances or regulations of any governmental entity (except as disclosed in the reports or documents filed at least 5 business days prior to the Closing Date by the Company pursuant to Section 13(a) or 15(d) of the Exchange Act (the "**Pre-Agreement SEC Documents**") or where such violation would not reasonably be expected to have a Material Adverse Effect). Except for filings, consents and approvals required under applicable state and federal securities laws or as specifically contemplated by this Agreement, the Company is not required under federal, state, local or foreign law, rule or regulation to obtain any consent, authorization or order of, or make any filing or registration with, any court or governmental agency in order for it to execute, deliver or perform any of its obligations under this Agreement or the Certificate or to issue and sell the Preferred Shares or the Common Shares issuable upon conversion thereof.

- f. *SEC Documents; No Non-Public Information; Financial Statements.* The Common Stock is registered pursuant to Section 12(b) of the Exchange Act and the Company and its subsidiaries have filed all reports, schedules, forms, statements and other documents required to be filed by it with the Securities and Exchange Commission ("**SEC**") pursuant to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), including all such proxy information, solicitation statements and registration statements, and any amendments thereto required to have been filed (all of the foregoing including filings incorporated by reference therein being referred to herein as the "**SEC Documents**") except where the failure to make such filings (i) would not have a Material Adverse Effect on the Company and (ii) would not now or in the future negatively impact the ability of shareholders of the Company to sell shares of Common Stock pursuant to Rule 144 under the Exchange Act. As of their respective dates, the SEC Documents complied in all material respects with the requirements of the Exchange Act and the rules and regulations of the SEC promulgated thereunder and other federal, state and local laws, rules and regulations applicable to such SEC Documents and, as of the date they were filed, none of the SEC Documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The SEC Documents contain all material information concerning the Company and its subsidiaries required to be filed, and no event or circumstance has occurred prior to the date hereof which would require the Company to disclose such event or circumstance in order to make the statements in the SEC Documents not misleading or which, under applicable law, rule or regulation, requires public disclosure by the Company, but which has not, or will have not, been so disclosed.
- g. *Financial Statements.* The financial statements of the Company and its subsidiaries included in the SEC Documents comply in all material respects with applicable accounting requirements and the published rules and regulations of the SEC or other applicable rules and regulations with respect thereto. Such financial statements have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis during the periods involved (except in the case of unaudited interim statements, to the extent they may not include footnotes, may be condensed or summary statements) and fairly present in all material respects the financial position of the Company and its subsidiaries as of the dates thereof and the results of operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments). The audited financial statements of each of the Company and its subsidiaries for the fiscal year ending May 31, 2008 have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis during the periods involved (except in the case of unaudited interim statements, to the extent they may not include footnotes or may be condensed or summary statements) and fairly present in all material respects the financial position of the Company and its subsidiaries, as the case may be, as of the dates thereof and the results of operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments).
- h. *Principal Exchange/Market.* The Common Stock is currently traded on the over-the-counter market.
- i. *No Material Adverse Change.* Since August 31, 2008 (other than as set forth in the Pre-Agreement SEC Documents or on **Schedule 2.1(i)**), no Material Adverse Effect has occurred or exists, and no event or circumstance has occurred, to the Company's knowledge, that with notice or the passage of time or both the Company believes is reasonably likely to result in a Material Adverse Effect with respect to the Company or its subsidiaries.
- j. *No Undisclosed Liabilities.* The Company and its subsidiaries have no liabilities or obligations not disclosed in the Pre-Agreement SEC Documents (as defined below), other than those liabilities incurred in the ordinary course of the Company's or its subsidiaries' respective businesses since August 31, 2008, which liabilities, individually or in the aggregate, do not or would not have a Material Adverse Effect on the Company or its direct or indirect subsidiaries.
- k. *Sarbanes-Oxley Act.* The Company is in compliance with any and all applicable requirements of the Sarbanes-Oxley

Act of 2002 and any and all applicable rules and regulations, promulgated by the SEC thereunder, except where such non-compliance would not have, individually or in the aggregate, a Material Adverse Effect.

- l. *No General Solicitation.* Neither the Company, nor any of its affiliates, or, to its knowledge, any person acting on its or their behalf has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D under the Securities Act) in connection with the offer or sale of the Preferred Shares and Common Shares.
- m. *No Integrated Offering.* Neither the Company, nor any of its affiliates, nor to its knowledge any person acting on its or their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would require registration of the Preferred Shares and the Common Shares under the Act.

The issuance of the Preferred Shares and Common Shares to Purchaser will not be integrated with any other issuance of the Company's securities (past, current or future) which requires stockholder approval (except where such approval is obtained).

- n. [Intentionally omitted].
- o. *Intellectual Property.* The Company and/or its wholly-owned subsidiaries owns or has licenses to use certain patents, copyrights and trademarks ("**intellectual property**") necessary for the conduct of its business, except as set forth on in the Pre-Agreement SEC Documents . The Company and its subsidiaries have all intellectual property rights which it believes are needed to conduct the business of the Company and its subsidiaries as it is now being conducted or as proposed to be conducted as disclosed in the Pre-Agreement SEC Documents. The Company and its subsidiaries have no reason to believe that the material intellectual property rights which it owns are invalid or unenforceable. To the Company's knowledge, except as set forth in the Pre-Agreement SEC Documents , the use of such intellectual property by the Company or its subsidiaries does not infringe upon or conflict with any right of any third party, and neither the Company nor any of its subsidiaries has received notice of any such infringement or conflict, which individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect. Except as set forth in the Pre-Agreement SEC Documents , the Company and its subsidiaries have no knowledge of any infringement of its intellectual property by any third party that is expected to have a Material Adverse Effect.
- p. *No Litigation.* Except as set forth on **Schedule 2.1(p)**, no litigation or claim (including those for unpaid taxes) against the Company or any of its subsidiaries which could reasonably be expected to have a Material Adverse Effect on the Company or could reasonably be expected to materially and adversely affect the transactions contemplated by the Transaction Documents is pending or, to the Company's knowledge, threatened, and to the Company's knowledge, no other event has occurred, which could reasonably be expected to have a Material Adverse Effect on the Company or could reasonably be expected to materially and adversely affect the transactions contemplated hereby. There is no legal proceeding described in the Pre-Agreement SEC Documents that could reasonably be expected to have a Material Adverse Effect on the Company.
- q. *Brokers.* Except as set forth on **Schedule 2.1(q)**, the Company has taken no action which would give rise to any claim by any person for brokerage commissions, finder's fees or similar payments by the Company or Purchaser relating to this Agreement or the transactions contemplated hereby.
- r. *Other Purchasers.* Except as set forth on **Schedule 2.1(r)(i)** (or in the Pre-Agreement SEC Documents), there are no outstanding securities issued or issuable by the Company that are entitled to registration rights under the Act. Other than the Preferred Shares and except as set forth on **Schedule 2.1(r)(ii)** (or the Pre-Agreement SEC Documents solely with respect to clause (i)) there are no outstanding securities issued by the Company (i) that are directly or indirectly convertible into, exercisable into, or exchangeable for, shares of Common Stock of the Company, or (ii) that have anti-dilution or similar rights that would be affected by the issuance of the Preferred Shares or the Common Shares .
- s. *Certain Transactions.* Other than in connection with this Agreement and the Cash Purchase Agreement (as such term is defined below), and except as disclosed in the Pre-Agreement SEC Documents and **Schedule 2.1(s)**, none of the officers, directors, or key employees of the Company is presently a party to any transaction with the Company or any of its subsidiaries (other than for services as employees, officers and directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any officer, director or such employee or, to the knowledge of the Company, any corporation, partnership, trust or other entity in which any officer, director, or any such employee has a substantial interest or is an officer, director, trustee or partner.
- t. *Taxes.* Since May 31, 2008, all federal, state, city and other tax returns, reports and declarations required to be filed or extended by or on behalf of the Company and each of its subsidiaries have been filed or extended and all such filed returns are complete and accurate in all material respects, and disclose all taxes required to be paid in the periods covered thereby. All taxes required to be withheld by or on behalf of the Company or any such subsidiary in connection with amounts paid or owing to any employees, independent contractor, creditor or other party have been withheld, and such withheld taxes have either been duly and timely paid to the proper governmental authorities or set aside in accounts for such purposes.

- u. *No Reliance on Purchaser.* The Company acknowledges and agrees that Purchaser is acting solely in the capacity of an arm's length purchaser with respect to this Agreement, the Certificate and the transactions contemplated hereby and thereby. The Company further acknowledges that neither Purchaser nor any of its partners, members, directors, officers, agents, employees or any other person acting on its behalf is acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to this Agreement, the Certificate and the transactions contemplated hereby and thereby. The Company further represents to the Purchaser that the Company's decision to enter into this Agreement and file the Certificate has been based solely on the independent evaluation by the Company and its representatives.
- v. *Foreign Corrupt Practices Act.* Neither the Company, nor any director, officer, agent, employee or other person acting on behalf of the Company or any subsidiary of the Company has, in the course of acting for, or on behalf of, the Company, directly or indirectly used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; directly or indirectly made any direct or indirect unlawful payment to any foreign or domestic government or party official or employee from corporate funds; violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended, or any similar treaties of the United States; or directly or indirectly made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic government or party official or employee.
- w. *MFN and Variable Rate Transactions.* Except as set on **Schedule 2.1(w)**, the Company has not entered into any MFN Transaction or Variable Rate Transaction (other than the sale of Preferred Shares under this Agreement and the Cash Purchase Agreement (as such term is defined below)), pursuant to which: (1) securities or potential obligations to issue securities are still outstanding or (2) the issuance, conversion, or exercise, as the case may be, of the Preferred Shares trigger, or may in the future trigger, an adjustment.

The term "**MFN Transaction**" shall mean a transaction in which the Company issues or sells any securities in a capital raising transaction or series of related capital raising transactions (the "**MFN Offering**") which grants to a purchaser (the "**MFN Purchaser**") the right to receive additional shares (including without limitation as a result of a lower conversion, exchange or exercise price but excluding customary antidilution protections) based upon subsequent transactions of the Company on terms more favorable than those granted to such MFN Purchaser in such MFN Offering. As used herein, term "**Variable Rate Transaction**" shall mean a transaction in which the Company issues or sells (i) any debt or equity securities that are convertible into, exchangeable or exercisable for, or include (pursuant to the terms of the securities or the transaction documents pursuant to which such securities were issued) the right to receive additional shares of, Common Stock either (x) at a conversion, exercise or exchange rate or other price that is based upon and/or varies with the trading prices of or quotations for the Common Stock at any time after the initial issuance of such debt or equity securities, or (y) with a fixed conversion, exercise or exchange price that is subject to being reset at some future date after the initial issuance of such debt or equity security or upon the occurrence of specified or contingent events directly or indirectly related to the business of the Company or the market for the Common Stock (but excluding standard stock split anti-dilution provisions), or (ii) any securities of the Company pursuant to an "equity line" structure which provides for the sale, from time to time, of securities of the Company which are registered for resale under the Act.

- x. *Acknowledgement of Dilution.* The number of shares of Common Stock issuable upon conversion of the Preferred Shares may increase substantially in certain circumstances. The Company acknowledges that its obligation to issue shares of Common Stock in accordance with the Transaction Documents is absolute and unconditional, regardless of the dilution that such issuance may have on other shareholders of the Company.
- y. *Insurance.* The Company and each of its subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as reasonably prudent and customary in the businesses in which the Company and its direct and indirect subsidiaries are engaged. Neither the Company nor any such subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business without a significant increase in cost.
- z. *Application of Takeover Protections.* The Company and its board of directors have taken all necessary action, if any, in order to render inapplicable any anti-takeover or control share provisions contained in the Company's Charter or By-Laws or arising under Nevada law, including without limitation Nevada Revised Statute *Section 78-378, et. seq.*, which is or could become applicable to Purchaser as a result of the transactions contemplated by the Transaction Documents, including, without limitation, the issuance of the Preferred Shares, Common Shares and the Purchaser's ownership of such securities.
- aa. *Indebtedness.* Except as disclosed in **Schedule 2.1(aa)** or in the Company's most recently filed annual report on form 10-KSB, neither the Company nor any of its subsidiaries has any outstanding Indebtedness (as defined below). For purposes of this Agreement: (i) "**Indebtedness**" of any person or entity (each, a "**Person**") means, without duplication (A) all indebtedness for borrowed money, (B) all obligations issued, undertaken or assumed as the deferred purchase price of property or services, (C) all reimbursement or payment obligations with respect to letters of credit, surety bonds and other similar instruments, (D) all obligations evidenced by notes, bonds, debentures or similar instruments, including obligations so evidenced incurred in connection with the acquisition of property, assets or businesses, (E) all indebtedness created or arising under any conditional sale or other title retention agreement, or incurred as financing,

in either case with respect to any property or assets acquired with the proceeds of such indebtedness (even though the rights and remedies of the seller or bank under such agreement in the event of default are limited to repossession or sale of such property), (F) all monetary obligations under any leasing or similar arrangement which, in accordance with GAAP, is classified as a capital lease, (G) all indebtedness referred to in clauses (A) through (F) above secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any lien upon or in any property or assets (including accounts and contract rights) owned by any Person, even though the Person which owns such assets or property has not assumed or become liable for the payment of such indebtedness, and (H) all Contingent Obligations in respect of indebtedness or obligations of others of the kinds referred to in clauses (A) through (G) above; and (ii) "Contingent Obligation" means, as to any Person, any direct or indirect liability, contingent or otherwise, of that Person with respect to any indebtedness, lease, dividend or other obligation of another Person if the primary purpose or intent of the Person incurring such liability, or the primary effect thereof, is to provide assurance to the obligee of such liability that such liability will be paid or discharged, or that any agreements relating thereto will be complied with, or that the holders of such liability will be protected (in whole or in part) against loss with respect thereto.

- ab. *Investment Company Status.* The Company is not, and immediately after receipt of payment for the Preferred Shares issued under this Agreement will not be, an "investment company" or an entity "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended (the "**Investment Company Act**"), and shall conduct its business in a manner so that it will not become subject to the Investment Company Act.
- ac. *Listing and Maintenance Requirements.* Except as disclosed in the Pre-Agreement SEC Documents, since September 19, 2008, the Company has been in compliance with all listing and maintenance requirements for the over-the-counter Market except, in each case, as could not reasonably be expected to result in a Material Adverse Effect. Since September 19, 2008, the Company has not received any communication, written or oral, from the SEC or the over-the-counter market regarding the suspension or delisting of the Common Stock.
- ad. *Purchase Representations.*
- i. *Access to Other Information.* The Company acknowledges that Purchaser has made available to the Company the opportunity to examine such additional documents from Purchaser and Cummins Family Produce and to ask questions of, and receive full answers from, Purchaser and Cummins Family Produce concerning, among other things, Cummins Family Produce, its financial condition, its management, its prior activities and any other information which the Company considers relevant or appropriate in connection with entering into this Agreement.
 - ii. *Risks of Purchase.* The Company acknowledges that the Cummins Family Produce Shares have not been registered under the Act. The Company is capable of assessing the risks of an investment in the Cummins Family Produce Shares and is fully aware of the economic risks thereof.
 - iii. *Purchaser Interest.* The Company is acquiring the Cummins Family Produce Shares for its own account and not with a view to distribution in violation of any securities laws. The Company has no present intention to sell the Cummins Family Produce Shares in violation of federal or state securities laws, *provided, however*, that by making the representations herein, the Company does not agree to hold the Cummins Family Produce Shares for any minimum or other specific term and reserves the right to dispose of the Cummins Family Produce Shares at any time in accordance with federal and state securities laws applicable to such disposition.
 - iv. *Restricted Securities.* The Company acknowledges and understands that the terms of transfer of the Cummins Family Produce Shares have not been reviewed by the SEC or by any state securities authorities and that the Cummins Family Produce Shares have been issued in reliance on the certain exemptions from registration under the Act, which exemptions depend upon, among other things, the representations made and information furnished by the Company, including the bona fide nature of the Company's investment intent as expressed above.
 - v. *Ability to Bear Economic Risk.* The Company (i) is able to bear the economic risk of its investment in the Cummins Family Produce Shares, (ii) is able to hold the Cummins Family Produce Shares for an indefinite period of time and (iii) can afford a complete loss of its investment in the Cummins Family Produce Shares.
 - vi. *No Public Solicitation.* At no time was the Company presented with or solicited by any general mailing, leaflet, public promotional meeting, newspaper or magazine article, radio or television advertisement, or any other form of general advertising or general solicitation in connection with the issuance.
- ae. *Cash Purchase Transaction.* The Company is entering into a purchase and sale agreement on or about the date hereof (the "**Cash Purchase Agreement**") with one or more investors pursuant to which the Company will issue Preferred Shares on the Initial Closing Date at the price per share equal to the Original Issue Price, which purchase price shall be paid in cash (with the exception of Company employees purchasing up to an aggregate of 1,000 Preferred Shares partially in cash and partially through promissory notes). The Company has provided the Purchaser with a true and correct copy of the Cash Purchase Agreement and all documents execution in connection therewith.

2. Representations and Warranties of the Purchasers. Purchaser hereby makes the following representations and warranties to the Company as of the date hereof and on the Closing Date:
- a. *Organization and Qualification.* Purchaser is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and is duly qualified to do business and in good standing in each jurisdiction in which the nature of the business conducted by it makes such qualification necessary except where the failure to be so qualified or in good standing would not reasonably be expected to have a Material Adverse Effect on Purchaser.
 - b. *Authorization; Enforcement.* (i) Purchaser has the requisite power and authority to enter into and perform this Agreement, to purchase the Preferred Shares being sold to it hereunder, and to acquire the Common Shares, (ii) the execution and delivery of this Agreement by such Purchaser and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary corporate or partnership action, and (iii) this Agreement constitutes valid and binding obligations of Purchaser enforceable against Purchaser in accordance with their terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of creditors' rights and remedies or by other equitable principles of general application.
 - c. *No Conflicts.* The execution, delivery and performance of this Agreement and the consummation by Purchaser of the transactions contemplated hereby do not and will not (i) result in a violation of Purchaser's organizational documents, (ii) conflict with any agreement, indenture or instrument to which Purchaser is a party, or (iii) result in a material violation of any law, rule, or regulation, or any order, judgment or decree of any court or governmental agency applicable to Purchaser. Purchaser is not required to obtain any consent or authorization of any governmental agency in order for it to perform its obligations under this Agreement.
 - d. *Representations Regarding Cummins Family Produce.*
 - i. *Organization and Qualification; Material Adverse Effect.* Cummins Family Produce is a corporation duly incorporated and existing in good standing under the laws of the State of Idaho and has the requisite corporate power to own its properties and to carry on its business as now being conducted. Cummins Family Produce does not have any direct or indirect subsidiaries (defined as any entity of which Cummins Family Produce owns, directly or indirectly, 50% or more of the equity or voting power). Cummins Family Produce is duly qualified as a foreign corporation to do business and is in good standing in every jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary other than those in which the failure so to qualify would not have a Material Adverse Effect on Cummins Family Produce.
 - ii. *Capitalization.* The authorized capital stock of Cummins Family Produce consists of 10,000 shares of Cummins Family Produce Stock, of which the 1,000 Cummins Family Produce Shares to be transferred hereunder are the only shares outstanding. No shares of capital stock are entitled to preemptive rights and, there are no outstanding options or warrants for shares of Cummins Family Produce Stock. There are no other scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights exchangeable for or convertible into, any shares of capital stock of Cummins Family Produce, or contracts, commitments, understandings, or arrangements by which the Cummins Family Produce is or may become bound to issue additional shares of capital stock of Cummins Family Produce or options, warrants, scrip, rights to subscribe to, or commitments to purchase or acquire, any shares, or securities or rights convertible or exchangeable into shares, of capital stock of Cummins Family Produce. Attached hereto as **Exhibit 2.2(d)(ii)** is a true and correct copy of Cummins Family Produce's Articles of Incorporation (the "**Cummins Family Produce Charter**"), as in effect on the date hereof, and attached hereto as **Exhibit 2.2(d)(iii)** is a true and correct copy of Cummins Family Produce's By-Laws, as in effect on the date hereof (the "**Cummins Family Produce By-Laws**"). All stock records, and all corporate minute books and records of Cummins Family Produce, have been made available for inspection by the Company. Such stock records accurately reflect all transactions involving capital stock of Cummins Family Produce and the current stock ownership of Cummins Family Produce. The corporate minute books and records of Cummins Family Produce contain all material resolutions adopted by the stockholders or the board of directors of Cummins Family Produce. Cummins Family Produce's books, accounts and records are, and have been, maintained in Cummins Family Produce's usual, regular and ordinary manner, in accordance with generally accepted accounting principles and all material transactions to which Cummins Family Produce is or has been a party are properly reflected therein.
 - iii. *Issuance of Common Shares.* The Cummins Family Produce Shares are validly issued, fully paid and nonassessable, and are free and clear of any and all liens or claims thereon.
 - iv. *No Conflicts.* The execution, delivery and performance of the Transaction Documents by the Purchaser and the consummation by the Purchaser of the transactions contemplated hereby and thereby do not and will not (i) result in a violation of the Cummins Family Produce Charter or Cummins Family Produce By-Laws or (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture, patent, patent license or material instrument to which Cummins Family Produce is a party (collectively, "**Cummins Family Produce Agreements**") except for such conflicts, defaults or rights of termination, amendment, acceleration or cancellation which would not have a Material Adverse Effect on

Cummins Family Produce, or (iii) result in a violation of any federal, state, local or foreign law, rule, regulation, order, judgment or decree (including federal and state securities laws and regulations) applicable to Cummins Family Produce or by which any property or asset of Cummins Family Produce is bound or affected, except (other than in the case of clause (i) above) where such violation would not reasonably be expected to have a Material Adverse Effect. The business of the Cummins Family Produce is being conducted in compliance with (i) the Cummins Family Produce Charter and Cummins Family Produce By-Laws, (ii) all Cummins Family Produce Agreements (except where such violation would not reasonably be expected to have a Material Adverse Effect on Cummins Family Produce) and (ii) all applicable laws, ordinances or regulations of any governmental entity (except where such violation would not reasonably be expected to have a Material Adverse Effect on Cummins Family Produce).

- v. *Financial Statements.* The unaudited financial statements of Cummins Family Produce for the quarter ending September 30, 2008 have been prepared in accordance with United States generally accepted accounting principles (except to the extent they may not include footnotes or may be condensed or summary statements). The financial statements of Cummins Family Produce are complete and correct in all material respects and present fairly the financial position of Cummins Family Produce as of the dates thereof and the results of operations and cash flows of Cummins Family Produce for the periods covered by such statements, in accordance with GAAP consistently applied, except for (x) the absence of footnote disclosures required by GAAP and (y) normal recurring year-end adjustments which are not material, individually or in the aggregate.
- vi. *No Litigation.* No litigation or claim (including those for unpaid taxes) against Cummins Family Produce which could reasonably be expected to have a Material Adverse Effect on Cummins Family Produce or could reasonably be expected to materially and adversely affect the transactions contemplated by the Transaction Documents is pending or, to the Purchaser's knowledge, threatened, and to the Purchaser's knowledge, no other event has occurred, which could reasonably be expected to have a Material Adverse Effect on Cummins Family Produce or could reasonably be expected to materially and adversely affect the transactions contemplated hereby.
- vii. *Taxes.* All federal, state, city and other tax returns, reports and declarations required to be filed or extended by or on behalf of the Cummins Family Produce have been filed or extended and all such filed returns are complete and accurate in all material respects, and disclose all taxes required to be paid in the periods covered thereby. All taxes required to be withheld by or on behalf of Cummins Family Produce or any such subsidiary in connection with amounts paid or owing to any employees, independent contractor, creditor or other party have been withheld, and such withheld taxes have either been duly and timely paid to the proper governmental authorities or set aside in accounts for such purposes.
- viii. *Foreign Corrupt Practices Act.* Neither Cummins Family Produce, nor any director, officer, agent, employee or other person acting on behalf of Cummins Family Produce has, in the course of acting for, or on behalf of, Cummins Family Produce, directly or indirectly used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; directly or indirectly made any direct or indirect unlawful payment to any foreign or domestic government or party official or employee from corporate funds; violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended, or any similar treaties of the United States; or directly or indirectly made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic government or party official or employee.
- ix. *Insurance.* Cummins Family Produce is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as reasonably prudent and customary in the businesses in which Cummins Family Produce is engaged. The Purchaser has no reason to believe that Cummins Family Produce will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business without a significant increase in cost.
- x. *Application of Takeover Protections.* Cummins Family Produce and its board of directors have taken all necessary action, if any, in order to render inapplicable any anti-takeover or control share provisions contained in the Cummins Family Produce Charter or Cummins Family Produce By-Laws or arising Idaho law, which is or could become applicable to the Company as a result of the transactions contemplated hereby.
- xi. *Investment Company Status.* The Cummins Family Produce is not an "investment company" or an entity "controlled" by an "investment company" within the meaning of the Investment Company Act.
- xii. *Receivables.* To the Purchaser's knowledge, none of Cummins Family Produce's trade receivables set forth on the financial statements which arose subsequent to the date of the financial statements (collectively, "**Receivables**") is or was subject to any material counterclaim or set off. To the Purchaser's knowledge, all Receivables are collectible (or have been collected) in the ordinary course of business using ordinary course collection practices, consistent with past practices, at the aggregate recorded amounts thereof, subject to the amount of reserves for doubtful accounts and for allowances and discounts set forth in the financial statements. All such reserves, allowances and discounts, were and are consistent with reserves, allowances and discounts previously maintained by Cummins Family Produce in the ordinary course. Cummins Family Produce does not

have any outstanding sales on consignment, sales on approval, sales on return or guaranteed sales. Cummins Family Produce has not issued any credits or credit memos in respect of any Receivable. No Receivable is owed by any governmental entity.

- xiii. *Equipment.* The material equipment owned by Cummins Family Produce or leased or available to Cummins Family Produce, including the assets leased or to be leased to Cummins Family Produce under the lease agreement with Cummins Family Holdings, LLC ("**Cummins Family Holdings**") dated on or about the date hereof (the "**Lease Agreement**") are listed on **Schedule 2.2(d)(xiii)** (the "**CFP Equipment**"). Cummins Family Produce has good title to or, subject to any such Lease, the right to use the CFP Equipment, free and clear of any liens, claims, encumbrances and security interests, except for the following liens ("**Permitted Liens**"): (i) statutory liens for taxes (as defined herein) not yet due, (ii) liens of carriers, warehousemen, mechanics and materialmen incurred in the ordinary course of business for sums not yet due; (iii) liens incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security; or (iv) liens in favor of Key Equipment Finance Inc. ("**Key Equipment Finance**") in connection with indebtedness of Wesley Cummins to Key Equipment Finance. No unreleased mortgage, trust deed, chattel mortgage, security agreement, financing statement or other instrument encumbering any of the CFP Equipment has been recorded, filed, executed or delivered except in connection with indebtedness of Wesley Cummins to Key Equipment Finance.

To the Purchaser's knowledge, the CFP Equipment (i) is structurally sound, in good operating condition and repair, and adequate for the uses to which it is being put; (ii) none of such equipment is in need of maintenance or repairs except for ordinary, routine maintenance and repairs that are not material in nature or cost; and (iii) such equipment is sufficient for the continued conduct of Cummins Family Produce's business after the Closing in substantially the same manner as conducted prior to the Closing.

- xiv. *Material Adverse Change.* Since September 30, 2008, no Material Adverse Effect has occurred or exists with respect to Cummins Family Produce, and no event or circumstance has occurred, to the Purchaser's knowledge, that with notice or the passage of time or both the Purchaser believes is reasonably likely to result in a Material Adverse Effect with respect to Cummins Family Produce.
- xv. *Contracts.* With the exception of legal fees payable in connection with the drafting, negotiation and execution of this Agreement and the transactions contemplated hereby, **Schedule 2.2(xv)** lists all written or oral contract to which Cummins Family Produce is a party with an obligation over \$10,000 (the "**Contracts**"). Except as shown on **Schedule 2.2(d)(xv)**, Cummins Family Produce is not a party to, or bound by, or the issuer, beneficiary or recipient of, any material and undischarged written or oral:
- A. consulting agreement or agreement for the employment for any period of time whatsoever, or in regard to the employment, or restricting the employment, of any employee of Cummins Family Produce, other than employment of an employee at-will by Cummins Family Produce;
 - B. agreement for the payment of a severance benefit, retention bonus or so-called "sale bonus" to any employees;
 - C. plan or contract or arrangement providing for bonuses, options, deferred compensation, retirement payments, profit sharing, medical and/or dental benefits or the like covering any employee or employees of Cummins Family Produce;
 - D. agreement restricting in any manner Cummins Family Produce's right to compete with any other Person, right to sell to or purchase from any other Person, the right of any other Person to compete with Cummins Family Produce, or the ability of such Person to employ any of Cummins Family Produce's employees;
 - E. guaranty, performance, bid or completion bond, or surety or indemnification agreement;
 - F. loan or credit agreement, pledge agreement, note, security agreement, mortgage, debenture, indenture, factoring agreement or letter of credit (other than in connection with Wesley Cummins' indebtedness to Key Equipment Finance encumbering the CFP Equipment);
 - G. contract with any railroad or other transportation company;
 - H. lease or sublease, either as lessee or sublessee, lessor or sublessor, of real or personal property or intangibles (other than in connection with the Lease Agreement);

To the knowledge of the Purchaser, all of the Contracts are in full force and effect and are valid and enforceable in accordance with their terms. To the knowledge of the Purchaser, Cummins Family Produce is in material compliance with all terms and requirements of each Contract and each other Person that is party to a Contract is in material compliance with the terms and requirements of such Contract. To the knowledge of the Purchaser, no event has occurred or circumstance exist that (with or without notice or lapse of time) may contravene, conflict with or result in a material violation or material breach of, or give Cummins Family Produce or any other Person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate or modify any Contract. There are no renegotiations, attempts to renegotiate or outstanding rights to negotiate any material amount to be paid or payable to or by Cummins Family Produce under any Contract and no Person has made a written demand for such renegotiation. To the knowledge of the Purchaser, Cummins Family Produce is not subject to any legal obligation to renegotiate or of a claim for a legal right to renegotiate, any Contract. To the knowledge of the Purchaser, Cummins Family Produce has not released or waived any of its material rights under any Contract. Cummins Family Produce does not have any unsatisfied community or charitable pledges, contributions or commitments. Cummins Family Produce is not subject to any

liability, or claim therefore, for or with respect to price adjustment under any contract with the U.S. Government or any agency thereof, including any liability for defective pricing.

xvi. *Employees.* With respect to the employees of Cummins Family Produce:

- A. There has not been, and to the knowledge of the Purchaser, there is not threatened, (1) any material strike, slowdown, picketing, work stoppage or employee grievance process; (2) any material charge, grievance proceeding or other claim against or affecting Cummins Family Produce relating to the alleged violation of any law pertaining to labor relations or employment matters, including any charge or complaint filed by an employee or union with the National Labor Relations Board, the Equal Employment Opportunity Commission or any comparable governmental authority, (3) any union organizational activity or other labor or employment dispute against or affecting Cummins Family Produce or (4) any application for certification of a collective bargaining agent.
- B. To the knowledge of the Purchaser, none of the employees of Cummins Family Produce is an undocumented alien.
- C. The employment of each of Cummins Family Produce's employees is terminable at will without cost to Cummins Family Produce (as the case may be) except for payments required under the benefit plans and the payment of accrued salaries or wages and vacation and sick pay. Following termination, no employee or former employee has any right to demand to be rehired by Cummins Family Produce.

xvii. *Warranties.* There are no material claims pending, or, to the Purchaser's knowledge, threatened against Cummins Family Produce with respect to the quality of or absence of defects in products or services. There have not been any products voluntarily recalled by Cummins Family Produce. Cummins Family Produce has not paid or been required to pay direct, incidental, or consequential damages to any Person in connection with any of such products or services.

xviii. *Product Liability.* To the Purchaser's knowledge, Cummins Family Produce has had no liability arising out of any injury to individuals or property as a result of the ownership, possession, or use of any product manufactured, sold, or delivered by Cummins Family Produce which could reasonably result in a Material Adverse Effect on Cummins Family Produce. To the purchaser's knowledge, no product manufactured, sold or delivered by Cummins Family Produce is or has been the subject of any product recall or service bulletin corrective action in connection with any actual product defect.

xix. *Environmental.* Cummins Family Produce and its assets and business are and at all times have been in compliance in all material respects with all Environmental Laws (as defined herein) and Environmental Permits (as defined herein), except where the failure to do so would not result in a Material Adverse Effect on Cummins Family Produce. No notice, citation, inquiry or complaint has been received by Cummins Family Produce of any alleged violation of or liability or obligation (or potential liability or obligation) under any Environmental Law or Environmental Permit and to the knowledge of the Purchaser, there are no facts or circumstances which could be the basis for such a notice, citation, inquiry or complaint. To the knowledge of the Purchaser, there are no circumstances that could reasonably be expected to interfere with compliance by Cummins Family Produce with Environmental Laws in the future, whether or not the transactions contemplated hereunder take place. As used in this Agreement, the following terms have the following meanings:

- A. "**Environmental Laws**" means all federal, state and local statutes, regulations, ordinances, rules, regulations, court orders, decrees, arbitration awards, and common law to which Cummins Family Produce is subject relating to (1) emissions, discharges, releases, or threatened releases of Hazardous Materials, (2) the generation, manufacture, handling, transport, use, treatment, storage or disposal of Hazardous Materials or materials containing Hazardous Materials, (3) otherwise relating to the pollution of the environment, solid waste handling, treatment, storage or disposal, reclamation or remediation activities, or protection of environmentally sensitive areas, or (4) the handling, processing, distribution or sale of agricultural or food products;
- B. "**Environmental Permits**" means licenses, permits, registrations, approvals of governmental authorities and agencies, agreements and consents which are required under or are issued pursuant to Environmental Laws;
- C. "**Hazardous Materials**" means any substances with respect to which a federal, state or local agency requires environmental investigation, monitoring, reporting or remediation; and
- D. "**Release**" means any spill, discharge, leach, leak, emission, escape, injection, dumping or other release or threatened release into the environment, whether or not notification or reporting to any governmental agency was or is required, including any Release which is subject to Environmental Laws.

xx. *Real Property.*

- A. Cummins Family Produce does not own any real property.

- B. **Schedule 2.2(d)(xx)** lists all real property leased, subleased or used by Cummins Family Produce (the "Leased Real Property"). The Leased Real Property: (1) constitutes all real property and improvements leased by Cummins Family Produce; (2) to the best of the Purchaser's knowledge, is not in possession of any adverse possessors; (3) is not subject to any leases or tenancies of any kind (except for Cummins Family Produce's lease); (4) is used in a manner which is materially consistent and legally permitted by applicable zoning ordinances and other laws or regulations without special use approvals or permits; (5) is in the peaceful possession of Cummins Family Produce; (6) is served by all water, sewer, electrical, telephone, drainage and other utilities required for both the normal operations of the business of Cummins Family Produce; and (7) to the knowledge of the Purchaser, requires no work or improvements to bring it into compliance with any applicable law or regulation, and is in good condition and repair.
- C. To the knowledge of the Purchaser, none of the utility companies serving any of the Leased Real Property has threatened any reduction in service. All of such utilities are installed and operating and all installation and connection charges have been paid for in full.
- D. The continued maintenance and operation of the Leased Real Property as currently maintained and operated is not dependent on facilities located at other property, and the continued maintenance and operation of any other property is not dependent on facilities located on the Leased Real Property; no building or other improvement not part of the Leased Real Property relies on the Leased Real Property or any part thereof or any interest therein to fulfill any governmental requirement; and no building or other improvement on the Leased Real Property relies on any property not included within the Leased Real Property to fulfill any governmental requirements.
- E. There are no challenges or appeals pending regarding the amount of the real estate taxes on, or the assessed valuation of, the Leased Real Property, and no special arrangements or agreements exist with any governmental authority with respect thereto (the representations and warranties contained in this paragraph (E) shall not be deemed to be breached by any prospective general increase in real estate tax rates).
- xxi. *Bank Accounts; Employee Information.* The representation letter dated on or about the date hereof from the Purchaser to the Company regarding bank account information of Cummins Family Produce as well as a list of all regular employees of Cummins Family Produce, including their base salaries, bonuses and positions, is true and correct.
- e. *Purchase Representations.*
- i. *Access to Other Information.* Purchaser acknowledges that the Company has made available to Purchaser the opportunity to examine such additional documents from the Company and to ask questions of, and receive full answers from, the Company concerning, among other things, the Company, its financial condition, its management, its prior activities and any other information which Purchaser considers relevant or appropriate in connection with entering into this Agreement.
- ii. *Risks of Purchase.* Purchaser acknowledges that the Preferred Shares and the Common Shares issuable upon conversion thereof have not been registered under the Act. Purchaser is familiar with the provisions of Rule 144 promulgated under the Act and understands that in the event all of the applicable requirements of Rule 144 are not satisfied, registration under the Act or some other exemption from the registration requirements of the Act will be required in order to dispose of the Preferred Shares and the Common Shares issuable upon conversion of the rights granted thereunder, and that such Purchaser may be required to hold the Preferred Shares and the Common Shares issuable upon conversion of the Preferred Shares received under this Agreement for a significant period of time prior to reselling them. Purchaser is capable of assessing the risks of an investment in the Preferred Shares and is fully aware of the economic risks thereof.
- iii. *Purchaser Interest.* Purchaser is purchasing the Preferred Shares and may purchase the Common Shares in each case, for its own account and not with a view to distribution in violation of any securities laws. Purchaser has no present intention to sell the Preferred Shares or Common Shares in violation of federal or state securities laws, *provided, however,* that by making the representations herein, such Purchaser does not agree to hold the Preferred Shares and Common Shares for any minimum or other specific term and reserves the right to dispose of the Preferred Shares or Common Shares at any time in accordance with federal and state securities laws applicable to such disposition.
- iv. *Restricted Securities.* Purchaser acknowledges and understands that the terms of issuance have not been reviewed by the SEC or by any state securities authorities and that the Preferred Shares have been issued in reliance on the certain exemptions from registration under the Act, which exemptions depend upon, among other things, the representations made and information furnished by such Purchaser, including the bona fide nature of Purchaser's investment intent as expressed above.
- v. *Ability to Bear Economic Risk.* Purchaser is an "accredited investor" as defined in Rule 501 of Regulation D, as amended, under the Act, and (i) is able to bear the economic risk of its investment in the Preferred Shares, (ii) is

able to hold the Preferred Shares for an indefinite period of time, (iii) can afford a complete loss of its investment in the Preferred Shares and (iv) has adequate means of providing for its current needs.

- vi. *No Public Solicitation.* At no time was Purchaser presented with or solicited by any general mailing, leaflet, public promotional meeting, newspaper or magazine article, radio or television advertisement, or any other form of general advertising or general solicitation in connection with the issuance.
- vii. *Reliance by the Company.* Purchaser understands that the Preferred Shares are being or will be, as the case may be, offered and sold and that the Common Shares as the case may be, will be issued, in reliance on a transactional exemptions from the registration requirements of federal and state securities laws and that the Company is relying upon the truth and accuracy of the representations, warranties, agreements, acknowledgments and understandings of Purchaser set forth herein in order to determine the applicability of such exemptions and the suitability of Purchaser to acquire the Preferred Shares.
- f. *Brokers.* Purchaser has taken no written action which would give rise to any claim by any person for brokerage commissions, finder's fees or similar payments by the Company relating to this Agreement or the transactions contemplated hereby.
- g. *No Hedging.* Purchaser has not, within the ninety (90) days immediately preceding the date of this Agreement, purchased, sold, optioned, hedged or otherwise directly or indirectly participated in any transactions involving securities of the Company.
- h. *Review of SEC Documents.* Purchaser has had the opportunity to, and has reviewed the Annual Report and Proxy Statement of the Company dated September 26, 2008, including the Annual Report on Form 10-KSB for the fiscal year ended May 31, 2008 contained therein; the Quarterly Report of the Company on Form 10Q for its fiscal quarter ended August 31, 2008; and the periodic reports on Form 8-K as filed with the Securities and Exchange Commission during calendar year 2007 and 2008 up to and including the date of this Agreement.
- i. *Stearns Note.* The Purchaser has previously provided to the Company a true and correct copy of the Stearns Note. To the Purchaser's knowledge, all amounts have been timely paid thereunder, and Wesley Cummins is not in default under the Stearns Note.

3.

Covenants

1. Stearns Note. As of the Closing Date, the Company shall assume all of the obligations of Wesley Cummins under the Stearns Note, and shall timely pay when due all amounts thereunder in accordance with the terms thereof.
2. Registration and Listing; Effective Registration. For so long as the Preferred Shares are outstanding, the Company will use its commercially reasonable best efforts to cause the Common Stock which is registered on the date hereof to continue at all times to be so registered under Section 12(b) or Section 12(g) of the Exchange Act, will comply in all respects with its reporting and filing obligations under the Exchange Act, and will not take any action or file any document (whether or not permitted by the Exchange Act or the rules thereunder) to terminate or suspend such reporting and filing obligations; provided that the foregoing shall not prevent the Company from entering into a tender offer or merger pursuant to which it ceases to become a public reporting company. Until such time as no Preferred Shares are outstanding, the Company shall use its commercially reasonable best efforts to continue the trading of the Common Stock on the over-the-counter market and comply in all material respects with the Company's reporting, filing and other obligations under the bylaws or rules of the market on which the Common Stock is traded except that the Purchaser acknowledges that the Company may not file audited financial statements for Cummins Family Produce as an exhibit to the Form 8-K it will file in connection with this Agreement.
3. Preferred Shares on Conversion. Upon any conversion by Purchaser (or then holder of Preferred Shares) of the Preferred Shares pursuant to the terms thereof, the Company shall issue and deliver to such Purchaser (or holder) within 3 business days of the Conversion Date (as such term is defined in the Certificate), a new certificate for the number of Preferred Shares which Purchaser (or holder) has not yet elected to convert but which is evidenced in part by the certificate(s) submitted to the Company in connection with such conversion (with the number of and denomination of such new Certificates designated by Purchaser or holder); provided that if prior to such date, the Company has not received the certificate representing such Preferred Shares or an affidavit of lost certificate, then such delivery may be extended until one business day after receipt thereof by the Company.
4. Replacement Preferred Share Certificates. The certificates for Preferred Shares held by Purchaser (or then holder) may be exchanged by Purchaser (or such holder) at any time and from time to time for certificates with different denominations representing an equal aggregate number of Preferred Shares, as requested by such Purchaser (or such holder) upon surrendering the same. No service charge will be made for such registration or transfer or exchange.
5. Securities Compliance. The Company shall notify the SEC, in accordance with their requirements, of the transactions contemplated by this Agreement and the Certificate and shall take all other necessary action and proceedings as may be required and permitted by applicable law, rule and regulation, for the legal and valid issuance of the Preferred Shares

hereunder, and the Common Shares issuable upon conversion thereof.

6. [Intentionally omitted].
7. Notices. The Company agrees to provide all holders of Preferred Shares with copies of all notices and information, including without limitation notices and proxy statements in connection with any meetings, that are provided to the holders of shares of Common Stock, contemporaneously with the delivery of such notices or information to such Common Stock holders.
8. [Intentionally omitted].
9. Reservation of Stock Issuable Upon Conversion. At all times when any Preferred Shares are outstanding, the Company shall reserve and keep available out of its authorized but unissued stock, for the purpose of effecting the conversion of the Preferred Shares, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Preferred Shares. The Company promptly will take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose, including without limitation engaging in best efforts to obtain the requisite stockholder approval.
10. Commercially Reasonable Efforts. The parties shall use their commercially reasonable efforts to satisfy timely each of the conditions described in Article 4 of this Agreement.
11. Form D; Blue Sky Laws. The Company agrees to file a Form D with respect to the Preferred Shares and Common Shares, as required under Regulation D and to provide a copy thereof to Purchaser promptly after such filing. The Company shall, on or before Closing Date and the Earn-out Closing Date, take such action as the Company shall have reasonably determined is necessary to qualify the Preferred Shares and Common for sale to Purchaser at the Closing and the Earn-out Closing pursuant to this Agreement under applicable securities or "blue sky" laws of the states of the United States (or to obtain an exemption from such qualification), and shall provide evidence of any such action so taken to Purchaser on or prior to the Closing Date or the Earn-out Closing Date, as applicable.
12. Form 8-K. The Company shall timely file a Form 8-K with the SEC which discloses the transactions contemplated hereby.

4.

Conditions to Closings

1. Conditions Precedent to the Obligation of the Company to Sell the Preferred Shares. The obligation hereunder of the Company to issue and/or sell the Preferred Shares to Purchaser at the Closing (unless otherwise specified) is subject to the satisfaction, at or before the Closing, of each of the applicable conditions set forth below. These conditions are for the Company's sole benefit and may be waived by the Company at any time in its sole discretion.
 - a. *Accuracy of the Purchaser's Representations and Warranties*. The representations and warranties of Purchaser that are not qualified by materiality or material adverse effect shall be true and correct in all material respects and the representations and warranties that are qualified by materiality or Material Adverse Effect shall be true and correct in all respects, in each case as of the date when made and as of the Closing Date as though made at that time (except for representations and warranties as of an earlier date, which shall be true and correct as of such date).
 - b. *Performance by the Purchaser*. Purchaser shall have performed all agreements and satisfied all conditions required to be performed or satisfied by Purchaser at or prior to the Closing.
 - c. *No Injunction*. No statute, rule, regulation, executive, judicial or administrative order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction which prohibits the consummation of any of the transactions contemplated by this Agreement or the Preferred Shares.
 - d. *Adverse Changes*. No event which had or is likely to have, in the reasonable judgment of the Company, a Material Adverse Effect on Cummins Family Produce shall have occurred.
 - e. *Cummins Family Produce Shares*. The Company shall have received certificates representing the Cummins Family Produce Shares in the form and substance attached as **Exhibit 4.1(e)** hereto.
 - f. *Lease Agreement*. Cummins Family Holdings and Cummins Family Produce shall have executed the Lease Agreement in the form and substance previously provided to the Company.
 - g. *Supply Agreement*. Southern Slope, Inc., Black Rock Ag., Inc., Cummins Family Produce, and solely for limited purposes set forth therein, Wesley Cummins, Lance Cummins, Nicholas Cummins and Nathan Cummins, shall have executed the supply agreement in the form and substance previously provided to the Company.
 - h. *Opinion of Counsel*. At the Closing, the Company shall have received an opinion of Wright Brothers Law Office, PLLC, the independent counsel of the Purchaser, in form and substance reasonably satisfactory to the Company, and such other opinions, certificates and documents as the Company or its counsel shall reasonably require incident to the Closing.

- i. *Other Purchaser Closing.* At the Closing, the Company shall simultaneously close under the Cash Purchase Agreement.
 - j. *Officer's Certificate.* The Purchaser shall have delivered to the Company one or more certificates in form and substance reasonably satisfactory to the Company, (x) executed by the general partner of the Purchaser certifying as to satisfaction of closing conditions, incumbency of signing officers, and the true, correct and complete nature of the Certificate of Limited Partnership and Agreement of Limited Partnership of the Purchaser and (y) executed by an officer of Cummins Family Produce, certifying as to incumbency of signing officers, the true, correct and complete nature of the Charter and By-Laws of Cummins Family Produce, and the good standing of Cummins Family Produce.
 - k. *Due Diligence.* The Company shall have completed, to its satisfaction, its due diligence on Cummins Family Produce.
2. Conditions Precedent to the Obligation of Purchaser to Purchase the Preferred Shares. The obligation hereunder of each Purchaser to acquire and pay for the Preferred Shares at the Closing (unless otherwise specified) is subject to the satisfaction, at or before the Closing, of each of the applicable conditions set forth below. These conditions are for Purchaser's benefit and may be waived by Purchaser at any time in its sole discretion.
- a. *Accuracy of the Company's Representations and Warranties.* The representations and warranties of the Company that are not qualified by materiality or material adverse effect shall be true and correct in all material respects and the representations and warranties that are qualified by materiality or Material Adverse Effect shall be true and correct in all respects, in each case as of the date when made and as of the Closing Date as though made at that time (except for representations and warranties as of an earlier date, which shall be true and correct as of such date).
 - b. *Performance by the Company.* The Company shall have performed all agreements and satisfied all conditions required to be performed or satisfied by the Company at or prior to the Closing.
 - c. *No Injunction.* No statute, rule, regulation, executive, judicial or administrative order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction which prohibits the consummation of any of the transactions contemplated by this Agreement or the Preferred Shares.
 - d. *Opinion of Counsel.* At the Closing, the Purchaser shall have received an opinion of Tobin, Carberry, O'Malley, Riley & Selinger, P.C., the independent counsel of the Company, in form and substance reasonably satisfactory to the Purchaser, and such other opinions, certificates and documents as the Purchaser or its counsel shall reasonably require incident to the Closing.
 - e. *Advanced Plasma License Agreement.* Advanced Plasma Products, Inc. and the University of Tennessee Research Foundation shall have executed the license agreement in the form and substance previously provided to the Purchaser.
 - f. *Adverse Changes.* No event which had or is likely to have, in the reasonable judgment of the Purchaser, a Material Adverse Effect on the Company or any of its direct or indirect subsidiaries shall have occurred.
 - g. *Officer's Certificate.* The Company shall have delivered to the Purchaser a certificate in form and substance reasonably satisfactory to the Purchaser, executed by an officer of the Company, certifying as to satisfaction of closing conditions, incumbency of signing officers, and the true, correct and complete nature of the Charter, By-Laws, good standing and authorizing resolutions of the Company.
 - h. *Certificate.* The Certificate shall have been accepted for filing by the Secretary of State of the State of Nevada and a stamped copy shall have been provided to the Purchaser.
 - i. *Preferred Shares.* The Company shall have delivered to Pacific Stock Transfer Company, the stock registrar and transfer agent for the Company, irrevocable instructions to register 20,000 Preferred Shares in the name of the Purchaser and to immediately deliver to the Purchaser one or more certificates (as reasonably requested by the Purchaser) representing such Preferred Shares in the form and substance of **Exhibit 4.2(i)** hereto.
 - j. *By-Law Amendment.* The By-Laws shall have been amended to opt out of Nevada Revised Statutes *Section 78-378, et. seq. in form and substance satisfactory to the Purchaser.*
 - k. *Other Purchaser Closing.* At the Closing, the Company shall simultaneously close under the Cash Purchase Agreement.
 - l. *Due Diligence.* Purchaser shall have completed, to its satisfaction, its due diligence on the Company.

5.

Legend and Stock

The Company will issue one or more certificates representing the Preferred Shares in the name of the Purchaser and in such denominations to be specified by the Purchaser prior to (or from time to time subsequent to) Closing. Each certificate representing the Preferred Shares shall be stamped or otherwise imprinted with a legend substantially in the following form:

These securities have not been registered under the Securities Act of 1933 or any state securities laws. They may not be Transferred, Assigned, sold or offered for sale except pursuant to an effective registration statement under said Act and any applicable state securities law or an opinion of counsel, in form and substance reasonably acceptable to the company, that registration is not required because of an applicable exemption from such registration requirements.

Nothing herein shall limit the right of any holder to pledge these securities pursuant to a bona fide margin account or lending arrangement.

6.

Termination

1. **Termination.** This Agreement may be terminated by action of the Board of Directors of the Company or by Purchaser at any time if the Closing shall not have been consummated by seventy-five (75) days following the date of this Agreement; *provided, however,* that the party (or parties) prepared to close shall retain its (or their) right to sue for any breach by the other party (or parties).

7.

8.

Miscellaneous

1. **Stamp Taxes.** The Company shall pay all stamp and other similar taxes and duties levied in connection with the issuance of the Preferred Shares and the shares of Common Stock issued upon conversion thereof. The Purchaser shall pay all stamp and other similar taxes and duties levied in connection with the transfer of the Cummins Family Produce Shares to the Company hereunder.
2. **Specific Performance; Consent to Jurisdiction; Jury Trial; Attorneys' Fees.**
 - a. The Company and Purchaser acknowledge and agree that irreparable damage would occur in the event that any of the provisions of this Agreement and the Certificate were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent or cure breaches of the provisions of this Agreement and to enforce specifically the terms and provisions hereof, this being in addition to any other remedy to which any of them may be entitled by law or equity.
 - b. the company and Purchaser (i) hereby irrevocably submits to the exclusive jurisdiction of the united states district court, the new york state courts and other courts of the united states sitting in new york county, new york for the purposes of any suit, action or proceeding arising out of or relating to this agreement and (ii) hereby waive, and agree not to assert in any such suit action or proceeding, any claim that it is not personally subject to the jurisdiction of such court, that the suit, action or proceeding is brought in an inconvenient forum or that the venue of the suit, action or proceeding is improper. to the extent permitted by applicable law, the Company and Purchaser consent to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address in effect for notices to it under this agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. nothing in this paragraph shall affect or limit any right to serve process in any other manner permitted by applicable law.
 - c. The Company and Purchaser hereby waive all rights to a trial by jury.
 - d. In connection with the enforcement by either party of its rights under the Transaction Documents, the party that prevails, shall be entitled to recovery of expenses incurred, including, without limitation, reasonable attorneys' fees.
3. **Entire Agreement; Amendment.** This Agreement, together with the Certificate and the agreements and documents executed in connection herewith and therewith, contains the entire understanding of the parties with respect to the matters covered hereby and thereby, supercedes any prior understanding, memoranda or other written or oral agreements between or among any of them respecting the matters covered hereby and thereby and, except as specifically set forth herein or therein, neither the Company nor Purchaser makes any representation, warranty, covenant or undertaking with respect to such matters. No provision of this Agreement may be waived except by a written instrument signed by both the Company and Purchaser. No provision of this Agreement may be amended other than by a written instrument signed by both the Company and Purchaser.
4. **Notices.** Any notice or other communication required or permitted to be given hereunder shall be in writing by mail, facsimile or personal delivery and shall be effective upon actual receipt of such notice. The addresses for such communications shall be:

to the Company:

Flight Safety Technologies, Inc.

c/o Kenneth Wood

18 Brookside Drive
Warren, NJ 07059
Attention: President and CEO

and

Flight Safety Technologies, Inc.
c/o Richard Rosenfeld
105 Stonebridge Road
Montclair, NJ 07042

Attention: CFO

with copies to:

Tobin, Carberry, O'Malley, Riley &
Selinger, P.C.

43 Broad Street

New London, CT 06320-0058

Phone: 860-447-0335

Facsimile: 860-442-3469

Attention: Joseph J. Selinger, Jr.

to Purchaser:

Cummins Family Limited Partnership

2570 Eldridge Ave.

Twin Falls, ID 83301

Attention: Wesley Cummins

with copies to:

Wright Brothers Law Office, PLLC

1166 Eastland Ave., Suite A

Twin Falls, ID 83301

Phone: 208-733-3107

Facsimile: 208-733-1669

Attention: Charles F. Wright

Any party hereto may from time to time change its address for notices by giving at least 10 days' written notice of such changed address to the other parties hereto.

5. Indemnity; Liability.

- a. *Company Indemnification.* In consideration of Purchaser's execution and delivery of this Agreement and in addition to all of the Company's other obligations under the Transaction Documents, from and after the Closing, the Company shall defend, protect, indemnify and hold harmless Purchaser and all of its partners, officers, directors, employees, and members and any of the foregoing persons' agents or other representatives (including, without limitation, those retained in connection with the transactions contemplated by this Agreement) (collectively, the "**Purchaser**

Indemnitees") from and against any and all actions, causes of action, suits, claims (which actions, causes of action, suits and claims are made by third parties), losses, costs, penalties, fees, liabilities and damages, and expenses in connection therewith (irrespective of whether any such Purchaser Indemnitee is a party to the action for which indemnification hereunder is sought), and including reasonable attorneys' fees and disbursements (the "**Purchaser Indemnified Liabilities**"), incurred by any Purchaser Indemnitee as a result of, or arising out of, or relating to (a) any misrepresentation or breach of any representation or warranty made by the Company in the Transaction Documents or any other certificate or document contemplated hereby or thereby, (b) any breach of any covenant, agreement or obligation of the Company contained in the Transaction Documents or any other certificate or document contemplated hereby or thereby, and (c) any cause of action, suit or claim brought or made against such Purchaser Indemnitee by a third party arising out of or resulting from the Company's breach of the Transaction Documents or the Company's breach of other certificate, instrument or document contemplated hereby or thereby, and (d) the enforcement of this Section. Notwithstanding the foregoing, Purchaser Indemnified Liabilities shall not include any liability of any Purchaser Indemnitee to the extent it arises out of: (i) such Purchaser Indemnitee's willful misconduct, gross negligence, or fraudulent action(s) or (ii) the breach of any representation, warranty or covenant in the Transaction Documents by such Purchaser Indemnitee.

The Company shall be liable under this Section 7.5(a) in respect of Purchaser Indemnified Liabilities only to the extent the aggregate of such Purchaser Indemnified Liabilities exceed \$10,000, in which case the Company shall be liable under this Section 7.5(a) for all Purchaser Indemnified Liabilities up to a maximum aggregate amount equal to the greater of (i) the Cummins Family Produce Value or (ii) the Initial Closing Consideration Value.

To the extent permitted by law, the parties acknowledge and agree that the indemnification set forth in this Section 7.5(a) shall be the exclusive remedy of the Purchaser Indemnitees against the Company for any Purchaser Indemnified Liabilities.

To the extent that the undertaking by the Company in this Section 7.5(a) may be unenforceable for any reason, and subject to the limitations set forth above, the Company shall make the maximum contribution to the payment and satisfaction of each of the Purchaser Indemnified Liabilities which is permissible under applicable law.

- b. *Purchaser Indemnification.* In consideration of Company's execution and delivery of this Agreement and in addition to all of the Purchaser's other obligations under the Transaction Documents, from and after the Closing, the Purchaser shall defend, protect, indemnify and hold harmless Company and all of its officers, directors, employees, and members and any of the foregoing persons' agents or other representatives (including, without limitation, those retained in connection with the transactions contemplated by this Agreement) (collectively, the "**Company Indemnitees**") from and against any and all actions, causes of action, suits, claims (which actions, causes of action, suits and claims are made by third parties), losses, costs, penalties, fees, liabilities and damages, and expenses in connection therewith (irrespective of whether any such Company Indemnitee is a party to the action for which indemnification hereunder is sought), and including reasonable attorneys' fees and disbursements (the "**Company Indemnified Liabilities**"), incurred by any Company Indemnitee as a result of, or arising out of, or relating to (a) any misrepresentation or breach of any representation or warranty made by the Purchaser in the Transaction Documents or any other certificate or document contemplated hereby or thereby, (b) any breach of any covenant, agreement or obligation of the Purchaser contained in the Transaction Documents or any other certificate or document contemplated hereby or thereby, (c) any cause of action, suit or claim brought or made against such Company Indemnitee by a third party arising out of or resulting from the Purchaser's breach of the Transaction Documents or the Purchaser's breach of any other certificate, instrument or document contemplated hereby or thereby, and (d) the enforcement of this Section. Notwithstanding the foregoing, Company Indemnified Liabilities shall not include any liability of any Company Indemnitee to the extent it arises out of: (i) such Company Indemnitee's willful misconduct, gross negligence, or fraudulent action(s) or (ii) the breach of any representation, warranty or covenant in the Transaction Documents by such Company Indemnitee.

The Purchaser shall be liable under this Section 7.5(b) in respect of Company Indemnified Liabilities only to the extent the aggregate of such Company Indemnified Liabilities exceed \$10,000, in which case the Purchaser shall be liable under this Section 7.5(b) for all Company Indemnified Liabilities up to a maximum aggregate amount equal to the greater of (i) the Cummins Family Produce Value or (ii) the Initial Closing Consideration Value.

At the Purchaser's election, amounts payable under this Section 7.5(b) may be paid with Preferred Shares, which Preferred Shares shall be valued for such purposes at the Original Issue Price.

To the extent permitted by law, the parties acknowledge and agree that the indemnification set forth in this Section 7.5(b) shall be the exclusive remedy of the Company Indemnitees against the Purchaser for any Company Indemnified Liabilities.

To the extent that the undertaking by the Purchaser in this Section 7.5(b) may be unenforceable for any reason, and subject to the limitations set forth above, the Purchaser shall make the maximum contribution to the payment and satisfaction of each of the Company Indemnified Liabilities which is permissible under applicable law.

6. Waivers. No waiver by any party of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right accruing to it thereafter.

7. Headings. The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.
8. Successors and Assigns. Except as otherwise provided herein, this Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. The parties hereto may amend this Agreement without notice to or the consent of any third party. Except in connection with a sale of the Company pursuant to a merger, consolidation or the like or the sale of all or substantially all of the assets of the Company, the Company may not assign this Agreement or any rights or obligations hereunder without the prior written consent of Purchaser. Purchaser may assign this Agreement (in whole or in part) or any rights or obligations hereunder in connection with an assignment of Preferred Shares; provided that any transferee of Preferred Shares must agree in writing to be bound by the applicable terms of the Transaction Documents.
9. No Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other person.
10. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York applicable to Agreements executed and to be performed entirely within such State.
11. Survival. The representations and warranties of the Company and the Purchaser contained herein shall survive the Closing and continue in full force and effect unto the two (2) year anniversary of the Closing Date. The termination of any such representation and warranty, however, shall not affect any claim for breaches of representations or warranties if written notice thereof is given to the breaching party or parties prior to such termination date. The agreements and covenants of the Company and the Purchaser contained herein shall, unless otherwise specifically provided herein, survive the Closing and remain in full force and effect forever.
12. Execution. This Agreement may be executed in any number of counterparts by original or facsimile signature, each of which shall be deemed an original, but all of which together shall constitute one instrument.
13. Publicity. Other than as required pursuant to the rules and regulations of the Exchange Act, the Company and Purchaser agree that they will not disclose, and will not include in any public announcement, the name of any Purchaser or the Company without the express written agreement of such Purchaser, unless and until such disclosure is required by law or applicable regulation, and then only to the extent of such requirement. Other than with respect to disclosure required pursuant to the rules and regulations of the Exchange Act, the Company or Purchaser agree that each will deliver a copy of any public announcement regarding the matters covered by this Agreement or any agreement and document executed herewith (that has not been previously disclosed in detail) to each Purchaser and any public announcement including the name of a party to such party, reasonably in advance of the release of such announcements.
14. [Intentionally omitted].
15. No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party.
16. Rescission and Withdrawal Right. Notwithstanding anything to the contrary contained in (and without limiting any similar provisions of) the Transaction Documents, whenever the Purchaser exercise a right, election, demand or option under a Transaction Document and the Company does not substantially perform its related obligations within the periods therein provided, then the Purchaser may rescind or withdraw, in their sole discretion from time to time upon written notice to the Company, any relevant notice, demand or election in whole or in part without prejudice to its future actions and rights.
17. Obligations Absolute. The Company's obligations under the Transaction Documents are unconditional and absolute and not subject to any right of set off, counterclaim, delay or reduction.

Signature Page Follows

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

	<p>COMPANY:</p> <p>FLIGHT SAFETY TECHNOLOGIES, INC.</p> <p>By: /s/ Richard S. Rosenfeld</p>
	<p>Name: Richard S. Rosenfeld</p> <p>Title: Chief Financial Officer</p>

	PURCHASER: CUMMINS FAMILY LIMITED PARTNERSHIP By: Cummins Family Holdings, LLC Title: General Partner By: /s/ Wesley Cummins
	Name: Wesley Cummins Title: Member

Signature page to Purchase Agreement

EXHIBITS AND SCHEDULES

Exhibit 1.1A	Certificate
Schedule 2.1(a)	List of Subsidiaries
Schedule 2.1(b)	List of Subsidiaries Not Qualified To Do Business
Schedule 2.1(c)	Capitalization
Schedule 2.1(c)(i)	Capitalization
Exhibit 2.1(c)(ii)	Articles of Incorporation of the Company
Exhibit 2.1(c)(iii)	By-Laws of the Company
Exhibit 2.1(c)(iv)	Articles of Incorporation of the Subsidiary
Exhibit 2.1(c)(v)	By-Laws of the Subsidiary
Schedule 2.1(e)	No Conflicts
Schedule 2.1(i)	No Material Adverse Change
Schedule 2.1(p)	No Litigation
Schedule 2.1(q)	Brokers
Schedule 2.1 (r)(i)	Outstanding Securities Entitled to Registration Rights
Schedule 2.1 (r)(ii)	Outstanding Securities Affected by the Issuance of Preferred Shares, etc.
Schedule 2.1(s)	Certain Transactions
Schedule 2.1(w)	MFN and Variable Rate Transactions
Schedule 2.1(aa)	Indebtedness
Exhibit 2.2(d)(ii)	Articles of Incorporation of Cummins Family Produce
Exhibit 2.2(d)(iii)	By-Laws of Cummins Family Produce
Schedule 2.2(d)(xiii)	CFP Equipment
Schedule 2.2(d)(xv)	Contracts
Schedule 2.2(d)(xx)	Leased Real Property

Exhibit 4.1(e) Form of Cummins Family Produce Share Certificate

Exhibit 4.2(i) Form of Preferred Share Certificate

1.

2. Exhibit 1.1A

Certificate of Designations of Series A Convertible Preferred Stock

[See attached]

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Schedule 2.1(a)

List of Subsidiaries

Advanced Plasma Products, Inc., a Nevada Corporation

-

Schedule 2.1(b)

List of Subsidiaries Not Qualified To Do Business

NONE

-

Schedule 2.1(c)

Capitalization

NONE

-

Schedule 2.1(c)(i)

Capitalization

20,000 common shares in Flight Safety Technologies, Inc. issuable to David Cryer pursuant to a severance agreement.

Exhibit 2.1(c)(ii)

Articles of Incorporation of the Company

[See attached]

-

Exhibit 2.1(c)(iii)

By-Laws of the Company

[See attached]

-

Exhibit 2.1(c)(iv)

Articles of Incorporation of the Subsidiary

[See attached]

Exhibit 2.1(c)(v)

By-Laws of the Subsidiary

[See attached]

-

Schedule 2.1(e)

No Conflicts

NONE

-

Schedule 2.1(i)

No Material Adverse Change

NONE

Schedule 2.1(p)

No Litigation

Counsel for a former employee of the Company has written to the Company and threatened suit, claiming damages for wrongful termination of his employment agreement, which expired and required written notice from the Company to extend its term. No such extension was given. The Company has denied liability and is waiting to hear further from such employee's counsel.

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Schedule 2.1(q)

Brokers

NONE

-

Schedule 2.1(r)(i)

Outstanding Securities Entitled to Registration Rights

NONE

Schedule 2.1(r)(ii)

Outstanding Securities Affected By the Issuance of Preferred Shares, Etc.

NONE

-

Schedule 2.1(s)

Certain Transactions

NONE

-

Schedule 2.1(w)

MFN and Variable Rate Transactions

NONE

-

Schedule 2.1(aa)

Indebtedness

NONE

Exhibit 2.2(d)(ii)

Articles of Incorporation of Cummins Family Produce

[See attached]

Exhibit 2.2(d)(iii)

By-Laws of Cummins Family Produce

[See attached]

Schedule 2.2(d)(xiii)

CFP Equipment

CLARIFIER	N/A	N/A
STATIC SCREEN	N/A	N/A
PUMPS	N/A	N/A
CULL BINS	N/A	N/A
UNLOADING SYSTEM	N/A	N/A
WASHING & DRYING	N/A	N/A
GRADING TABLES	N/A	N/A
#2 TABLES	N/A	N/A
EVEN FLO BINS	N/A	N/A
POMONA PACKAGING	85-2	220-029
	85-1	118-115
WEIGHT INDICATOR	N/A	N/A
SAMPLER	N/A	N/A
INK PRINTER	N/A	N/A
HYSTER	A618633	GPH02A20PV
HYSTER	C831996	KCPH02A20
HYSTER	C2-3-FW-475	25271
BAGGER & WEIGHTS	140093-1	189-4030-1001
AUTOMATIC BAGGER MAGNUSON	93068	189-93068-1001
AUTOMATIC BAGGER MAGNUSON	93069	189-93069-1001
EXETER GRADER MACHINE	N/A	N/A
FABRICATING EXETER UNIT	N/A	N/A
EXETER ENGINEERING UNIT	N/A	N/A
EXETER ENGINEERING UPGRADE	N/A	N/A
TRACK SYSTEM FOR EXETER	N/A	N/A
CAMERA FOR GRADING SYSTEM	N/A	N/A

COLOR CAMERAS & DIGITAL DISPLAYER	N/A	N/A
GRADER ACCESSORIES	N/A	N/A
ELIMINATOR	N/A	N/A
POTATO SCANNER	Tatoscanner	9240
GLUE MACHINE	80-14	85-7-5
BOX FILLER	N/A	N/A
QUICK LOK MACHINE	N/A	N/A
BAG CLOSER	N/A	N/A
DOBOY STITCH O'MATIC	N/A	N/A
AIR COMPRESSOR CRANDAL	N/A	N/A
KEEGAN BAG O'MATIC MACHINE	N/A	N/A
KEEGAN BAG O'MATIC COLUMN	N/A	N/A
KEEGAN BAG O'MATIC HARDWARE	N/A	N/A
MATHEWS INKJET PRINTERS	N/A	N/A
BOX ERECTOR	ER1800	ER18-13
GEAR BOXES (100)	N/A	N/A
ALL CONVEYOR LINES BUILT ON SITE	N/A	N/A

Schedule 2.2(d)(xv)

Contracts

Lease Agreement dated on or about the date hereof by and between Cummins Family Produce, Inc. and Cummins Family Holdings, LLC.

Supply Agreement dated on or about the date hereof by and among Southern Slope, Inc., Black Rock Ag., Inc., Cummins Family Produce, Inc., and solely for limited purposes set forth therein, Wesley Cummins, Lance Cummins, Nicholas Cummins and Nathan Cummins.

Consulting Agreement dated effective as of September 1, 2008 by and between Cummins Family Produce, Inc. and Nicholas Cummins.

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Schedule 2.2(d)(xx)

Leased Real Property

-

Parcel No. 1

Lots 1, 2 and 3, Block 3, TWIN FALLS CHAMBER OF COMMERCE INDUSTRIAL PARK SUBDIVISION NO. 3, Twin Falls County, according to the official plat thereof recorded in Book 13 of Plats, page 1, records of Twin Falls County, Idaho.

AND the East 30 feet of the following described parcel:

A 60-foot strip of land, being a portion of Doc Taylor Drive, located in the Twin Falls Chamber of Commerce Industrial Park Subdivision No. 3, in the SW1/4 of Section 23, Township 10 South, Range 17 East, Boise Meridian, Twin Falls County, Idaho, in accordance with the official plat recorded in the records of Twin Falls County, being that portion of Doc Taylor Drive lying between Lots 1, 2, and 3 in Block 2 and Lots 1, 2 and 3 in Block 3, in accordance with the official plat recorded in the records of Twin Falls County, more particularly described as follows:

COMMENCING at the Northeast corner of Lot 1, Block 3 of said subdivision;

THENCE running North 89 35'52" West along the Northerly boundary of said Lot 1 for 375.25 feet to the REAL POINT OF BEGINNING, said point being a point of curvature of a 20.00-foot radius curve left, the radius point to which lies South 0 24'08" West 20.00 feet;

THENCE along said curve for 31.56 feet;

THENCE South 0 01'04" East along the Westerly boundary of Lots 1, 2 and 3, Block 3, for 436.00 feet to the Southwest corner of Lot 3, Block 3;

THENCE South 89 58'56" West for 30.00 feet;

THENCE North 0 01'04" West for 9.28 feet;

THENCE South 89 58'56" West for 30.00 feet to the Southwest corner of Lot 3, Block 2;

THENCE North 0 01'04" West for 427.42 feet along the Easterly boundary of Lot 1, 2 and 3, Block 2, to a point of curvature of a 20.00-foot radius curve left, the radius point to which lies South 89 58'56" West 20.00 feet;

THENCE along said curve for 31.27 feet to a point on the Northerly boundary of Lot 1, Block 2;

THENCE South 89 35'52" East for 100.00 feet to the REAL POINT OF BEGINNING.

Parcel No. 2

Lots 2 and 3, Block 2, TWIN FALLS CHAMBER OF COMMERCE INDUSTRIAL PARK SUBDIVISION NO. 3, Twin Falls County, Idaho, according to the official plat thereof recorded in Book 13 of Plats, page 1, records of Twin Falls County, Idaho.

AND the West 30 feet of the following described parcel:

A 60-foot strip of land, being a portion of Doc Taylor Drive, located in the Twin Falls Chamber of Commerce Industrial Park Subdivision No. 3, in the SW1/4 of Section 23, Township 10 South, Range 17 records of Twin Falls County, being the portion of Doc Taylor Drive lying between Lots 1, 2 and 3 in Block 2 and Lots 1, 2 and 3 in Block 3, in accordance with the official plat recorded in the records of Twin Falls County, more particularly described as follows:

COMMENCING at the Northeast corner of Lot 1, Block 3 of said subdivision:

THENCE running North 89 35'52" West along the Northerly boundary of said Lot 1 for 375.24 feet to the REAL POINT OF BEGINNING, said point being a point of curvature of a 20.00-foot radius curve left, the radius point to which lies South 0 24'08" West 20.00 feet'

THENCE along said curve for 31.56 feet;

THENCE South 0 01'04" East along the Westerly boundary of lots 1, 2 and 3, Block 3, for 436.00 feet to the Southwest corner of Lot 3, Block 3;

THENCE South 89 58'56" West for 30.00 feet

THENCE North 0 01'04" West for 9.28 feet;

THENCE South 89 58'56" West for 30.00 feet to the Southwest corner of lot 3, Block 2;

THENCE North 0 01'04" West for 427.42 feet along the easterly boundary of Lot 1, 2 and 3, Block 2, to a point of curvature of a 20.00-foot radius curve left the radius point to which lies South 89 58'56" West 20.00 feet;

THENCE along said curve for 31.27 feet to a point on the Northerly boundary of Lot 1, Block 2;

THENCE South 89 35'52" East for 100.00 feet to the REAL POINT OF BEGINNING.

Parcel No. 3

Lots 6 and 7, Block 2, TWIN FALLS CHAMBER OF COMMERCE INDUSTRIAL PARK SUBDIVISION NO. 3, Twin Falls County, Idaho, according to the official plat thereof recorded in Book 13 of Plats, page 1, records of Twin Falls County, Idaho.

Exhibit 4.1(e)

Form of Cummins Family Produce Share Certificate

[See attached]

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Exhibit 4.2(i)

Form of Preferred Share Certificate

[See attached]

INVESTOR PURCHASE AGREEMENT

Investor Purchase Agreement ("Agreement") dated as of January 13, 2009 between Flight Safety Technologies, Inc., a Nevada corporation (the "**Company**") and the investors listed on **Exhibit A** hereto (each, a "**Purchaser**" and collectively, the "**Purchasers**").

W I T N E S S E T H:

Whereas, the Company desires to sell and issue to the Purchasers, and the Purchasers wish to purchase from the Company, severally, and not jointly, an aggregate of up to 5,000 shares of the Company's Series A Convertible Preferred Stock, par value \$.001 per share ("**Preferred Shares**") on the Closing Date (as such term is defined below); and

Whereas, the Preferred Shares shall have the rights, designations and preferences set forth in the Certificate of Designations (the "**Certificate**") in the form of **Exhibit 1.1A** attached hereto, and shall be convertible into shares ("**Common Shares**"), of the Company's common stock, par value \$.001 par share ("**Common Stock**");

Now, Therefore, in consideration of the foregoing premises and the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1.

Purchase and Sale of Series A Convertible Preferred Shares

1. Issuance of Preferred Shares.

- a. *Issuance.* On the Closing Date (as such term is defined below), and upon the following terms and conditions, the Company shall issue and sell to the Purchasers, and the Purchasers shall purchase from the Company, severally, and not jointly, the number of Preferred Shares registered in the name of the Purchasers as indicated on **Exhibit A**.
- b. *Purchase Price.* The purchase price for the Preferred Shares to be acquired by each of the Purchasers (the "**Purchase Price**") shall be the aggregate purchase price set forth opposite such Purchaser's name on **Exhibit A**.
- c. *Closing.*
 - i. The closing of the purchase and sale of the Preferred Shares (the "**Closing**") shall take place at the offices of Tobin, Carberry, O'Malley, Riley & Selinger, P.C., 43 Broad Street, New London, CT 06320-0058 (the "**Company's Counsel**") at 10:00 am. local time on the date on which the last to be fulfilled or waived of the conditions set forth in Article 4 hereof and applicable to the Closing shall be fulfilled or waived in accordance herewith. The date on which the Closing occurs is referred to herein as the "**Closing Date**".
 - ii. On the Closing Date, the Purchasers shall pay the purchase price set forth opposite such Purchaser's name on **Exhibit A** in cash or, in the case of certain Purchasers who are purchasing an aggregate of 1,000 Preferred Shares and are employees of the Company, by a combination of cash and a promissory note in substantially the form attached as **Exhibit 1.1(c)(ii)** (each, an "**Employee Promissory Note**").
 - iii. On the Closing Date, the Company shall deliver to Pacific Stock Transfer Company, the stock registrar and transfer agent for the Company, irrevocable instructions to register the number of Preferred Shares set forth opposite each Purchaser's name on **Exhibit A** in the name of such Purchaser and to immediately deliver to each Purchaser one or more certificates (as reasonably requested by such Purchaser) representing, in the aggregate, the number of Preferred Shares set forth opposite such Purchaser's name on **Exhibit A** in the name of such Purchaser. In addition, each party shall deliver all documents, instruments and writings required to be delivered by such party pursuant to this Agreement at or prior to the Closing.

2.

Representations and Warranties

1. Representations and Warranties of the Company. The Company hereby makes the following representations and warranties to the Purchasers as of the date hereof and as of the Closing Date:

- a. *Organization and Qualification; Material Adverse Effect.* The Company is a corporation duly incorporated and existing in good standing under the laws of the State of Nevada and has the requisite corporate power to own its properties and to carry on its business as now being conducted. The Company does not have any direct or indirect subsidiaries (defined as any entity of which the Company owns, directly or indirectly, 50% or more of the equity or voting power) other than the subsidiaries listed on **Schedule 2.1(a)** attached hereto. The subsidiaries listed on **Schedule 2.1(a)** hereto are direct subsidiaries wholly owned by the Company, and there are no outstanding shares, options, warrants or other rights to subscribe for or acquire any capital stock in such subsidiaries except outstanding common stock in such subsidiaries held by the Company. Except where specifically indicated to the contrary, all references in this Agreement to subsidiaries shall be deemed to refer to all direct and indirect subsidiaries of the Company. Except where specifically indicated to the contrary, all references in this Article 2 to the Company shall be

deemed to refer to the Company and its consolidated subsidiaries. Except as for **Schedule 2.1(b)**, each of the Company and its subsidiaries is duly qualified as a foreign corporation to do business and is in good standing in every jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary other than those in which the failure so to qualify would not have a Material Adverse Effect. "**Material Adverse Effect**" with respect to any entity means any adverse effect on the business, operations, properties or financial condition of the entity with respect to which such term is used and which is (either alone or together with all other adverse effects) material to such entity and its subsidiaries taken as a whole, and any material adverse effect on the transactions contemplated under Transaction Documents (as defined below).

- b. *Authorization; Enforcement.* (i) The Company has all requisite corporate power and authority to enter into and perform this Agreement and the Certificate (the "**Transaction Documents**") and to issue the Preferred Shares in accordance with the terms hereof and thereof, (ii) the execution and delivery of the Transaction Documents by the Company and the consummation by it of the transactions contemplated hereby and thereby, including the issuance of the Preferred Shares and Common Shares, have been duly authorized by all necessary corporate action, and no further consent or authorization of the Company or its Board of Directors (or any committee or subcommittee thereof) is necessary, (iii) the Transaction Documents have been duly executed and delivered by the Company and (iv) the Transaction Documents constitute valid and binding obligations of the Company enforceable against the Company in accordance with their terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of creditors' rights and remedies or by other equitable principles of general application.
- c. *Capitalization.* The authorized capital stock of the Company consists of 50 million shares of Common Stock and 5 million shares of preferred stock; as of October 17, 2008 there were 8,684,646 shares of Common Stock issued and outstanding; prior to giving effect to the transactions completed by this Agreement, there are no shares of preferred stock issued or outstanding; and, except as set forth on **Schedule 2.1(c)** or in the Pre-Agreement SEC Documents (as such term is defined below), no shares of Common Stock and no shares of preferred stock were reserved for issuance to persons other than the Purchasers or Cummins Family Limited Partnership (as such term is defined below). All of the outstanding shares of the Company's Common Stock have been validly issued and are fully paid and nonassessable. No shares of capital stock are entitled to preemptive rights and, except as set forth in the Pre-Agreement SEC Documents, there are no outstanding options and outstanding warrants for shares of Common Stock. Except as set forth on **Schedule 2.1(c)(i)** or in the Pre-Agreement SEC Documents, there are no other scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights exchangeable for or convertible into, any shares of capital stock of the Company, or contracts, commitments, understandings, or arrangements by which the Company is or may become bound to issue additional shares of capital stock of the Company or options, warrants, scrip, rights to subscribe to, or commitments to purchase or acquire, any shares, or securities or rights convertible or exchangeable into shares, of capital stock of the Company. There are no scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights exchangeable for or convertible into, any shares of capital stock of the subsidiaries of the Company, or contracts, commitments, understandings, or arrangements by which the subsidiaries of the Company is or may become bound to issue additional shares of capital stock of the subsidiaries of the Company or options, warrants, scrip, rights to subscribe to, or commitments to purchase or acquire, any shares, or securities or rights convertible or exchangeable into shares, of capital stock of the subsidiaries of the Company. Attached hereto as **Exhibit 2.1(c)(ii)** is a true and correct copy of the Company's Articles of Incorporation (the "**Charter**"), as in effect on the date hereof, and attached hereto as **Exhibit 2.1(c)(iii)** is a true and correct copy of the Company's By-Laws, as in effect on the date hereof (the "**By-Laws**"). Attached hereto as **Exhibit 2.1(c)(iv)** is a true and correct copy of the Articles of Incorporation of Advanced Plasma Products, Inc. (the "**Subsidiary Charter**"), as in effect on the date hereof, and attached hereto as **Exhibit 2.1(c)(v)** is a true and correct copy of the By-Laws of Advanced Plasma Products, Inc., as in effect on the date hereof (the "**Subsidiary By-Laws**"). All corporate minute books and records of the Company and its subsidiaries have been made available for inspection by the Purchasers. The corporate minute books and records of the Company and its subsidiaries contain all material resolutions adopted by the stockholders or the board of directors of the Company and its subsidiaries. The Company and its subsidiaries' books, accounts and records are, and have been, maintained in the Company and its subsidiaries' usual, regular and ordinary manner, in accordance with generally accepted accounting principles and all material transactions to which either the Company or its subsidiaries is or has been a party are properly reflected therein.
- d. *Issuance of Common Shares.* The Preferred Shares and Common Shares are duly authorized and reserved for issuance and, upon issuance in accordance with terms of this Agreement, the Certificate, and the Preferred Shares, respectively, such Preferred Shares and Common Shares, as the case may be, will be validly issued, fully paid and non-assessable, free and clear of any and all liens and claims and the holders of such Preferred Shares and Common Shares shall be entitled to all rights and preferences accorded to a holder of Preferred Shares and Common Stock, as the case may be. The Common Stock is currently traded on the Over-the-Counter market.
- e. *No Conflicts.* The execution, delivery and performance of the Transaction Documents by the Company and the consummation by the Company of the transactions contemplated hereby and thereby, the issuance of the Preferred Shares and the issuance of Common Shares do not and will not (i) result in a violation of the Company's Charter or By-Laws or (ii) except as set forth on **Schedule 2.1(e)**, conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment,

acceleration or cancellation of, any agreement, indenture, patent, patent license or material instrument to which the Company or any of its subsidiaries is a party (collectively, "**Company Agreements**") except for such conflicts, defaults or rights of termination, amendment, acceleration or cancellation which would not have a Material Adverse Effect, or (iii) result in a violation of any federal, state, local or foreign law, rule, regulation, order, judgment or decree (including federal and state securities laws and regulations) applicable to the Company or any of its subsidiaries or by which any property or asset of the Company or any of its subsidiaries is bound or affected, except (other than in the case of clause (i) above) where such violation would not reasonably be expected to have a Material Adverse Effect. The business of the Company and its direct and indirect subsidiaries is being conducted in compliance with (i) its Charter and By-Laws, (ii) the Subsidiary Charter and Subsidiary By-Laws (as applicable), (iii) all Company Agreements (except where such violation would not reasonably be expected to have a Material Adverse Effect) and (iv) all applicable laws, ordinances or regulations of any governmental entity (except as disclosed in the reports or documents filed at least 5 business days prior to the Closing Date by the Company pursuant to Section 13(a) or 15(d) of the Exchange Act (the "**Pre-Agreement SEC Documents**") or where such violation would not reasonably be expected to have a Material Adverse Effect). Except for filings, consents and approvals required under applicable state and federal securities laws or as specifically contemplated by this Agreement, the Company is not required under federal, state, local or foreign law, rule or regulation to obtain any consent, authorization or order of, or make any filing or registration with, any court or governmental agency in order for it to execute, deliver or perform any of its obligations under this Agreement or the Certificate or to issue and sell the Preferred Shares or the Common Shares issuable upon conversion thereof.

- f. *SEC Documents; No Non-Public Information; Financial Statements.* The Common Stock is registered pursuant to Section 12(b) of the Exchange Act and the Company and its subsidiaries have filed all reports, schedules, forms, statements and other documents required to be filed by it with the Securities and Exchange Commission ("**SEC**") pursuant to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), including all such proxy information, solicitation statements and registration statements, and any amendments thereto required to have been filed (all of the foregoing including filings incorporated by reference therein being referred to herein as the "**SEC Documents**") except where the failure to make such filings (i) would not have a Material Adverse Effect on the Company and (ii) would not now or in the future negatively impact the ability of shareholders of the Company to sell shares of Common Stock pursuant to Rule 144 under the Exchange Act. As of their respective dates, the SEC Documents complied in all material respects with the requirements of the Exchange Act and the rules and regulations of the SEC promulgated thereunder and other federal, state and local laws, rules and regulations applicable to such SEC Documents and, as of the date they were filed, none of the SEC Documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The SEC Documents contain all material information concerning the Company and its subsidiaries required to be filed, and no event or circumstance has occurred prior to the date hereof which would require the Company to disclose such event or circumstance in order to make the statements in the SEC Documents not misleading or which, under applicable law, rule or regulation, requires public disclosure by the Company, but which has not, or will have not, been so disclosed.
- g. *Financial Statements.* The financial statements of the Company and its subsidiaries included in the SEC Documents comply in all material respects with applicable accounting requirements and the published rules and regulations of the SEC or other applicable rules and regulations with respect thereto. Such financial statements have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis during the periods involved (except in the case of unaudited interim statements, to the extent they may not include footnotes, may be condensed or summary statements) and fairly present in all material respects the financial position of the Company and its subsidiaries as of the dates thereof and the results of operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments). The audited financial statements of each of the Company and its subsidiaries for the fiscal year ending May 31, 2008 have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis during the periods involved (except in the case of unaudited interim statements, to the extent they may not include footnotes or may be condensed or summary statements) and fairly present in all material respects the financial position of the Company and its subsidiaries, as the case may be, as of the dates thereof and the results of operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments).
- h. *Principal Exchange/Market.* The Common Stock is currently traded on the over-the-counter market.
- i. *No Material Adverse Change.* Since August 31, 2008 (other than as set forth in the Pre-Agreement SEC Documents or on **Schedule 2.1(i)**), no Material Adverse Effect has occurred or exists, and no event or circumstance has occurred, to the Company's knowledge, that with notice or the passage of time or both the Company believes is reasonably likely to result in a Material Adverse Effect with respect to the Company or its subsidiaries.
- j. *No Undisclosed Liabilities.* The Company and its subsidiaries have no liabilities or obligations not disclosed in the Pre-Agreement SEC Documents (as defined below), other than those liabilities incurred in the ordinary course of the Company's or its subsidiaries' respective businesses since August 31, 2008, which liabilities, individually or in the aggregate, do not or would not have a Material Adverse Effect on the Company or its direct or indirect subsidiaries.
- k. *Sarbanes-Oxley Act.* The Company is in compliance with any and all applicable requirements of the Sarbanes-Oxley Act of 2002 and any and all applicable rules and regulations, promulgated by the SEC thereunder, except where such

non-compliance would not have, individually or in the aggregate, a Material Adverse Effect.

- l. *No General Solicitation.* Neither the Company, nor any of its affiliates, or, to its knowledge, any person acting on its or their behalf has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D under the Securities Act) in connection with the offer or sale of the Preferred Shares and Common Shares.
- m. *No Integrated Offering.* Neither the Company, nor any of its affiliates, nor to its knowledge any person acting on its or their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would require registration of the Preferred Shares and the Common Shares under the Act.

The issuance of the Preferred Shares and Common Shares to the Purchasers will not be integrated with any other issuance of the Company's securities (past, current or future) which requires stockholder approval (except where such approval is obtained).

- n. [Intentionally omitted].
- o. *Intellectual Property.* The Company and/or its wholly-owned subsidiaries owns or has licenses to use certain patents, copyrights and trademarks ("**intellectual property**") necessary for the conduct of its business, except as set forth on in the Pre-Agreement SEC Documents . The Company and its subsidiaries have all intellectual property rights which it believes are needed to conduct the business of the Company and its subsidiaries as it is now being conducted or as proposed to be conducted as disclosed in the Pre-Agreement SEC Documents. The Company and its subsidiaries have no reason to believe that the material intellectual property rights which it owns are invalid or unenforceable. To the Company's knowledge, except as set forth in the Pre-Agreement SEC Documents , the use of such intellectual property by the Company or its subsidiaries does not infringe upon or conflict with any right of any third party, and neither the Company nor any of its subsidiaries has received notice of any such infringement or conflict, which individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect. Except as set forth in the Pre-Agreement SEC Documents , the Company and its subsidiaries have no knowledge of any infringement of its intellectual property by any third party that is expected to have a Material Adverse Effect.
- p. *No Litigation.* Except as set forth on **Schedule 2.1(p)**, no litigation or claim (including those for unpaid taxes) against the Company or any of its subsidiaries which could reasonably be expected to have a Material Adverse Effect on the Company or could reasonably be expected to materially and adversely affect the transactions contemplated by the Transaction Documents is pending or, to the Company's knowledge, threatened, and to the Company's knowledge, no other event has occurred, which could reasonably be expected to have a Material Adverse Effect on the Company or could reasonably be expected to materially and adversely affect the transactions contemplated hereby. There is no legal proceeding described in the Pre-Agreement SEC Documents that could reasonably be expected to have a Material Adverse Effect on the Company.
- q. *Brokers.* Except as set forth on **Schedule 2.1(q)**, the Company has taken no action which would give rise to any claim by any person for brokerage commissions, finder's fees or similar payments by the Company or any Purchaser relating to this Agreement or the transactions contemplated hereby.
- r. *Other Purchasers.* Except as set forth on **Schedule 2.1(r)(i)** (or in the Pre-Agreement SEC Documents), there are no outstanding securities issued or issuable by the Company that are entitled to registration rights under the Act. Other than the Preferred Shares and except as set forth on **Schedule 2.1(r)(ii)** (or the Pre-Agreement SEC Documents solely with respect to clause (i)) there are no outstanding securities issued by the Company (i) that are directly or indirectly convertible into, exercisable into, or exchangeable for, shares of Common Stock of the Company, or (ii) that have anti-dilution or similar rights that would be affected by the issuance of the Preferred Shares or the Common Shares .
- s. *Certain Transactions.* Other than in connection with this Agreement and the CFP Purchase Agreement (as such term is defined below), and except as disclosed in the Pre-Agreement SEC Documents and **Schedule 2.1(s)**, none of the officers, directors, or key employees of the Company is presently a party to any transaction with the Company or any of its subsidiaries (other than for services as employees, officers and directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any officer, director or such employee or, to the knowledge of the Company, any corporation, partnership, trust or other entity in which any officer, director, or any such employee has a substantial interest or is an officer, director, trustee or partner.
- t. *Taxes.* Since May 31, 2008, all federal, state, city and other tax returns, reports and declarations required to be filed or extended by or on behalf of the Company and each of its subsidiaries have been filed or extended and all such filed returns are complete and accurate in all material respects, and disclose all taxes required to be paid in the periods covered thereby. All taxes required to be withheld by or on behalf of the Company or any such subsidiary in connection with amounts paid or owing to any employees, independent contractor, creditor or other party have been withheld, and such withheld taxes have either been duly and timely paid to the proper governmental authorities or set aside in accounts for such purposes.
- u. *No Reliance on Purchasers.* The Company acknowledges and agrees that Purchasers are acting solely in the capacity

of an arm's length purchaser with respect to this Agreement, the Certificate and the transactions contemplated hereby and thereby. The Company further acknowledges that none of the Purchasers nor any of their partners, members, directors, officers, agents, employees or any other person acting on their behalf is acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to this Agreement, the Certificate and the transactions contemplated hereby and thereby. The Company further represents to the Purchasers that the Company's decision to enter into this Agreement and file the Certificate has been based solely on the independent evaluation by the Company and its representatives.

- v. *Foreign Corrupt Practices Act.* Neither the Company, nor any director, officer, agent, employee or other person acting on behalf of the Company or any subsidiary of the Company has, in the course of acting for, or on behalf of, the Company, directly or indirectly used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; directly or indirectly made any direct or indirect unlawful payment to any foreign or domestic government or party official or employee from corporate funds; violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended, or any similar treaties of the United States; or directly or indirectly made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic government or party official or employee.
- w. *MFN and Variable Rate Transactions.* Except as set on **Schedule 2.1(w)**, the Company has not entered into any MFN Transaction or Variable Rate Transaction (other than the sale of Preferred Shares under this Agreement and the CFP Purchase Agreement (as such term is defined below)), pursuant to which: (1) securities or potential obligations to issue securities are still outstanding or (2) the issuance, conversion, or exercise, as the case may be, of the Preferred Shares trigger, or may in the future trigger, an adjustment.

The term "**MFN Transaction**" shall mean a transaction in which the Company issues or sells any securities in a capital raising transaction or series of related capital raising transactions (the "**MFN Offering**") which grants to a purchaser (the "**MFN Purchaser**") the right to receive additional shares (including without limitation as a result of a lower conversion, exchange or exercise price but excluding customary antidilution protections) based upon subsequent transactions of the Company on terms more favorable than those granted to such MFN Purchaser in such MFN Offering. As used herein, term "**Variable Rate Transaction**" shall mean a transaction in which the Company issues or sells (i) any debt or equity securities that are convertible into, exchangeable or exercisable for, or include (pursuant to the terms of the securities or the transaction documents pursuant to which such securities were issued) the right to receive additional shares of, Common Stock either (x) at a conversion, exercise or exchange rate or other price that is based upon and/or varies with the trading prices of or quotations for the Common Stock at any time after the initial issuance of such debt or equity securities, or (y) with a fixed conversion, exercise or exchange price that is subject to being reset at some future date after the initial issuance of such debt or equity security or upon the occurrence of specified or contingent events directly or indirectly related to the business of the Company or the market for the Common Stock (but excluding standard stock split anti-dilution provisions), or (ii) any securities of the Company pursuant to an "equity line" structure which provides for the sale, from time to time, of securities of the Company which are registered for resale under the Act.

- x. *Acknowledgement of Dilution.* The number of shares of Common Stock issuable upon conversion of the Preferred Shares may increase substantially in certain circumstances. The Company acknowledges that its obligation to issue shares of Common Stock in accordance with the Transaction Documents is absolute and unconditional, regardless of the dilution that such issuance may have on other shareholders of the Company.
- y. *Insurance.* The Company and each of its subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as reasonably prudent and customary in the businesses in which the Company and its direct and indirect subsidiaries are engaged. Neither the Company nor any such subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business without a significant increase in cost.
- z. *Application of Takeover Protections.* The Company and its board of directors have taken all necessary action, if any, in order to render inapplicable any anti-takeover or control share provisions contained in the Company's Charter or By-Laws or arising under Nevada law, including without limitation Nevada Revised Statute *Section 78-378, et. seq.*, which is or could become applicable to the Purchasers as a result of the transactions contemplated by the Transaction Documents, including, without limitation, the issuance of the Preferred Shares, Common Shares and the Purchasers' ownership of such securities.
- aa. *Indebtedness.* Except as disclosed in **Schedule 2.1(aa)** or in the Company's most recently filed annual report on form 10-KSB, neither the Company nor any of its subsidiaries has any outstanding Indebtedness (as defined below). For purposes of this Agreement: (i) "**Indebtedness**" of any person or entity (each, a "**Person**") means, without duplication (A) all indebtedness for borrowed money, (B) all obligations issued, undertaken or assumed as the deferred purchase price of property or services, (C) all reimbursement or payment obligations with respect to letters of credit, surety bonds and other similar instruments, (D) all obligations evidenced by notes, bonds, debentures or similar instruments, including obligations so evidenced incurred in connection with the acquisition of property, assets or businesses, (E) all indebtedness created or arising under any conditional sale or other title retention agreement, or incurred as financing, in either case with respect to any property or assets acquired with the proceeds of such indebtedness (even though the

rights and remedies of the seller or bank under such agreement in the event of default are limited to repossession or sale of such property), (F) all monetary obligations under any leasing or similar arrangement which, in accordance with GAAP, is classified as a capital lease, (G) all indebtedness referred to in clauses (A) through (F) above secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any lien upon or in any property or assets (including accounts and contract rights) owned by any Person, even though the Person which owns such assets or property has not assumed or become liable for the payment of such indebtedness, and (H) all Contingent Obligations in respect of indebtedness or obligations of others of the kinds referred to in clauses (A) through (G) above; and (ii) "Contingent Obligation" means, as to any Person, any direct or indirect liability, contingent or otherwise, of that Person with respect to any indebtedness, lease, dividend or other obligation of another Person if the primary purpose or intent of the Person incurring such liability, or the primary effect thereof, is to provide assurance to the obligee of such liability that such liability will be paid or discharged, or that any agreements relating thereto will be complied with, or that the holders of such liability will be protected (in whole or in part) against loss with respect thereto.

- ab. *Investment Company Status.* The Company is not, and immediately after receipt of payment for the Preferred Shares issued under this Agreement will not be, an "investment company" or an entity "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended (the "**Investment Company Act**"), and shall conduct its business in a manner so that it will not become subject to the Investment Company Act.
- ac. *Listing and Maintenance Requirements.* Except as disclosed in the Pre-Agreement SEC Documents, since September 19, 2008, the Company has been in compliance with all listing and maintenance requirements for the over-the-counter Market except, in each case, as could not reasonably be expected to result in a Material Adverse Effect. Since September 19, 2008, the Company has not received any communication, written or oral, from the SEC or the over-the-counter market regarding the suspension or delisting of the Common Stock.
- ad. *Cummins Family Produce Transaction.* The Company is entering into a purchase and sale agreement on or about the date hereof (the "**CFP Purchase Agreement**") with Cummins Family Limited Partnership, an Idaho limited partnership ("**Cummins Family Limited Partnership**") pursuant to which the Company will initially issue 20,000 Preferred Shares to Cummins Family Limited Partnership in exchange for the outstanding shares of Cummins Family Produce, Inc., an Idaho corporation ("**Cummins Family Produce**"). Pursuant to the CFP Purchase Agreement, the Company will also assume the obligations of Wesley Cummins to Stearns Bank National Association pursuant to a promissory note dated May 15, 2008 in the original principal amount of Two Hundred Fifty Thousand and No/100ths Dollars (\$250,000.00) (the "**Stearns Note**"). Depending on the Average Monthly Cummins Family Produce EBITDA (as such term is defined in the CFP Purchase Agreement), the Company may issue additional Preferred Shares to Cummins Family Limited Partnership on the two (2) year anniversary of the Closing Date.

In connection with the CFP Purchase Agreement, the Company has provided the Purchasers with true and correct copies of the form (i) CFP Purchase Agreement, (ii) lease agreement dated on or about the date hereof by and between Cummins Family Produce and Cummins Family Holdings, LLC (the "**Lease Agreement**") and (iii) supply agreement dated on or about the date hereof by and among Southern Slope, Inc., Black Rock Ag., Inc., Cummins Family Produce, and solely for limited purposes set forth therein, Wesley Cummins, Lance Cummins, Nicholas Cummins and Nathan Cummins (the "**Supply Agreement**").

Additional information concerning the foregoing transactions is set forth on **Exhibit 2.1(dd)**. To the knowledge of the Company, the disclosure set forth on **Exhibit 2.1(dd)**, which disclosure is qualified where applicable by the actual terms set forth in the CFP Purchase Agreement, the Lease Agreement and the Supply Agreement, is true and correct in all material respects.

- 2. Representations and Warranties of the Purchasers. Each Purchaser hereby, as to itself only and for no other Purchaser, makes the following representations and warranties to the Company as of the date hereof and on the Closing Date:
 - a. *Organization and Qualification.* Such Purchaser is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and is duly qualified to do business and in good standing in each jurisdiction in which the nature of the business conducted by it makes such qualification necessary except where the failure to be so qualified or in good standing would not reasonably be expected to have a Material Adverse Effect on such Purchaser.
 - b. *Authorization; Enforcement.* (i) Such Purchaser has the requisite power and authority to enter into and perform this Agreement, to purchase the Preferred Shares being sold to it hereunder, and to acquire the Common Shares, (ii) the execution and delivery of this Agreement by such Purchaser and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary corporate or partnership action, and (iii) this Agreement constitutes valid and binding obligations of such Purchaser enforceable against such Purchaser in accordance with their terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of creditors' rights and remedies or by other equitable principles of general application.
 - c. *No Conflicts.* The execution, delivery and performance of this Agreement and the consummation by such Purchaser of the transactions contemplated hereby do not and will not (i) result in a violation of such Purchaser's organizational

documents, (ii) conflict with any agreement, indenture or instrument to which such Purchaser is a party, or (iii) result in a material violation of any law, rule, or regulation, or any order, judgment or decree of any court or governmental agency applicable to such Purchaser. Such Purchaser is not required to obtain any consent or authorization of any governmental agency in order for it to perform its obligations under this Agreement.

d. *Purchase Representations.*

- i. *Access to Other Information.* Such Purchaser acknowledges that the Company has made available to such Purchaser the opportunity to examine such additional documents from the Company and to ask questions of, and receive full answers from, the Company concerning, among other things, the Company, its financial condition, its management, its prior activities and any other information which such Purchaser considers relevant or appropriate in connection with entering into this Agreement.
 - ii. *Risks of Purchase.* Such Purchaser acknowledges that the Preferred Shares and the Common Shares issuable upon conversion thereof have not been registered under the Act. Such Purchaser is familiar with the provisions of Rule 144 promulgated under the Act and understands that in the event all of the applicable requirements of Rule 144 are not satisfied, registration under the Act or some other exemption from the registration requirements of the Act will be required in order to dispose of the Preferred Shares and the Common Shares issuable upon conversion of the rights granted thereunder, and that such Purchaser may be required to hold the Preferred Shares and the Common Shares issuable upon conversion of the Preferred Shares received under this Agreement for a significant period of time prior to reselling them. Such Purchaser is capable of assessing the risks of an investment in the Preferred Shares and is fully aware of the economic risks thereof.
 - iii. *Purchaser Interest.* Such Purchaser is purchasing the Preferred Shares and may purchase the Common Shares in each case, for its own account and not with a view to distribution in violation of any securities laws. Such Purchaser has no present intention to sell the Preferred Shares or Common Shares in violation of federal or state securities laws, *provided, however*, that by making the representations herein, such Purchaser does not agree to hold the Preferred Shares and Common Shares for any minimum or other specific term and reserves the right to dispose of the Preferred Shares or Common Shares at any time in accordance with federal and state securities laws applicable to such disposition.
 - iv. *Restricted Securities.* Such Purchaser acknowledges and understands that the terms of issuance have not been reviewed by the SEC or by any state securities authorities and that the Preferred Shares have been issued in reliance on the certain exemptions from registration under the Act, which exemptions depend upon, among other things, the representations made and information furnished by such Purchaser, including the bona fide nature of such Purchaser's investment intent as expressed above.
 - v. *Accredited Investor; Ability to Bear Economic Risk.* Such Purchaser is an "accredited investor" as defined in Rule 501 of Regulation D, as amended, under the Act, and (i) is able to bear the economic risk of its investment in the Preferred Shares, (ii) is able to hold the Preferred Shares for an indefinite period of time, (iii) can afford a complete loss of its investment in the Preferred Shares and (iv) has adequate means of providing for its current needs.
 - vi. *No Public Solicitation.* At no time was such Purchaser presented with or solicited by any general mailing, leaflet, public promotional meeting, newspaper or magazine article, radio or television advertisement, or any other form of general advertising or general solicitation in connection with the issuance.
 - vii. *Reliance by the Company.* Such Purchaser understands that the Preferred Shares are being or will be, as the case may be, offered and sold and that the Common Shares as the case may be, will be issued, in reliance on a transactional exemptions from the registration requirements of federal and state securities laws and that the Company is relying upon the truth and accuracy of the representations, warranties, agreements, acknowledgments and understandings of such Purchaser set forth herein in order to determine the applicability of such exemptions and the suitability of such Purchaser to acquire the Preferred Shares.
- e. *Brokers.* Such Purchaser has taken no written action which would give rise to any claim by any person for brokerage commissions, finder's fees or similar payments by the Company relating to this Agreement or the transactions contemplated hereby.
- f. *No Hedging.* Such Purchaser has not, within the ninety (90) days immediately preceding the date of this Agreement, purchased, sold, optioned, hedged or otherwise directly or indirectly participated in any transactions involving securities of the Company.
- g. *Review of SEC Documents.* Such Purchaser has had the opportunity to, and has reviewed the Annual Report and Proxy Statement of the Company dated September 26, 2008, including the Annual Report on Form 10-KSB for the fiscal year ended May 31, 2008 contained therein; the Quarterly Report of the Company on Form 10Q for its fiscal quarter ended August 31, 2008; and the periodic reports on Form 8-K as filed with the Securities and Exchange Commission during calendar year 2007 and 2008 up to and including the date of this Agreement.
- h. *Cummins Family Produce Transaction.* Such Purchaser acknowledges that it has read and understood (i) the CFP

Purchase Agreement, Lease Agreement and Supply Agreement received from the Company and (ii) the disclosure set forth in **Exhibit 2.1(dd)** hereto, which disclosure is qualified as applicable by the actual terms set forth in the CFP Purchase Agreement, the Lease Agreement and the Supply Agreement. Such Purchaser further acknowledges that the Company has made available to such Purchaser the opportunity to examine such additional documents relating to the CFP Purchase Agreement, the Lease Agreement, the Supply Agreement and the transactions contemplated thereby, and to ask questions of, and receive full answers from, the Company concerning, among other things, Cummins Family Produce, its financial condition, its management, its prior activities and any other information which such Purchaser considers relevant or appropriate in connection with entering into this Agreement.

3.

Covenants

1. [Intentionally omitted].
2. Registration and Listing; Effective Registration. For so long as the Preferred Shares are outstanding, the Company will use its commercially reasonable best efforts to cause the Common Stock which is registered on the date hereof to continue at all times to be so registered under Section 12(b) or Section 12(g) of the Exchange Act, will comply in all respects with its reporting and filing obligations under the Exchange Act, and will not take any action or file any document (whether or not permitted by the Exchange Act or the rules thereunder) to terminate or suspend such reporting and filing obligations; provided that the foregoing shall not prevent the Company from entering into a tender offer or merger pursuant to which it ceases to become a public reporting company. Until such time as no Preferred Shares are outstanding, the Company shall use its commercially reasonable best efforts to continue the trading of the Common Stock on the over-the-counter market and comply in all material respects with the Company's reporting, filing and other obligations under the bylaws or rules of the market on which the Common Stock is traded except that each Purchaser acknowledges that the Company may not file audited financial statements of Cummins Family Produce as an exhibit to the Form 8-K it will file in connection with the CFP Purchase Agreement.
3. Preferred Shares on Conversion. Upon any conversion by any Purchaser (or then holder of Preferred Shares) of the Preferred Shares pursuant to the terms thereof, the Company shall issue and deliver to such Purchaser (or holder) within 3 business days of the Conversion Date (as such term is defined in the Certificate), a new certificate for the number of Preferred Shares which such Purchaser (or holder) has not yet elected to convert but which is evidenced in part by the certificate(s) submitted to the Company in connection with such conversion (with the number of and denomination of such new Certificates designated by such Purchaser or holder); provided that if prior to such date, the Company has not received the certificate representing such Preferred Shares or an affidavit of lost certificate, then such delivery may be extended until one business day after receipt thereof by the Company.
4. Replacement Preferred Share Certificates. The certificates for Preferred Shares held by any Purchaser (or then holder) may be exchanged by such Purchaser (or such holder) at any time and from time to time for certificates with different denominations representing an equal aggregate number of Preferred Shares, as requested by such Purchaser (or such holder) upon surrendering the same. No service charge will be made for such registration or transfer or exchange.
5. Securities Compliance. The Company shall notify the SEC, in accordance with their requirements, of the transactions contemplated by this Agreement and the Certificate and shall take all other necessary action and proceedings as may be required and permitted by applicable law, rule and regulation, for the legal and valid issuance of the Preferred Shares hereunder, and the Common Shares issuable upon conversion thereof.
6. [Intentionally omitted].
7. Notices. The Company agrees to provide all holders of Preferred Shares with copies of all notices and information, including without limitation notices and proxy statements in connection with any meetings, that are provided to the holders of shares of Common Stock, contemporaneously with the delivery of such notices or information to such Common Stock holders.
8. [Intentionally omitted].
9. Reservation of Stock Issuable Upon Conversion. At all times when any Preferred Shares are outstanding, the Company shall reserve and keep available out of its authorized but unissued stock, for the purpose of effecting the conversion of the Preferred Shares, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Preferred Shares. The Company promptly will take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose, including without limitation engaging in best efforts to obtain the requisite stockholder approval.
10. Commercially Reasonable Efforts. The parties shall use their commercially reasonable efforts to satisfy timely each of the conditions described in Article 4 of this Agreement.
11. Form D; Blue Sky Laws. The Company agrees to file a Form D with respect to the Preferred Shares and Common Shares, as required under Regulation D and to provide a copy thereof to the Purchasers promptly after such filing. The Company shall, on or before Closing Date, take such action as the Company shall have reasonably determined is necessary to qualify

the Preferred Shares and Common for sale to the Purchasers at the Closing pursuant to this Agreement under applicable securities or "blue sky" laws of the states of the United States (or to obtain an exemption from such qualification), and shall provide evidence of any such action so taken to the Purchasers on or prior to the Closing Date.

12. [Intentionally omitted].

13. Form 8-K. The Company shall timely file a Form 8-K with the SEC which discloses the transactions contemplated hereby.

4.

Conditions to Closings

1. Conditions Precedent to the Obligation of the Company to Sell the Preferred Shares. The obligation hereunder of the Company to issue and/or sell the Preferred Shares to each Purchaser at the Closing (unless otherwise specified) is subject to the satisfaction, at or before the Closing, of each of the applicable conditions set forth below. These conditions are for the Company's sole benefit and may be waived by the Company at any time in its sole discretion.
 - a. *Accuracy of such Purchaser's Representations and Warranties*. The representations and warranties of such Purchaser that are not qualified by materiality or material adverse effect shall be true and correct in all material respects and the representations and warranties that are qualified by materiality or Material Adverse Effect shall be true and correct in all respects, in each case as of the date when made and as of the Closing Date as though made at that time (except for representations and warranties as of an earlier date, which shall be true and correct as of such date).
 - b. *Performance by such Purchaser*. Such Purchaser shall have performed all agreements and satisfied all conditions required to be performed or satisfied by such Purchaser at or prior to the Closing.
 - c. *No Injunction*. No statute, rule, regulation, executive, judicial or administrative order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction which prohibits the consummation of any of the transactions contemplated by this Agreement or the Preferred Shares.
 - d. *Lease Agreement*. Cummins Family Holdings and Cummins Family Produce shall have executed the Lease Agreement in the form and substance previously provided to the Company.
 - e. *Supply Agreement*. Southern Slope, Inc., Black Rock Ag., Inc., Cummins Family Produce, and solely for limited purposes set forth therein, Wesley Cummins, Lance Cummins, Nicholas Cummins and Nathan Cummins, shall have executed the supply agreement in the form and substance previously provided to the Company.
 - f. *Cummins Family Produce Transaction Closing*. At the Closing, the Company shall simultaneously close under the Initial Closing of the CFP Purchase Agreement (as such term is defined therein).
2. Conditions Precedent to the Obligation of Purchasers to Purchase the Preferred Shares. The obligation hereunder of each Purchaser to acquire and pay for the Preferred Shares at the Closing (unless otherwise specified) is subject to the satisfaction, at or before the Closing, of each of the applicable conditions set forth below. These conditions are for such Purchaser's benefit and may be waived by such Purchaser at any time in its sole discretion.
 - a. *Accuracy of the Company's Representations and Warranties*. The representations and warranties of the Company that are not qualified by materiality or material adverse effect shall be true and correct in all material respects and the representations and warranties that are qualified by materiality or Material Adverse Effect shall be true and correct in all respects, in each case as of the date when made and as of the Closing Date as though made at that time (except for representations and warranties as of an earlier date, which shall be true and correct as of such date).
 - b. *Performance by the Company*. The Company shall have performed all agreements and satisfied all conditions required to be performed or satisfied by the Company at or prior to the Closing.
 - c. *No Injunction*. No statute, rule, regulation, executive, judicial or administrative order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction which prohibits the consummation of any of the transactions contemplated by this Agreement or the Preferred Shares.
 - d. *Opinion of Counsel*. At the Closing, the Purchasers shall have received an opinion of Tobin, Carberry, O'Malley, Riley & Selinger, P.C., the independent counsel of the Company, in form and substance reasonably satisfactory to the Purchasers, and such other opinions, certificates and documents as each Purchaser or its counsel shall reasonably require incident to the Closing.
 - e. *Adverse Changes*. No event which had or is likely to have, in the reasonable judgment of such Purchaser, a Material Adverse Effect on the Company or any of its direct or indirect subsidiaries shall have occurred.
 - f. *Officer's Certificate*. The Company shall have delivered to the Purchasers a certificate in form and substance reasonably satisfactory to the Purchasers, executed by an officer of the Company, certifying as to satisfaction of closing conditions, incumbency of signing officers, and the true, correct and complete nature of the Charter, By-Laws, good standing and authorizing resolutions of the Company.

- g. *Certificate*. The Certificate shall have been accepted for filing by the Secretary of State of the State of Nevada and a stamped copy shall have been provided to such Purchaser.
- h. *Preferred Shares*. The Company shall have delivered to Pacific Stock Transfer Company, the stock registrar and transfer agent for the Company, irrevocable instructions to register the number of Preferred Shares set forth opposite each Purchaser's name on **Exhibit A** in the name of such Purchaser and to immediately deliver to each Purchaser one or more certificates (as reasonably requested by such Purchaser) representing, in the aggregate, the number of Preferred Shares set forth opposite such Purchaser's name on **Exhibit A** in the name of such Purchaser. Such Preferred Share certificates shall be in the form and substance of **Exhibit 4.2(h)** hereto.
- i. *Cummins Family Produce Transaction Closing*. At the Closing, the Company shall simultaneously close under the Initial Closing of the CFP Purchase Agreement (as such term is defined therein).
- j. *Due Diligence*. Such Purchaser shall have completed, to its satisfaction, its due diligence on the Company.

5.

Legend and Stock

The Company will issue one or more certificates representing the Preferred Shares in the name of each Purchaser and in such denominations to be specified by such Purchaser prior to (or from time to time subsequent to) Closing. Each certificate representing the Preferred Shares shall be stamped or otherwise imprinted with a legend substantially in the following form:

These securities have not been registered under the Securities Act of 1933 or any state securities laws. They may not be Transferred, Assigned, sold or offered for sale except pursuant to an effective registration statement under said Act and any applicable state securities law or an opinion of counsel, in form and substance reasonably acceptable to the company, that registration is not required because of an applicable exemption from such registration requirements.

Nothing herein shall limit the right of any holder to pledge these securities pursuant to a bona fide margin account or lending arrangement.

6.

Termination

- 1. Termination. This Agreement may be terminated by action of the Board of Directors of the Company or by a majority in interest of the Purchasers at any time if the Closing shall not have been consummated by seventy-five (75) days following the date of this Agreement; *provided, however*, that the party (or parties) prepared to close shall retain its (or their) right to sue for any breach by the other party (or parties).

7.

Miscellaneous

- 1. Stamp Taxes. The Company shall pay all stamp and other similar taxes and duties levied in connection with the issuance of the Preferred Shares and the shares of Common Stock issued upon conversion thereof.
- 2. Specific Performance; Consent to Jurisdiction; Jury Trial; Attorneys' Fees.
 - a. The Company and the Purchasers acknowledge and agree that irreparable damage would occur in the event that any of the provisions of this Agreement and the Certificate were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent or cure breaches of the provisions of this Agreement and to enforce specifically the terms and provisions hereof, this being in addition to any other remedy to which any of them may be entitled by law or equity.
 - b. the company and each Purchaser (i) hereby irrevocably submits to the exclusive jurisdiction of the united states district court, the new york state courts and other courts of the united states sitting in new york county, new york for the purposes of any suit, action or proceeding arising out of or relating to this agreement and (ii) hereby waive, and agree not to assert in any such suit action or proceeding, any claim that it is not personally subject to the jurisdiction of such court, that the suit, action or proceeding is brought in an inconvenient forum or that the venue of the suit, action or proceeding is improper. to the extent permitted by applicable law, the Company and each Purchaser consent to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address in effect for notices to it under this agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. nothing in this paragraph shall affect or limit any right to serve process in any other manner permitted by applicable law.
 - c. The Company and each Purchaser hereby waive all rights to a trial by jury.
 - d. In connection with the enforcement by either party of its rights under the Transaction Documents, the party that prevails, shall be entitled to recovery of expenses incurred, including, without limitation, reasonable attorneys' fees.
- 3. Entire Agreement; Amendment. This Agreement, together with the Certificate and the agreements and documents executed

in connection herewith and therewith, contains the entire understanding of the parties with respect to the matters covered hereby and thereby, supercedes any prior understanding, memoranda or other written or oral agreements between or among any of them respecting the matters covered hereby and thereby and, except as specifically set forth herein or therein, neither the Company nor any Purchaser makes any representation, warranty, covenant or undertaking with respect to such matters. No provision of this Agreement may be waived except by a written instrument signed by both the Company and the Purchaser to whom such waiver applies. No provision of this Agreement may be amended other than by a written instrument signed by the Company and the Purchasers.

4. Notices. Any notice or other communication required or permitted to be given hereunder shall be in writing by mail, facsimile or personal delivery and shall be effective upon actual receipt of such notice. The addresses for such communications shall be:

to the Company:

Flight Safety Technologies, Inc.

c/o Kenneth Wood

18 Brookside Drive

Warren, NJ 07059

Attention: President and CEO

and

Flight Safety Technologies, Inc.

c/o Richard Rosenfeld

105 Stonebridge Road

Montclair, NJ 07042

Attention: CFO

with copies to:

Tobin, Carberry, O'Malley, Riley &

Selinger, P.C.

43 Broad Street

New London, CT 06320-0058

Phone: 860-447-0335

Facsimile: 860-442-3469

Attention: Joseph J. Selinger, Jr.

to any Purchaser:

at the address listed on **Exhibit A** hereto.

Any party hereto may from time to time change its address for notices by giving at least 10 days' written notice of such changed address to the other parties hereto.

5. Indemnity; Liability.

- a. *Company Indemnification.* In consideration of the Purchasers' execution and delivery of this Agreement and in addition to all of the Company's other obligations under the Transaction Documents, from and after the Closing, the Company shall defend, protect, indemnify and hold harmless each Purchaser and all of its partners, officers, directors, employees, and members and any of the foregoing persons' agents or other representatives (including, without limitation, those retained in connection with the transactions contemplated by this Agreement) (collectively, the "**Purchaser Indemnitees**") from and against any and all actions, causes of action, suits, claims (which actions, causes of action, suits and claims are made by third parties), losses, costs, penalties, fees, liabilities and damages, and expenses in connection therewith (irrespective of whether any such Purchaser Indemnitee is a party to the action for

which indemnification hereunder is sought), and including reasonable attorneys' fees and disbursements (the "**Purchaser Indemnified Liabilities**"), incurred by any Purchaser Indemnitee as a result of, or arising out of, or relating to (a) any misrepresentation or breach of any representation or warranty made by the Company in the Transaction Documents or any other certificate or document contemplated hereby or thereby, (b) any breach of any covenant, agreement or obligation of the Company contained in the Transaction Documents or any other certificate or document contemplated hereby or thereby, (c) any cause of action, suit or claim brought or made against such Purchaser Indemnitee by a third party arising out of or resulting from the Company's execution, delivery, performance or breach of the Transaction Documents or the Company's breach of other certificate, instrument or document contemplated hereby or thereby, and (d) the enforcement of this Section. Notwithstanding the foregoing, Purchaser Indemnified Liabilities shall not include any liability of any Purchaser Indemnitee to the extent it arises out of: (i) such Purchaser Indemnitee's willful misconduct, gross negligence, or fraudulent action(s) or (ii) the breach of any representation, warranty or covenant in the Transaction Documents by such Purchaser Indemnitee.

The Company shall be liable under this Section 7.5(a) in respect of Purchaser Indemnified Liabilities only to the extent the aggregate of such Purchaser Indemnified Liabilities exceed \$10,000, in which case the Company shall be liable under this Section 7.5(a) for all Purchaser Indemnified Liabilities up to a maximum aggregate amount equal to the Purchase Price paid by the Purchaser associated with such Purchaser Indemnitee set forth on **Exhibit A**.

To the extent permitted by law, the parties acknowledge and agree that the indemnification set forth in this Section 7.5(a) shall be the exclusive remedy of the Purchaser Indemnitees against the Company for any Purchaser Indemnified Liabilities.

To the extent that the undertaking by the Company in this Section 7.5(a) may be unenforceable for any reason, and subject to the limitations set forth above, the Company shall make the maximum contribution to the payment and satisfaction of each of the Purchaser Indemnified Liabilities which is permissible under applicable law.

b. [Intentionally omitted].

6. Waivers. No waiver by any party of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right accruing to it thereafter.
7. Headings. The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.
8. Successors and Assigns. Except as otherwise provided herein, this Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. The parties hereto may amend this Agreement without notice to or the consent of any third party. Except in connection with a sale of the Company pursuant to a merger, consolidation or the like or the sale of all or substantially all of the assets of the Company, the Company may not assign this Agreement or any rights or obligations hereunder without the prior written consent of a majority in interest of the Purchasers. No Purchaser may assign this Agreement (in whole or in part) or any rights or obligations hereunder in connection with an assignment of Preferred Shares; provided that any transferee of Preferred Shares must agree in writing to be bound by the applicable terms of the Transaction Documents.
9. No Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other person.
10. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York applicable to Agreements executed and to be performed entirely within such State.
11. Survival. The representations and warranties of the Company and each Purchaser contained herein shall survive the Closing and continue in full force and effect unto the two (2) year anniversary of the Closing Date. The termination of any such representation and warranty, however, shall not affect any claim for breaches of representations or warranties if written notice thereof is given to the breaching party or parties prior to such termination date. The agreements and covenants of the Company and each Purchaser contained herein shall, unless otherwise specifically provided herein, survive the Closing and remain in full force and effect forever.
12. Execution. This Agreement may be executed in any number of counterparts by original or facsimile signature, each of which shall be deemed an original, but all of which together shall constitute one instrument.
13. Publicity. Other than as required pursuant to the rules and regulations of the Exchange Act, the Company and each Purchaser, severally, and not jointly, agree that he, she or it will not disclose, and will not include in any public announcement, the name of any Purchaser or the Company without the express written agreement of such Purchaser, unless and until such disclosure is required by law or applicable regulation, and then only to the extent of such requirement. Other than with respect to disclosure required pursuant to the rules and regulations of the Exchange Act, the Company or such Purchaser (as applicable) agree that each will deliver a copy of any public announcement regarding the matters covered by this Agreement or any agreement and document executed herewith (that has not been previously disclosed in detail) to each Purchaser and any public announcement including the name of a party to such party, reasonably in advance of the release of

such announcements.

14. Severability. The parties acknowledge and agree that the Purchasers are not agents or partners of each other, that all representations, warranties, covenants and agreements of the Purchasers hereunder are several and not joint, that no Purchaser shall have any responsibility or liability for the representations, warrants, agreements, acts or omissions of any other Purchaser, and that any rights granted to "Purchasers" hereunder shall be enforceable by each Purchaser hereunder.
15. No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party.
16. Rescission and Withdrawal Right. Notwithstanding anything to the contrary contained in (and without limiting any similar provisions of) the Transaction Documents, whenever any Purchaser exercise a right, election, demand or option under a Transaction Document and the Company does not substantially perform its related obligations within the periods therein provided, then such Purchaser may rescind or withdraw, in their sole discretion from time to time upon written notice to the Company, any relevant notice, demand or election in whole or in part without prejudice to its future actions and rights.
17. Obligations Absolute. The Company's obligations under the Transaction Documents are unconditional and absolute and not subject to any right of set off, counterclaim, delay or reduction.

Signature Pages Follow

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

	COMPANY: FLIGHT SAFETY TECHNOLOGIES, INC. By: Richard S. Rosenfeld
	Name: Richard S. Rosenfeld Title: Chief Financial Officer

Signature page to Purchase Agreement

	PURCHASERS: /s/ Ron Hendrickson
	Ron Hendrickson

Signature page to Purchase Agreement

	PURCHASERS (continued): /s/ Joe Lyman
	Joe Lyman

Signature page to Purchase Agreement

	PURCHASERS (continued): /s/ Scott Lyman
	Scott Lyman

Signature page to Purchase Agreement

	PURCHASERS (continued): /s/ Justin Cress
	Justin Cress
	 /s/ Rebecca Cress
	Rebecca Cress

Signature page to Purchase Agreement

	PURCHASERS (continued): Harvey Partners, LLC By: /s/ Jeffrey C. Moskowitz
	Name: Jeffrey C. Moskowitz Title: Managing Member

Signature page to Purchase Agreement

	 /s/ Kenneth S. Wood
	Kenneth S. Wood
	 /s/ Richard S. Rosenfeld
	Richard S. Rosenfeld

	/s/ Neal Fine
	Neal Fine
	/s/ Kimberly Kelly-Wintenberg
	Kimberly Kelly-Wintenberg
	/s/ Alan Wintenberg
	Alan Wintenberg

Signature page to Purchase Agreement

EXHIBITS AND SCHEDULES

Exhibit A	Purchasers
Exhibit 1.1A	Certificate
Exhibit 1.1(c)(ii)	Promissory Note
Schedule 2.1(a)	List of Subsidiaries
Schedule 2.1(b)	List of Subsidiaries Not Qualified To Do Business
Schedule 2.1(c)	Capitalization
Schedule 2.1(c)(i)	Capitalization
Exhibit 2.1(c)(ii)	Articles of Incorporation of the Company
Exhibit 2.1(c)(iii)	By-Laws of the Company
Exhibit 2.1(c)(iv)	Articles of Incorporation of the Subsidiary
Exhibit 2.1(c)(v)	By-Laws of the Subsidiary
Schedule 2.1(e)	No Conflicts
Schedule 2.1(i)	No Material Adverse Change
Schedule 2.1(p)	No Litigation
Schedule 2.1(q)	Brokers
Schedule 2.1 (r)(i)	Outstanding Securities Entitled to Registration Rights
Schedule 2.1 (r)(ii)	Outstanding Securities Affected by the Issuance of Preferred Shares, etc.
Schedule 2.1(s)	Certain Transactions
Schedule 2.1(w)	MFN and Variable Rate Transactions

Schedule 2.1(aa) Indebtedness

Exhibit 2.1(dd) Cummins Family Produce Transaction

Exhibit 4.2(h) Form of Preferred Share Certificate

-

1. _

2. Exhibit A

Purchasers

<u>Purchaser</u>	<u>Preferred Shares</u>	<u>Purchase Price</u>
Ron Hendrickson 56 East 100 South Jerome, ID 83338	1,000	\$100,000
Joe Lyman 4027 N. Canyon Ridge Dr. Twin Falls, ID 83301	250	\$25,000
Scott Lyman 871 Green Acres Dr. Twin Falls, ID 83301	650	\$65,000
Justin Cress 3422 Harvest Moon Kimberly, ID 83341	250	\$25,000
Rebecca Cress 3422 Harvest Moon Kimberly, ID 83341	250	\$25,000
Harvey Partners, LLC Attn: James Schwartz 350 Madison Avenue 8 th Floor New York, NY 10017	1,000	\$100,000
Kenneth S. Wood 18 Brookside Dr. Warren, NJ 07059	200	\$20,000 *
Richard S. Rosenfeld 105 Stonebridge Rd Montclair, NJ 07042	200	\$20,000 *
Neal Fine 224 Wickham St N. Kingston, RI 02852	200	\$20,000**
Kimberly Kelly-Wintenberg 12625 Bayview Dr. Knoxville, TN 37922	200	\$20,000 *

Alan Wintenberg	200	\$20,000 *
12625 Bayview Dr.		
Knoxville, TN 37922		
TOTAL	4,400	\$440,000

* Purchase price to be paid 20% in cash at Closing and 80% pursuant to an Employee Promissory Note maturing on May 31, 2009.

** Purchase price to be paid 8.33% in cash Closing and 91.67% pursuant to an Employee Promissory Note maturing on October 31, 2009.

3.

4. Exhibit 1.1A

Certificate of Designations of Series A Convertible Preferred Stock

[See attached]

5.

6. Exhibit 1.1(c)(ii)

Form of Promissory Note

[See attached]

-

Schedule 2.1(a)

List of Subsidiaries

Advanced Plasma Products, Inc., a Nevada Corporation

-

Schedule 2.1(b)

List of Subsidiaries Not Qualified To Do Business

NONE

-

Schedule 2.1(c)

Capitalization

NONE

-

Schedule 2.1(c)(i)

Capitalization

260,417 common shares in Flight Safety Technologies, Inc. issuable to the University of Tennessee Research Foundation pursuant to a licensing agreement.

20,000 common shares in Flight Safety Technologies, Inc. issuable to David Cryer pursuant to a severance agreement.

Exhibit 2.1(c)(ii)

Articles of Incorporation of the Company

[See attached]

-

Exhibit 2.1(c)(iii)

By-Laws of the Company

[See attached]

Exhibit 2.1(c)(iv)

Articles of Incorporation of the Subsidiary

[See attached]

Exhibit 2.1(c)(v)

By-Laws of the Subsidiary

[See attached]

-

Schedule 2.1(e)

No Conflicts

NONE

-

Schedule 2.1(i)

No Material Adverse Change

NONE

Schedule 2.1(p)

No Litigation

Counsel for a former employee of the Company has written to the Company and threatened suit, claiming damages for wrongful termination of his employment agreement, which expired and required written notice from the Company to extend its term. No such extension was given. The Company has denied liability and is waiting to hear further from such employee's counsel.

-

Schedule 2.1(q)

Brokers

NONE

-

Schedule 2.1(r)(i)

Outstanding Securities Entitled to Registration Rights

NONE

Schedule 2.1(r)(ii)

Outstanding Securities Affected By the Issuance of Preferred Shares, Etc.

NONE

-

Schedule 2.1(s)

Certain Transactions

NONE

-

Schedule 2.1(w)

MFN and Variable Rate Transactions

NONE

-

Schedule 2.1(aa)

Indebtedness

NONE

Exhibit 2.2(dd)

Cummins Family Produce Transaction

[See attached]

-

Exhibit 4.2(i)

Form of Preferred Share Certificate

[See attached]

Supply Agreement

This Supply Agreement (the "Agreement"), dated as of January 13, 2009, is entered into by and among Southern Slope, Inc., a Nevada corporation whose address is P.O. Box 406, Twin Falls, ID 83303-0406 ("Southern Slope"), Black Rock Ag., Inc., an Idaho corporation whose address is 2927 North 4300 East, Murtaugh, ID 83344 ("Black Rock," and together with Southern Slope, the "Growers," and each, a "Grower"), Cummins Family Produce, Inc., an Idaho corporation whose address is 2570 Eldridge Ave., Twin Falls, Idaho 83301 ("CFP"), and solely for the limited purposes set forth in Section 7.2 hereof, Wesley Cummins ("Wesley"), Lance Cummins ("Lance"), Nicholas Cummins ("Nicholas") and Nathan Cummins ("Nathan").

WHEREAS, the Growers grow potatoes and desire to provide and sell their potatoes to CFP upon the terms and conditions set forth in this Agreement;

WHEREAS, CFP is a purchaser of potatoes and desires to purchase the Growers' potatoes upon the terms and conditions set forth in this Agreement;

WHEREAS, Wesley and Lance are the sole shareholders of Southern Slope; and

WHEREAS, Nicholas and Nathan are the majority shareholders of Black Rock;

NOW THEREFORE, for due and valid consideration, the receipt of which is hereby acknowledged, and in consideration of the mutual promises, representations, warranties and covenants contained herein, the parties hereby agree as follows:

1. Purchase and Sale. Subject to the terms and conditions contained herein, each of the Growers hereby agrees to sell, and CFP agrees to purchase, all of the potatoes grown in Idaho by such Grower during the term hereof; *provided, however*, that the Growers may together grow potatoes on up to an aggregate of 1,000 acres of real property per year pursuant to a joint venture or contract with ConAgra Foods, Inc. that will not be subject to this Agreement.

2. Term. The initial term of this Agreement shall run until November 30, 2013. Thereafter, this Agreement shall automatically renew for additional one (1) year periods unless any party provides written notice to the other parties of its intent not to renew at least sixty (60) days prior to the expiration of the then-current term. Notwithstanding the foregoing provisions of this Section 2, this Agreement shall automatically terminate upon the occurrence of any of the following (each, an "Early Termination Event"):

2.1 CFP shall default in the payment of rent or any other amount due (beyond any applicable cure or notice periods) under its Lease Agreement dated January 13, 2009 (the "Lease Agreement") between CFP and Cummins Family Holdings, LLC, an Idaho limited liability company ("Holdings");

2.2 Any failure by CFP to observe or perform any other provision, covenant or condition of the Lease Agreement to be observed or performed by CFP where such failure continues for thirty (30) days after written notice thereof from Holdings to CFP; *provided that* if the nature of such default is such that the same cannot reasonably be cured within a thirty (30) day period, CFP shall not be deemed to be in default if it shall commence such cure within such period and thereafter rectify and cure said default with due diligence;

2.3 CFP elects in writing to terminate this Agreement with respect to either Grower following a breach by such Grower of the terms and conditions contained herein; *provided, however*, that such Grower shall first receive fifteen (15) days' prior written notice of such breach and such Grower shall fail to remedy the same within such fifteen (15) day period;

2.4 Either Grower elects in writing to terminate this Agreement with respect to such Grower following a breach by CFP of the terms and conditions contained herein; *provided, however*, that CFP shall first receive fifteen (15) days' prior written notice of such breach and CFP shall fail to remedy the same within such fifteen (15) day period;

2.5 An assignment by CFP for the benefit of its creditors; or the filing of a voluntary or involuntary petition by or against CFP under any law for the purpose of adjudicating CFP as bankrupt, or for extending time for payment, adjustment or satisfaction of CFP's liabilities, or the reorganization, dissolution, or arrangement on account of or to prevent bankruptcy or insolvency of CFP; unless the assignment or proceedings, and all orders, adjudications, custodies and supervision are dismissed, vacated or otherwise permanently stayed or terminated within sixty (60) days after the assignment, filing or other initial event;

2.6 An assignment by Flight Safety Technologies, Inc., a Nevada corporation ("Flight Safety") for the benefit of its creditors; or the filing of a voluntary or involuntary petition by or against Flight Safety under any law for the purpose of adjudicating Flight Safety as bankrupt, or for extending time for payment, adjustment or satisfaction of Flight Safety's liabilities, or the reorganization, dissolution, or arrangement on account of or to prevent bankruptcy or insolvency of Flight Safety; unless the assignment or proceedings, and all orders, adjudications, custodies and supervision are dismissed, vacated or otherwise permanently stayed or terminated within sixty (60) days after the assignment, filing or other initial event;

2.7 Any shares of Series A Convertible Preferred Stock of Flight Safety acquired by Cummins Family Limited Partnership, L.P., an Idaho corporation (the "Purchaser") pursuant to the Purchase Agreement executed on or about the date hereof by and between Flight Safety and the Purchaser (the "Purchase Agreement") shall be or become non-voting for any reason.

Upon any termination of this Agreement, whether as a result of an Early Termination Event or otherwise, each Grower's obligation to

deliver potatoes hereunder shall immediately terminate, and CFP shall pay to each Grower the amount owing to such Grower with respect to any potatoes previously delivered.

3. Delivery. Each Grower shall, at its expense, deliver its potatoes to CFP's packing shed located at 2570 Eldridge Ave., Twin Falls, Idaho 83301. The delivery schedule shall be mutually agreed upon by each Grower and CFP to provide for an even packing rate throughout the year. Title to and risk of loss of potatoes shall remain with the respective Grower until such potatoes have been weighed and unloaded by CFP.

4. Price. The purchase price of each Grower's potatoes shall be (a) the price at which CFP sells the potatoes less (b) packing charges with respect to such potatoes at the rates set forth on Exhibit A hereto (the "Packing Charges"). Commencing on the one (1) year anniversary hereof and on each one (1) year anniversary thereafter, the parties agree to negotiate in good faith in an attempt to amend the Packing Charges to reflect increases or decreases in the cost component of the Packing Charges.

5. Payments. CFP shall pay each Grower for such Grower's respective potatoes within sixty (60) days of delivery. CFP is authorized to distribute payments to each Grower at such Grower's address listed in the first paragraph hereof, or at such other address as may be requested by such Grower in writing. If the potatoes provided by such Grower are subject to any liens, CFP is hereby authorized, in accordance with the Food Security Act of 1985, to add such lien holders as additional payees on any checks issued to such Grower with respect to such potatoes.

6. Pesticides. Each Grower agrees to use only those pesticides and chemicals that are lawfully registered; and warrants that the potatoes, when delivered to CFP, are not contaminated with any substance that constitutes a food safety hazard, or adulterated within the meaning of the Federal Food, Drug, and Cosmetic Act. In the event of non-compliance by a Grower with any part of this section, CFP shall have the option of refusing to accept delivery of such portion of such Grower's potatoes, which shall cease any obligation to pay for any rejected potatoes.

7. Exclusivity.

7.1 Crop Rotation. Each Grower shall grow potatoes on all agricultural property owned or leased in Idaho by such Grower, subject to a reasonable crop rotation.

7.2 Other Operations. During the term of this Agreement, each of Wesley and Lance (with respect to Southern Slope) and Nicholas and Nathan (with respect to Black Rock) hereby covenant and agree not to directly or indirectly (whether as an owner, partner, joint venturer or agent) grow potatoes other than through Southern Slope and Black Rock.

8. Miscellaneous.

8.1 Several Obligations. The covenants, agreements, conditions, provisions, representations, warranties or obligations of each party hereunder shall be several with respect to such party, and not joint.

8.2 Further Assurances. The parties hereto shall deliver or cause to be delivered to the other parties at such times and places as shall be reasonably agreed, such additional instruments as the other may reasonably request for the purpose of consummating the transactions contemplated by this Agreement.

8.3 Relationship. The parties agree that nothing contained in this Agreement shall create any partnership, agency, or employment arrangement.

8.4 Successors and Assigns. This Agreement and the rights of the parties hereunder may not be assigned (except by operation of law) and, to the extent permitted by law, shall be binding upon and shall inure to the benefit of the parties hereto, their successors and permitted assigns and the heirs and legal representatives of any individual party hereto.

8.5 Entire Agreement; Amendments. This Agreement (including the exhibits and annexes attached hereto) constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior understandings and agreements, whether written or oral, with respect to the subject matter hereof. This Agreement may be modified or amended only by a written instrument executed by the parties hereto.

8.6 Counterparts. This Agreement may be executed in any number of counterparts by original or facsimile signature, each of which shall be deemed an original, but all of which together shall constitute one instrument.

8.7 Severability. If any clause or provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws, then such clause or provision will be severed from this Agreement and the Agreement will be enforced to the fullest extent permitted by law in a manner that is consistent with the intentions of the parties hereto.

8.8 Governing Law. This Agreement shall be construed in accordance with the laws of the State of Idaho without regard to its conflict of law rules.

8.9 Litigation. Should any litigation be commenced between the parties concerning this Agreement or the rights and duties of the parties in relation thereto, the action shall be brought in Twin Falls County, Idaho. The prevailing party in any litigation shall be entitled to recover, in addition to such other relief as may be granted, reasonable attorneys fees and costs.

8.10 Exercise of Rights and Remedies. No delay of or omission in the exercise of any right, power or remedy accruing to any party as a result of any breach or default by any other party under this Agreement shall impair any such right, power or remedy, nor shall it be construed as a waiver of or acquiescence in any such breach or default, or of any similar breach or default occurring later; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default occurring before or after that waiver.

8.11 No Third-Party Rights. This Agreement and the covenants and agreements contained herein are solely for the benefit of the parties hereto. No other person or entity shall be entitled to enforce, make any claims under, or have any right pursuant to, the provisions of this Agreement.

8.12 Time of Essence. The parties hereto agree that time is and shall be, of the essence in each and every term and condition contained herein.

8.13 Notices. Any notice or other communication required or permitted to be given hereunder shall be in writing by mail, facsimile or personal delivery and shall be effective upon actual receipt of such notice. The addresses for such communications shall be:

to CFP:

Cummins Family Produce, Inc.
c/o Kenneth Wood
18 Brookside Drive
Warren, NJ 07059
Attention: President and CEO

and

Cummins Family Produce, Inc.
c/o Richard Rosenfeld
105 Stonebridge Road
Montclair, NJ 07042
Attention: CFO

to Southern Slope:

Southern Slope, Inc.
2570 Eldridge Ave.
Twin Falls, ID 83301
Attention: Wesley Cummins

and

Southern Slope, Inc.
1674 Mesa Ridge Avenue
Westlake Village, CA 91362
Attention: Wesley Cummins

to Black Rock:

Black Rock Ag., Inc.
2927 North 4300 East
Murtaugh, ID 83344
Attention: Nicholas Cummins

[The remainder of this page has been left intentionally blank.]

In Witness Whereof, the parties hereto have executed this Agreement as of the day and year first above written.

Southern Slope	Southern Slope, Inc. By: /s/ Wesley Cummins
	Name: Wesley Cummins Title: President
Black Rock	Black Rock, Inc. By: /s/ Nicholas Cummins

	Name: Nicholas Cummins Title: President
Cummins	Cummins Family Produce, Inc. By: /s/ Wesley Cummins
	Name: Wesley Cummins Title: President

Accepted and agreed with respect to the provisions of Section 7.2 hereof.

/s/ Wesley Cummins
Wesley Cummins
/s/ Lance Cummins
Lance Cummins
/s/ Nicholas Cummins
Nicholas Cummins
/s/ Nathan Cummins
Nathan Cummins

Exhibit A

Packing Charges

[to be attached].

Lease Agreement

This Lease Agreement (the "Lease") is dated as of January 13, 2009 by and among Cummins Family Holdings, LLC, an Idaho limited liability company whose address is 2570 Eldridge Ave., Twin Falls, Idaho 83301 ("Lessor") and Cummins Family Produce, Inc., an Idaho corporation whose address is 2570 Eldridge Ave., Twin Falls, Idaho 83301 ("Lessee").

WHEREAS, the Lessor is the owner of (a) real property located in Twin Falls County, Idaho legally described on Exhibit A hereto, together with all improvements thereon and appurtenances thereto (the "Real Property"), (b) the personal property described on Exhibit B hereto together with all replacements, repairs and additions incorporated therein or affixed thereto (collectively, the "Packing Equipment") and (c) the personal property described on Exhibit C hereto together with all replacements, repairs and additions incorporated therein or affixed thereto (collectively, the "Miscellaneous Property," and together with the Packing Equipment, the "Personal Property"). For purposes of this Lease, the "Property" shall mean the Real Property and the Personal Property;

WHEREAS, in connection with the purchase of the Packing Equipment by Wesley Cummins ("Wesley"), Wesley executed a Promissory Note in favor of Key Equipment Finance Inc. (the "Lender") in the amount of Three Hundred Eighty-Seven Thousand and No/100ths Dollars (\$387,000.00) (the "Note") and a Master Security Agreement with the Lender whereby Wesley granted a security interest in the Packing Equipment to the Lender (the "Security Agreement," and together with the Note and the ancillary documents thereto and amendments thereof, the "Loan Documents"); and

WHEREAS, Wesley transferred the Packing Equipment to the Lessor effective as of May 29, 2008 in exchange for the Lessor's assumption of Wesley's obligations under the Loan Documents, which Loan Documents shall continue to encumber the Packing Equipment until the obligations arising under such Loan Documents are paid in full; and

WHEREAS, the parties hereto desire that the Lessor lease the Property to the Lessee on and subject to the terms hereof;

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereby agree as follows:

1. Lease. Lessor hereby agrees to lease the Property to the Lessee, and Lessee hereby agrees to lease the Property from Lessor, on the terms and conditions set forth herein.

Term. This Lease shall commence on the date hereof (the "Effective Date"). The initial term of this Lease shall run until December 31, 2013. Thereafter, this Lease shall automatically renew for additional one (1) year periods unless either party provides written notice to the other party of its intent not to renew at least sixty (60) days prior to the expiration of the then-current term.

2. Rent.

2.1 General. Rent shall be payable in the amount of Twenty Thousand and No/100ths Dollars (\$20,000.00) per month on or before the tenth (10th) day of each month without prior demand and without offset. Rent for the initial partial month of January 2009 shall be payable on the date hereof and pro rated based on the actual days in such month. In addition to other rights provided herein and by law, if rent or any other amount required to be paid by Lessee hereunder is not received by the tenth (10th) day after the date when due, such rent or other amount shall bear interest at the rate of Twelve Percent (12.00%) per annum (the "Default Rate") from the date due.

2.2 Taxes. Lessee shall pay any applicable sales tax, use tax or property tax on the Property in accordance with Section 12.

3. Disclaimer of Warranties. Lessee agrees that it has selected the Property based upon its own judgment and disclaims any reliance upon any statements or representations made by Lessor. LESSOR MAKES NO WARRANTY WITH RESPECT TO THE PROPERTY, EXPRESSED OR IMPLIED, AND LESSOR SPECIFICALLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY AND OF FITNESS FOR A PARTICULAR PURPOSE AND ANY LIABILITY FOR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OF OR THE INABILITY TO USE THE PROPERTY. Lessee agrees to make the rental and other payments required hereunder without regard to the condition of the Property. Lessor assumes no responsibility for the installation, adjusting or servicing of the Property.

4. Title. Title to the Property shall at all times remain with Lessor, and Lessee at its expense shall protect and defend the title of Lessor and keep the Property free of all claims and liens other than the rights of Lessee hereunder and claims and liens created by or arising through Lessor (such as liens arising pursuant to the Loan Documents). While Lessee may possess the Property in accordance with the terms of this Lease, the Lessee expressly acknowledges the existence of the Lender's security interest in the Packing Equipment.

5. Location; Inspection. The Packing Equipment shall be located on the Real Property and shall not be removed therefrom (other than temporary removal in the ordinary course of business) without the prior written consent of the Lessor. The Lessor shall have the right to enter upon the Real Property and inspect the Property at any reasonable time. The Lender shall have the right to enter upon the Real Property and inspect the Packing Equipment at any reasonable time. At the Lessor's request, the Lessee shall (a) affix permanent labels in a prominent place on the Packing Equipment stating the Lessor's interest therein (and the Lender's interest therein, as applicable), (b) keep such labels in good repair and condition and (c) provide Lessor with an inventory listing all labeled Packing Equipment within twenty (20) days of such request.

6. Use; Alterations. Lessee shall use the Property lawfully and only in the manner for which it was designed and intended and so as to subject it only to ordinary wear and tear. Lessee shall comply with all applicable laws, and will not permit any person to dispose of any hazardous materials into or onto the Real Property. Lessee shall immediately notify the Lessor, in writing, upon becoming aware of any existing threatened investigation, claim or action by any governmental authority that could adversely affect the Property, the Lessor, the Lender or this

Lease. Lessee, at its own expense, shall make such alterations, additions or modifications to the Property as may be required from time to time to meet the requirements of applicable law or governmental body (each, a "Required Alteration"). All such Required Alterations shall immediately, and without further act, be deemed to constitute "Property" and be fully subject to this Lease as if originally leased hereunder. Lessee shall not make any other alterations to the Property without Lessor's prior written consent.

7. Repairs and Maintenance.

7.1 Lessee Repairs and Maintenance. Other than as explicitly made the Lessor's responsibility under Section 8.2, Lessee, at Lessee's sole cost and expense, shall (a) keep the Property in good repair, operating condition, appearance and working order in compliance with the manufacturer's recommendations and Lessee's standard practices (but in no event less than industry practices), (b) properly service all components of the Property following the manufacturer's written operating and servicing procedures, (c) upon Lessor's request, enter into and keep in full force and effect during the term hereof a maintenance agreement covering the Packing Equipment with the manufacturer, or a manufacturer-approved maintenance organization, to maintain, service and repair such Property, as otherwise required herein, (d) upon Lessor's request, furnish Lessor with an executed copy of any such maintenance agreement, and (e) replace any part of the Property that becomes unfit or unavailable for use from any cause (whether or not such replacement is covered by a maintenance agreement) with a replacement part that, in Lessor's sole opinion, is of the same manufacture, value, remaining useful life and utility as the replaced part immediately preceding the replacement, assuming that such replaced part was in the condition required by this Lease. Replacement parts shall be free and clear of all liens, constitute Property and be fully subject to this Lease as if originally leased hereunder.

7.2 Lessor Repairs and Maintenance. Lessor, at Lessor's sole cost and expense, shall be responsible for any repairs or replacements that are required to the structural or mechanical systems of the Real Property (specifically excluding the Packing Equipment, whether or not attached to the Real Property) which (a) would be classified as capital expenditures under generally accepted accounting principals and (b) are not otherwise covered by insurance under Section 11; *provided, however*, that the Lessor shall only be responsible under this Section 8.2 (i) for any such repair or replacement costing in excess of \$10,000 each, in which event the Lessor shall be responsible for the entire cost of such repair or replacement or (ii) if the Lessee has been responsible for repairs or replacements costing less than \$10,000 each, but which in the aggregate exceed \$75,000 in any year, in which event the Lessor shall be responsible for any such excess.

8. Transfers and Assignment.

8.1 Lessee Transfer. Without Lessor's prior written consent, Lessee will not (a) sell, assign, sublet, pledge, or otherwise encumber or permit a lien to exist on or against any interest in this Lease or the Property, (b) rent or lend the Property to anyone or (c) permit the Property to be used by anyone other than the Lessee or its respective qualified employees. Lessee acknowledges that it remains primarily liable for all obligations hereunder notwithstanding use of the Property by any other party.

8.2 Lessor Transfer. Lessor, at any time with or without notice to Lessee, may sell, transfer, assign and/or grant a security interest in all or any part of Lessor's interest in this Lease or all or any part of the Property (each, a "Lessor Transfer"). Any purchaser, transferee, assignee or secured party of Lessor (each a "Lessor Assignee") shall have and may exercise all of Lessor's rights hereunder with respect to the Property to which any such Lessor Transfer relates. Upon receipt of written notice of a Lessor Transfer, Lessee shall promptly acknowledge in writing its obligations hereunder, shall comply with the written directions or demands of any Lessor Assignee and shall make all payments due hereunder as directed in writing by the Lessor Assignee. Following such Lessor Transfer, the term "Lessor" shall be deemed to include or refer to each Lessor Assignee; *provided, however*, that the indemnification obligations of the Lessee shall apply to both the Lessor and each Lessor Assignee, as well as their respective members, shareholders, directors, officers and agents.

9. Risk of Loss. Lessee shall bear the entire risk of loss (including without limitation, theft, destruction, disappearance of or damage to the Property from any cause whatsoever), whether or not insured against, during the term of this Lease. No such loss shall relieve Lessee of the obligation to pay rent or of any other obligation hereunder.

10. Insurance.

10.1 Lessee shall, at all times during the term hereof and at Lessee's own cost and expense, maintain (a) insurance against all risks of physical loss or damage to Property for the full replacement value thereof, and (b) commercial general liability insurance (including blanket contractual liability coverage and products liability coverage) for personal and bodily injury and property damage in an amount not less than \$1,000,000 per occurrence.

10.2 All insurance policies required hereunder shall include terms, and be with insurance carriers, reasonably satisfactory to Lessor and the Lender. Without limiting the generality of the foregoing, each policy shall include the following terms: (i) all physical damage insurance shall name Lessor (and with respect to the Packing Equipment, the Lender) and its/their assigns as loss payees, (ii) all liability insurance shall name Lessor (and with respect to the Packing Equipment, the Lender) and its/their assigns as additional insureds, (iii) the policy shall not be canceled or altered without at least thirty days' advance notice to Lessor (and with respect to the Packing Equipment, the Lender) and its assigns and (iv) coverage shall not be invalidated against Lessor (and with respect to the Packing Equipment, the Lender) or its assigns because of any violation of any condition or warranty contained in any policy or application therefor by Lessee or by reason of any action or inaction of Lessee. On May 19, 2009 and each one (1) year anniversary thereof, and during the term hereof, Lessee shall deliver to Lessor certificates or other proof of insurance satisfactory to Lessor evidencing the coverage required by this section.

11. Taxes. Lessee shall pay when due and shall indemnify and hold harmless Lessor and Lender (on an after-tax basis) from and against any and all taxes, fees, withholdings, levies, imposts, duties, assessments and charges of every kind and nature whatsoever (including any related penalties and interest) imposed upon or against Lessor, Lender, any Lessor Assignee, any Lender assignee, Lessee or any of the Property by any governmental authority in connection with, arising out of or otherwise related to the Property, this Lease or any rent and receipts or

earnings arising therefrom, including without limitation any sales or use tax, and excepting only all Federal, state and local taxes on or measured by Lessor's or Lender's net income. The provisions of this Section 12 shall survive any termination of this Lease for a period of three (3) years. The termination of such indemnification period, however, shall not affect any claim if written notice of such claim is given to the Lessee prior to such termination date.

12. Lessor's Right to Perform for Lessee. If Lessee fails to perform any of its obligations contained herein, Lessor may (but shall not be obligated to) itself perform such obligations, and the amount of the reasonable costs and expenses of Lessor incurred in connection with such performance, together with interest on such amount from the date said amounts are expended at the Default Rate, shall be payable by Lessee to Lessor upon demand. No such performance by Lessor shall be deemed a waiver of any rights or remedies of Lessor or be deemed to cure any Default of Lessee hereunder (as such term is defined below).

13. End of Lease Term. Upon the expiration or earlier termination of this Lease, the Lessee will immediately deliver the Property to Lessor in the same condition as when delivered to Lessee, ordinary wear and tear excepted.

14. Default; Remedies.

14.1 Default by Lessee. The occurrence of any of the following shall constitute a "Default" and a material breach of this Lease by the Lessee:

(a) Lessee fails to pay any rent or other amount due hereunder when due, where such failure continues for five (5) days after written notice thereof from Lessor to Lessee;

(b) Any failure by Lessee to observe or perform any other provision, covenant or condition of this Lease to be observed or performed by Lessee where such failure continues for thirty (30) days after written notice thereof from Lessor to Lessee; provided that if the nature of such default is such that the same cannot reasonably be cured within a thirty (30) day period, Lessee shall not be deemed to be in default if it shall commence such cure within such period and thereafter rectify and cure said default with due diligence;

(c) Lessee shall breach the Supply Agreement dated on or about the date hereof (the "Supply Agreement") by and among the Lessee, Southern Slope, Inc., a Nevada corporation ("Southern Slope") and Black Rock Ag., Inc., an Idaho corporation ("Black Rock") where such breach shall continue for fifteen (15) days after written notice of the same from Southern Slope or Black Rock to Lessee;

(d) An assignment by Lessee for the benefit of its creditors; or the filing of a voluntary or involuntary petition by or against Lessee under any law for the purpose of adjudicating Lessee as bankrupt, or for extending time for payment, adjustment or satisfaction of Lessee's liabilities, or the reorganization, dissolution, or arrangement on account of or to prevent bankruptcy or insolvency of Lessee; unless the assignment or proceedings, and all orders, adjudications, custodies and supervision are dismissed, vacated or otherwise permanently stayed or terminated within sixty (60) days after the assignment, filing or other initial event;

(e) An assignment by Flight Safety Technologies, Inc., a Nevada corporation ("Flight Safety") for the benefit of its creditors; or the filing of a voluntary or involuntary petition by or against Flight Safety under any law for the purpose of adjudicating Flight Safety as bankrupt, or for extending time for payment, adjustment or satisfaction of Flight Safety's liabilities, or the reorganization, dissolution, or arrangement on account of or to prevent bankruptcy or insolvency of Flight Safety; unless the assignment or proceedings, and all orders, adjudications, custodies and supervision are dismissed, vacated or otherwise permanently stayed or terminated within sixty (60) days after the assignment, filing or other initial event; or

(f) Any shares of Series A Convertible Preferred Stock of Flight Safety acquired by Cummins Family Limited Partnership, L.P., an Idaho corporation (the "Purchaser") pursuant to the Purchase Agreement executed on or about the date hereof by and between Flight Safety and the Purchaser (the "Purchase Agreement") shall be or become non-voting for any reason.

14.2 Default by Lessor. The Lessor shall be in "Default" under the Lease if it fails observe or perform any provision, covenant or condition of this Lease to be observed or performed by Lessor where such failure continues for thirty (30) days after written notice thereof from Lessee to Lessor; provided that if the nature of such default is such that the same cannot reasonably be cured within a thirty (30) day period, Lessor shall not be deemed to be in default if it shall commence such cure within such period and thereafter rectify and cure said default with due diligence.

14.3 Remedies by Lessor. In the event of a Default by Lessee, Lessor may exercise any rights or remedies provided by law or equity. The parties acknowledge and agree that in the event the Lessor elects to terminate the Lessee's right to possession of the Property, the Lessor's damages shall include without limitation lost rent, the cost of recovering possession, amounts owed to the Lender under the Loan Documents, necessary repairs, and attorneys' fees and expenses.

14.4 Remedies by Lessee. In the event of a Default by Lessor, Lessee may exercise any rights or remedies provided by law or equity; *provided, however,* that the Lessee shall not be entitled to make any deductions or offsets in rent or other amounts due to Lessor (a) without the prior express written consent of the Lessor or (b) until the Lessee obtains a final judgment from a court of competent jurisdiction awarding damages to the Lessee as a result of a Default by the Lessor, in which event the Lessee may offset the amount of such finally adjudicated damages against the rent.

15. Notices. All notices and other communications hereunder shall be in writing and shall be transmitted by hand, overnight courier or certified mail (return receipt requested), US postage prepaid. Such notices and other communications shall be addressed to the respective party at the address set forth above or at such other address as any party may, from time to time, designate by notice duly given in accordance with this section. Such notices and other communications shall be effective upon receipt or, in the case of mailing in accordance with the terms of

this section, the earlier of receipt or three days after mailing.

16. Indemnity. Lessee shall indemnify and hold harmless Lessor, each Lessor Assignee, and its or their members, shareholders, directors, officers and agents from and against any and all liabilities, causes of action, claims, suits, penalties, damages, losses, costs or expenses (including attorneys' fees), obligations (including without limitation indemnification obligations), liabilities, demands and judgments (collectively, a "Liability") arising out of or in any way related to: (a) Lessee's failure to perform any covenant hereunder, (b) the untruth of any representation or warranty made by Lessee hereunder or (c) ownership, use, condition or operation of each item of Property, including injury to persons, property or the environment including and any liability based on strict liability in tort, negligence, breach of warranties or Lessee's failure to comply fully with applicable law or regulatory requirements; *provided*, that the foregoing indemnity shall not extend to any Liability to the extent resulting solely from the gross negligence of Lessor. The indemnification obligations set forth in this Section 17 shall survive any termination of the Lease for a period of one (1) year. The termination of any such indemnification period, however, shall not affect any claim if written notice of such claim is given to the Lessee prior to such termination date.

17. Fees and Expenses. In connection with the enforcement by either party of its rights under this Lease, the party that prevails shall be entitled to recovery of all reasonable costs and expenses, including without limitation attorneys' fees.

18. Net Lease; Unconditional Obligation; and Non-Cancelable. This Lease is a completely net Lease and Lessee's obligation to pay the rent and amounts payable by Lessee hereunder is unconditional and not subject to any abatement, reduction, setoff or defense of any kind. This Lease cannot be canceled or terminated except as expressly provided herein.

19. Additional Action; Cooperation with Lender. Lessee will promptly execute and deliver to Lessor such further documents and take such further action as Lessor may request in order to more effectively carry out the intent and purpose of this Lease. Upon the request by the Lessor, the Lessee agrees to reasonably cooperate with the Lessor in connection with the Secured Obligations and any replacement financing, which cooperation may include an assignment of rent hereunder to the Lender or any replacement lender.

20. Miscellaneous; Governing Law; Litigation. The parties hereto agree that time is and shall be of the essence in each and every term and condition contained herein. This Lease may be executed in any number of counterparts by original or facsimile signature, each of which shall be deemed an original, but all of which together shall constitute one instrument. If any clause or provision of this Lease is held to be illegal, invalid, or unenforceable under present or future laws, then such clause or provision will be severed from this Lease and the Lease will be enforced to the fullest extent permitted by law in a manner that is consistent with the intentions of the parties hereto. This Lease (including the exhibits attached hereto) constitutes the entire agreement and understanding among the Lessor and the Lessee with respect to the lease of the Property and supersedes all prior and current understandings and agreements, whether written or oral, with respect to such lease. This Lease may be modified or amended only by a written instrument executed by the Lessor and the Lessee. This Lease shall be construed in accordance with the laws of the State of Idaho without regard to its conflict of law rules. Should any litigation be commenced between the parties concerning this Lease or the rights and duties of the parties in relation thereto, the action shall be brought in Twin Falls County, Idaho. The prevailing party in any litigation shall be entitled to recover, in addition to such other relief as may be granted, reasonable attorneys fees and costs.

21. Delivery and Acceptance. The Lessee hereby certifies that all the Property described in the Lease has been delivered, inspected, installed, is in good working condition, and accepted by the undersigned as satisfactory.

22. Time of Essence. The parties hereto agree that time is and shall be, of the essence in each and every term and condition contained herein.

23. Notices. Any notice or other communication required or permitted to be given hereunder shall be in writing by mail, facsimile or personal delivery and shall be effective upon actual receipt of such notice. The addresses for such communications shall be:

to the Lessee:

Cummins Family Produce, Inc.
c/o Kenneth Wood
18 Brookside Drive
Warren, NJ 07059
Attention: President and CEO

and

Cummins Family Produce, Inc.
c/o Richard Rosenfeld
105 Stonebridge Road
Montclair, NJ 07042
Attention: CFO

to Lessor:

Cummins Family Holdings, LLC
2570 Eldridge Ave.
Twin Falls, ID 83301
Attention: Wesley Cummins

and

Cummins Family Holdings, LLC
1674 Mesa Ridge Avenue
Westlake Village, CA 91362
Attention: Wesley Cummins

[the remainder of this page has been left intentionally blank].

IN WITNESS WHEREOF, the undersigned have executed this Lease on the date and year first above written.

Lessor Cummins Family Holdings, LLC

By: /s/ Wesley Cummins
Name: Wesley Cummins
Title: Member

By: /s/ Lance Cummins
Name: Lance Cummins
Title: Member

Lessee Cummins Family Produce, Inc.

By: /s/ Wesley Cummins
Name: Wesley Cummins
Title: President

Exhibit A

Real Property

Parcel No. 1

Lots 1, 2 and 3, Block 3, TWIN FALLS CHAMBER OF COMMERCE INDUSTRIAL PARK SUBDIVISION NO. 3, Twin Falls County, according to the official plat thereof recorded in Book 13 of Plats, page 1, records of Twin Falls County, Idaho.

AND the East 30 feet of the following described parcel:

A 60-foot strip of land, being a portion of Doc Taylor Drive, located in the Twin Falls Chamber of Commerce Industrial Park Subdivision No. 3, in the SW1/4 of Section 23, Township 10 South, Range 17 East, Boise Meridian, Twin Falls County, Idaho, in accordance with the official plat recorded in the records of Twin Falls County, being that portion of Doc Taylor Drive lying between Lots 1, 2, and 3 in Block 2 and Lots 1, 2 and 3 in Block 3, in accordance with the official plat recorded in the records of Twin Falls County, more particularly described as follows:

COMMENCING at the Northeast corner of Lot 1, Block 3 of said subdivision;

THENCE running North 89 35'52" West along the Northerly boundary of said Lot 1 for 375.25 feet to the REAL POINT OF BEGINNING, said point being a point of curvature of a 20.00-foot radius curve left, the radius point to which lies South 0 24'08" West 20.00 feet;

THENCE along said curve for 31.56 feet;

THENCE South 0 01'04" East along the Westerly boundary of Lots 1, 2 and 3, Block 3, for 436.00 feet to the Southwest corner of Lot 3, Block 3;

THENCE South 89 58'56" West for 30.00 feet;
THENCE North 0 01'04" West for 9.28 feet;

THENCE South 89 58'56" West for 30.00 feet to the Southwest corner of Lot 3, Block 2;

THENCE North 0 01'04" West for 427.42 feet along the Easterly boundary of Lot 1, 2 and 3, Block 2, to a point of curvature of a 20.00-foot radius curve left, the radius point to which lies South 89 58'56" West 20.00 feet;

THENCE along said curve for 31.27 feet to a point on the Northerly boundary of Lot 1, Block 2;

THENCE South 89 35'52" East for 100.00 feet to the REAL POINT OF BEGINNING.

Parcel No. 2

Lots 2 and 3, Block 2, TWIN FALLS CHAMBER OF COMMERCE INDUSTRIAL PARK SUBDIVISION NO. 3, Twin Falls County, Idaho, according to the official plat thereof recorded in Book 13 of Plats, page 1, records of Twin Falls County, Idaho.

AND the West 30 feet of the following described parcel:

A 60-foot strip of land, being a portion of Doc Taylor Drive, located in the Twin Falls Chamber of Commerce Industrial Park Subdivision No. 3, in the SW1/4 of Section 23, Township 10 South, Range 17 records of Twin Falls County, being the portion of Doc Taylor Drive lying between Lots 1, 2 and 3 in Block 2 and Lots 1, 2 and 3 in Block 3, in accordance with the official plat recorded in the records of Twin Falls County, more particularly described as follows:

COMMENCING at the Northeast corner of Lot 1, Block 3 of said subdivision:

THENCE running North 89 35'52" West along the Northerly boundary of said Lot 1 for 375.24 feet to the REAL POINT OF BEGINNING, said point being a point of curvature of a 20.00-foot radius curve left, the radius point to which lies South 0 24'08" West 20.00 feet'

THENCE along said curve for 31.56 feet;

THENCE South 0 01'04" East along the Westerly boundary of lots 1, 2 and 3, Block 3, for 436.00 feet to the Southwest corner of Lot 3, Block 3;

THENCE South 89 58'56" West for 30.00 feet

THENCE North 0 01'04" West for 9.28 feet;

THENCE South 89 58'56" West for 30.00 feet to the Southwest corner of lot 3, Block 2;

THENCE North 0 01'04" West for 427.42 feet along the easterly boundary of Lot 1, 2 and 3, Block 2, to a point of curvature of a 20.00-foot radius curve left the radius point to which lies South 89 58'56" West 20.00 feet;

THENCE along said curve for 31.27 feet to a point on the Northerly boundary of Lot 1, Block 2;

THENCE South 89 35'52" East for 100.00 feet to the REAL POINT OF BEGINNING.

Parcel No. 3

Lots 6 and 7, Block 2, TWIN FALLS CHAMBER OF COMMERCE INDUSTRIAL PARK SUBDIVISION NO. 3, Twin Falls County, Idaho, according to the official plat thereof recorded in Book 13 of Plats, page 1, records of Twin Falls County, Idaho.

Exhibit B

Packing Equipment

CLARIFIER	N/A	N/A
STATIC SCREEN	N/A	N/A
PUMPS	N/A	N/A
CULL BINS	N/A	N/A
UNLOADING SYSTEM	N/A	N/A
WASHING & DRYING	N/A	N/A
GRADING TABLES	N/A	N/A
#2 TABLES	N/A	N/A
EVEN FLO BINS	N/A	N/A
POMONA PACKAGING	85-2	220-029

	85-1	118-115
WEIGHT INDICATOR	N/A	N/A
SAMPLER	N/A	N/A
INK PRINTER	N/A	N/A
HYSTER	A618633	GPH02A20PV
HYSTER	C831996	KCPH02A20
HYSTER	C2-3-FW-475	25271
BAGGER & WEIGHTS	140093-1	189-4030-1001
AUTOMATIC BAGGER MAGNUSON	93068	189-93068-1001
AUTOMATIC BAGGER MAGNUSON	93069	189-93069-1001
EXETER GRADER MACHINE	N/A	N/A
FABRICATING EXETER UNIT	N/A	N/A
EXETER ENGINEERING UNIT	N/A	N/A
EXETER ENGINEERING UPGRADE	N/A	N/A
TRACK SYSTEM FOR EXETER	N/A	N/A
CAMERA FOR GRADING SYSTEM	N/A	N/A
COLOR CAMERAS & DIGITAL DISPLAYER	N/A	N/A
GRADER ACCESSORIES	N/A	N/A
ELIMINATOR	N/A	N/A
POTATO SCANNER	Tatoscanner	9240
GLUE MACHINE	80-14	85-7-5
BOX FILLER	N/A	N/A
QUICK LOK MACHINE	N/A	N/A
BAG CLOSER	N/A	N/A
DOBOY STITCH O'MATIC	N/A	N/A
AIR COMPRESSOR CRANDAL	N/A	N/A
KEEGAN BAG O'MATIC MACHINE	N/A	N/A
KEEGAN BAG O'MATIC COLUMN	N/A	N/A
KEEGAN BAG O'MATIC HARDWARE	N/A	N/A
MATHEWS INKJET PRINTERS	N/A	N/A
BOX ERECTOR	ER1800	ER18-13
GEAR BOXES (100)	N/A	N/A
ALL CONVEYOR LINES BUILT ON SITE	N/A	N/A

-
All rights in and to the marks "First Choice," "First Prize," and "Red Ribbon."

LICENSE AGREEMENT

between

UNIVERSITY OF TENNESSEE RESEARCH FOUNDATION

and

ADVANCED PLASMA PRODUCTS, INC

This License Agreement ("Agreement") is made and entered into this 10th day of September, 2008 ("**Effective Date**") by and between the UNIVERSITY OF TENNESSEE RESEARCH FOUNDATION, having an office at 1534 White Avenue, Knoxville, TN 37996 ("**UTRF**"), and Advanced Plasma Products, Inc, a organized and existing under the laws of the State of Nevada as a wholly-owned subsidiary of Flight Safety Technologies, Inc, and having its principal place of business at 924 Corridor Park Blvd, Knoxville, TN 37932 ("**LICENSEE**").

RECITALS:

WHEREAS, UT (defined below) has submitted the Invention Disclosure(s) (defined below) to UTRF for administration;

WHEREAS, LICENSEE desires to utilize and commercialize the Licensed Technology (defined below) in the Field of Use (defined below) and is willing to expend its best efforts and resources to do so if it can obtain a license to use the Licensed Technology under the terms and conditions set forth herein; and

WHEREAS, UTRF desires to transfer the right to practice the Licensed Technology in the Field of Use for the ultimate benefit of the public and believes that such transfer will be facilitated by the grant of a license to LICENSEE under the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the recitals, covenants, conditions, and undertakings contained herein, the parties hereto agree as follows:

ARTICLE 1. DEFINITIONS

When used in this Agreement, the following terms shall have the meanings set out below. The singular shall be interpreted as including the plural and vice versa, unless the context clearly indicates otherwise.

1.1 "Action" shall have the meaning set forth in Article 8.1(a) hereof.

1.2 "Affiliate" means any corporation, partnership, or other entity that at any time during the Term of this Agreement, directly or indirectly Controls or is Controlled by or is under common Control with a party to this Agreement, but only for so long as the relationship exists. A corporation or other entity shall no longer be an Affiliate when through loss, divestment, dilution or other reduction of ownership, the requisite Control no longer exists.

1.3 "Annual Maintenance Fee" shall have the meaning set forth in Article 5.1(b) hereof.

1.4 "Control" or "**Controls**" or "**Controlled**" means: (in the case of a corporation, ownership or control, directly or indirectly, of at least fifty-one percent (51%) of the shares of stock entitled to vote for the election of directors; or (ii) in the case of an entity other than a corporation, ownership or control, directly or indirectly, of at least fifty-one percent (51%) of the assets of such entity.

1.5 "Co-Party" shall have the meaning set forth in Article 8.2.

1.6 "Diligence Milestones" shall have the meaning set forth in Article 4.2 hereof.

1.7 "Dispute" means any and all claims, disputes, or controversies arising under, out of, or in connection with this Agreement, including, without limitation, any dispute relating to patent validity or infringement or to the interpretation or scope of Article 15 (Dispute Resolution).

1.8 "Federal Policy" shall have the meaning set forth in Article 2.2 hereof.

1.9 "Field of Use" means all fields except those related to (1) electro-chemical energy storage systems, (2) food processing, and (3) processing and treatment of fibers and fabrics used in rugs and carpets.

1.10 "FST" means Flight Safety Technologies, Inc., a corporation organized and existing under the laws of the State of Nevada and having its principal place of business at 28 Cottrell St, Mystic, CT 06355.

1.11 "Indemnified Party" shall have the meaning set forth in Article 9.1 hereof.

1.12 "Instituting Party" shall have the meaning set forth in Article 8.2 hereof.

1.13 "Invention Disclosure" means UTRF PD 93083, 93084, 94004, 95032, and 98010.

1.14 "License Issue Fee" shall have the meaning set forth in Article 5.1(a) hereof.

1.15 "Licensed Know-How" means, except to the extent published or otherwise generally known to the public, any technical data, information, knowledge, methods, or processes (i) developed by a UT Contributor in the course of employment by UT; (ii) owned or controlled during the Term by UTRF; (iii) disclosed to LICENSEE by a UT Contributor or UTRF; and necessary or reasonably useful for the practice of any of the Licensed Patents.

1.16 "Licensed Patents" means, to the extent owned solely by UTRF during the Term:

(a) Any United States and foreign patents and/or patent applications listed in Appendix A;

(b) Any divisionals and continuations of any United States or foreign patent applications listed in Appendix A;

(c) Any United States and foreign patents issued from any applications described in (a) or (b) above;

(d) Any claims of United States and foreign patent applications (including, without limitation, continuations-in-part of patent applications or patents described in (a) or (b) above), and of the resulting patents (i) that are directed to subject matter claimed in the patents or patent applications described in (a), (b), or (c) above, and (ii) that UTRF has the right to license hereunder, and (iii) that name a UT Contributor as an inventor; and

(e) Any reissue or extension of any United States patent described in (a), (b), (c), or (d) above or any patent resulting from equivalent foreign procedures with respect to any foreign patent described in (a), (b), (c), or (d) above.

1.17 "Licensed Product" means any product, method, procedure, service, or process whose manufacture, use, sale, lease, or import:

(a) Is covered by a Valid Claim of the Licensed Patents in the country in which such product, method, procedure, service, process, or part thereof is manufactured, used, sold, leased, or imported; or

(b) Is derived from, made with, uses, or incorporates, in whole or in part, Licensed Know-How or the inventions claimed in the Licensed Patents.

1.18 "Licensed Technology" means Licensed Patents and Licensed Know-How.

1.19 "Net Sales" means:

(a) The gross receipts received by LICENSEE and Sublicensees from the use, sale, lease, or other transfer or disposition (including, without limitation, the performance of services utilizing the Licensed Technology) to or for third parties (hereinafter "Sale") of a Licensed Product less the following deductions, provided they actually pertain to the Sale of Licensed Product and are separately invoiced:

i. refunds actually given in connection with the Sale in amounts customary in the trade for quantity purchases, cash payments, and prompt payments;

ii. refunds actually given for Licensed Products that are rejected, returned, or destroyed by customers;

iii. sales, tariff duties and/or use taxes directly imposed and with reference to a particular Sale (but not including income taxes), to the extent included in gross receipts;

iv. outbound transportation expenses (including insurance relating thereto) directly related to the Sale, to the extent included in gross receipts; and

v. the cost of export licenses, import duties, value added tax, and prepaid freight directly related to the Sale, to the extent included in gross receipts.

(b) For purposes of the calculation of Net Sales:

i. no deductions shall be made for any other costs or expenses, including commissions paid to individuals, whether they are with independent sales agencies or regularly employed by LICENSEE or a Sublicensee;

ii. "Net Sales" shall not include the gross amounts from the Sale of any Licensed Products to any Sublicensee unless such Sublicensee is an end-user of such Licensed Products (i.e., Sublicensee's purchase of Licensed Products is not for the purpose of resale). If such Sublicensee is an end-user, such consideration shall be included in Net Sales at the greater of the actual selling price or the average selling price charged to a third party.

1.20 "Patent Expenses" means all fees, costs and expenses (including, without limitation, the professional fees of US and foreign patent counsel) relating to the filing, prosecution and maintenance of the Licensed Patents. For purposes of clarification, included Patent Expenses are any and all fees, costs, and expenses incurred before or after issuance of the Licensed Patents, including, without limitation, fees, costs, and expenses incurred in association with any reissue or reexamination of a Licensed Patent, any interference or opposition proceeding involving one or more Licensed Patents, or any extension or request for extension of the term of one or more Licensed Patents.

1.21 "Publication" shall have the meaning set forth in Article 17 hereof.

1.22 "Running Royalties" shall have the meaning set forth in Article 5.1(d) hereof.

1.23 "Sublicense" means a direct grant of right, license, or option to the Licensed Technology from LICENSEE to a third party and any further sublicense at any tier.

1.24 "Sublicensee" means any recipient of a Sublicense.

1.25 "Sublicense Revenue" means all payments received by LICENSEE and its Affiliates pursuant to each Sublicense, including, without limitation, up-front fees, milestone payments, and license maintenance fees. Notwithstanding the foregoing, running royalties received by LICENSEE or its Affiliates that are calculated as a percentage of Sublicensee's Net Sales are not included in Sublicense Revenue.

1.26 "Sublicense Royalties" shall have the meaning set forth in Article 5.1(e) hereof.

1.27 "Term" shall have the meaning set forth in Article 14.1 hereof.

1.28 "Territory" means the world, subject to the provisions of Article 7.5.

1.29 "UT" means The University of Tennessee, an educational agency of the State of Tennessee.

1.30 "UT Contributor" means any or all of the following: John R. Roth, Peter P. Tsai, Larry C. Wadsworth, Chaoyu Liu, Paul D. Spence, and Mounir Laroussi.

1.31 "Valid Claim" means (a) a claim of an issued patent which (i) has not expired and which has not been held revoked, invalid or unenforceable by decision of a court or other governmental agency of competent jurisdiction, unappealable or unappealed with the time allowed for appeal having expired, and (ii) which has not been admitted to be invalid through reissue or disclaimer or otherwise; or (b) a claim of a pending patent application which (i) was filed in good faith; and (ii) has not been pending for more than eight (8) years.

ARTICLE 2. GRANT

2.1 **Grant of License.** During the Term hereof, and subject to the terms and conditions of this Agreement, UTRF hereby grants to LICENSEE for the purpose of developing, making, having made, using, marketing, selling, having sold, importing, distributing, and offering for sale the Licensed Product in the Field of Use in the Territory:

(a) an exclusive, commercial right and license, with the right to grant Sublicenses, to practice under the Licensed Patents; and

(b) an exclusive, commercial right and license, with the right to grant Sublicenses, to utilize the Licensed Know-How for the purpose of practicing under the Licensed Patents

(collectively, the "License"). Subject to the remaining provisions of this Agreement, the Parties hereby agree that the term "exclusive" means that, UTRF shall not grant any commercial license to a third party or take any action inconsistent with the rights in the Licensed Patents granted to LICENSEE under this Agreement.

2.2 Limitations on the Rights Granted:

(a) **Federal Government Rights:** To the extent that any invention included within the Licensed Technology has been or is in the future funded in whole or in part by the United

States government, the United States government retains certain rights in such inventions as set forth in 35 U.S.C. Sections 200-212 and all regulations promulgated thereunder, as amended, and any successor statutes and regulations ("Federal Policy"). As a condition of the License granted hereby, LICENSEE acknowledges and shall comply with all aspects of Federal Policy applicable to the Licensed Technology, including the obligation that Licensed Products used or sold in the United States be manufactured substantially in the United States. Nothing contained in this Agreement obligates UTRF to take any action that would conflict in any respect with its or UT's past, current or future obligations to the United States government under the Federal Policy.

(b) Reserved Rights: The License is expressly made subject to UTRF's and UT's reserved right to practice under the Licensed Patents in the Field of Use for its own academic research, teaching, and other non-commercial purposes and to grant such rights to other academic or non-profit institutions.

(c) Third Party Rights: The exclusive rights granted in Article 2.1(a) are expressly made subject to any rights in a Licensed Patent held by a third party resulting from co-inventorship by an individual whose contribution to a Licensed Patent is not made in the course of employment by UT.

(d) Licensed Know-How Limitation: UTRF shall have no obligation to provide LICENSEE with Licensed Know-How or to provide technical assistance in the exercise of the License. In the event LICENSEE requires technical assistance with respect to the activities conducted by LICENSEE pursuant to this Agreement, obtaining such technical assistance (whether from the UT Contributors or otherwise) shall be LICENSEE's responsibility and at LICENSEE's expense.

2.3 Applicability: Nothing in this Agreement shall be construed to confer any rights upon LICENSEE by implication, estoppel, or otherwise as to any patent rights other than the Licensed Patents, regardless of whether such other rights shall be dominant or subordinate to any Licensed Patents.

ARTICLE 3. SUBLICENSES

3.1 Rights and Requirements: LICENSEE shall have the right to sublicense the rights granted to LICENSEE under this Agreement, provided that:

(a) The Sublicensee shall agree in writing to be bound, to the extent practicable, by all the provisions of this Agreement in the same manner as LICENSEE is bound;

(b) LICENSEE shall remain liable to UTRF for the full and timely performance of this Agreement by any Sublicensee. No Sublicense shall relieve LICENSEE of any of its obligations under this Agreement.

(c) This Agreement is in effect and LICENSEE is not in breach of its obligations under this Agreement;

(d) All Sublicenses granted by LICENSEE under this Agreement shall conform to this Agreement in the following respects:

i. LICENSEE shall not grant any rights to a third party that are inconsistent with LICENSEE's rights and obligations under this Agreement;

ii. Any Sublicense granted by LICENSEE shall include substantially the same definitions and provisions on royalties, due diligence, confidentiality and publicity, reporting and audit requirements, indemnification, insurance and warranties, patent notices, and use of names as are agreed to in this Agreement;

iii. Any act or omission of a Sublicensee which would constitute a breach of this Agreement if it were the act or omission of LICENSEE shall be deemed to be an Event of Default of this Agreement by LICENSEE, subject to the same cure provisions in favor of LICENSEE as are otherwise provided herein for breach by LICENSEE. Sublicenses shall include such other provisions as are needed to enable LICENSEE to comply with this Agreement.

(e) LICENSEE shall provide UTRF with a copy of each executed Sublicense Agreement within thirty (30) days of its execution.

3.2 Special Termination Rules: Upon termination of this Agreement, each Sublicense shall be governed by Article 14 of this Agreement.

3.3 Failure to Conform to this Article: LICENSEE's failure to conform any Sublicense to this Article will have the following effects:

(a) The non-conforming Sublicense will be voidable at UTRF's sole discretion provided that UTRF has provided written notice to LICENSEE and within 60 days of such notice from UTRF, LICENSEE fails to cure such non-conformance of the Sublicense; and

(b) Said failure will constitute a material breach of this Agreement subject to the termination provisions of Article 14 of this Agreement.

ARTICLE 4. DILIGENCE

4.1 Diligence: LICENSEE shall use its commercially reasonable efforts to proceed diligently to acquire funding, staff, equipment, and facilities sufficient to commercialize the Licensed Technology in the Field of Use. Further, LICENSEE shall, throughout the Term of this Agreement, conduct, organize or manage a diligent program of research utilizing the Licensed Technology in the Field of Use and employ active, diligent marketing efforts to achieve commercial utilization of Licensed Technology.

4.2 Milestones: In particular, LICENSEE will use its commercially reasonable efforts to meet the following milestones ("Diligence Milestones"):

(a) 1st Diligence Milestone: On or before the six month anniversary of the Effective Date, LICENSEE will have completed assumed lease to prior AGT facilities or otherwise acquired other facilities to continue development and commercialization of the Licensed Technology.

(b) 2nd Diligence Milestone: On or before the six month anniversary of the Effective Date, LICENSEE will have made itself available to Sentech, Inc, with a local office at 702 S. Illinois Avenue, Suite #B-204, Oak Ridge, TN 37830, for the purpose of negotiating a sublicense of the Licensed Technology.

(c) 3rd Diligence Milestone: On or before the 1st anniversary of the Effective Date, LICENSEE will have produced first prototype Licensed Product for evaluation.

(d) 4th Diligence Milestone: On or before the 2nd anniversary of the Effective Date, LICENSEE will have made first commercial sale of a Licensed Product, including, without limitation, a Licensed Product that constitutes the provision of a service using Licensed Technology.

(e) 5th Diligence Milestone: On or before the 3rd anniversary of the Effective Date, LICENSEE will have reached cumulative Net Sales of _____*_____.

4.3 Notification: LICENSEE will notify UTRF in writing of the achievement of each Diligence Milestone within thirty (30) days thereafter, including sufficient information for UTRF to determine whether such Diligence Milestone has been fully accomplished, and LICENSEE will provide UTRF with all relevant information requested by UTRF pertaining to the achievement of each Diligence Milestone.

ARTICLE 5. Royalties and other payments

5.1 Fees and Royalties: For the rights, privileges and license granted hereunder, LICENSEE shall pay to UTRF the following fees and royalties in the manner hereinafter provided until this Agreement expires or is terminated.

(a) License Issue Fee: Within 120 (one hundred and twenty) days of the Effective Date, LICENSEE shall cause FST to complete all actions required to issue to UTRF the number of FST's common shares equivalent to _____*_____ using a share value based on the average of the closing price for the twenty (20) trading days immediately preceding the Effective Date of this Agreement, and LICENSEE shall notify or shall cause FST to notify UTRF in writing of that action and provide UTRF

copies of FST's Articles of Incorporation and Bylaws, including any amendments to the Articles of Incorporation and Bylaws as they become effective in the future, and LICENSEE shall provide or cause FST to provide UTRF copies of the FST shareholders' and Board's documentation making UTRF a shareholder in FST ("License Issue Fee")

*Confidential material omitted and filed separately with the Securities and Exchange Commission as part of an application for confidential treatment.

(b) Annual Maintenance Fee: LICENSEE shall pay UTRF, in addition to all other amounts payable hereunder, a non-refundable license maintenance fee in the amount of _____* on January 31, 2010 and on January 31 of each year thereafter during the Term of this Agreement ("Annual Maintenance Fee"), provided, however, that the Annual Maintenance Fee due and owing in any given calendar year shall be reduced by the combined amount of all Running Royalties timely paid to UTRF in the prior calendar year. Using calendar year 2010 as an example, the combined amount of the Running Royalty payments made under Article 5.1.(c) below on July 31, 2009 and January 31, 2010 would be creditable against the Annual Maintenance Fee due on January 31, 2010. For the avoidance of doubt, Running Royalties paid in a given calendar year in excess of the corresponding Annual Maintenance Fee for that year shall not be creditable against the Annual Maintenance Fee in any other calendar year.

(c) Running Royalties: In addition to all other amounts payable hereunder, subject to the provisions of Article 5.1(d), LICENSEE shall pay to UTRF an amount equal to _____* of Net Sales ("Running Royalties"). Payment of Running Royalties shall be made on a semi-annual basis by the last day of July, and January each year on Net Sales occurring during the immediately preceding half year. For example, payment of Running Royalties will be due by the last day of January on Net Sales occurring during the last half (July through December) of the immediately preceding calendar year. Notwithstanding the foregoing, LICENSEE shall owe no Running Royalties on any Sale that does not take place during the Term of this Agreement. For purposes of determining whether a Sale takes place during the Term of this Agreement, a Sale shall be deemed to occur upon the earlier of the shipment of a Licensed Product or the performance of a service using Licensed Technology or invoicing.

(d) Service Applications: Notwithstanding the foregoing, LICENSEE shall pay to UTRF Running Royalties equal to _____* of any Net Sales generated from the performance of medical waste processing services that utilize Licensed Technology. With respect to the potential performance of other service applications that utilize the Licensed Technology, LICENSEE and UTRF shall negotiate in good faith a Running Royalties rate that shall not exceed _____* nor be less than _____*, depending upon the business aspects of the specific service application.

(e) Sublicense Royalties In addition to all other amounts payable hereunder, LICENSEE shall pay to UTRF the following percentages of Sublicense Revenue according to the cumulative amount of Sublicense Revenue received by LICENSEE during the Term of this Agreement. ("Sublicense Royalties") Payment of Sublicense Royalties shall be made on a semi-annual basis by the last day of January and July each year on Sublicense Revenue generated during the immediately preceding calendar half-year. For example, payment of Sublicense Royalties will be due by the last day of July on Sublicense Revenue occurring during the first half (January through June) of the same calendar year.

Percentage Cumulative Amount of Sublicense Revenue Received
During the Term of this Agreement

_____*	_____*
_____*	_____*
_____*	_____*

For example, if LICENSEE received Sublicense Revenue in the amount of _____* during the period January through June of a particular year, and as of June 30 of the same year the cumulative Sublicense Revenue received by LICENSEE during the Term of this Agreement is _____*, LICENSEE would be required to pay, on or before July 31 of the same year, Sublicense Royalties in the amount of _____* plus Sublicense Royalties in the amount of _____*.

*Confidential material omitted and filed separately with the Securities and Exchange Commission as part of an application for confidential treatment.

5.2 Maximum Royalties: In the event that any royalties payable under this Agreement are higher than the maximum royalties permitted by the law or regulations of a particular country:

- (a) The Running Royalties payable for LICENSEE's Net Sales in such country shall be equal to the maximum permitted royalty under such law or regulations;
- (b) Notice documenting that Running Royalties payable under this Agreement are higher than a country's maximum royalties shall be provided to UTRF;
- (c) An authorized representative of LICENSEE shall notify UTRF, in writing, within 30 days of discovering that such Running Royalties are approaching or have reached the maximum amount; and
- (d) LICENSEE shall provide UTRF with written documentation regarding the laws or regulations establishing any such maximum.

5.3 Effect of Taxes on Royalties: In the event that any taxes are levied by any foreign taxing authority on Running Royalties payable by LICENSEE under this Agreement, and LICENSEE determines in good faith that it must pay such taxes:

- (a) LICENSEE shall have the right to pay such taxes levied on Running Royalties to the local tax authorities on behalf of UTRF;
- (b) LICENSEE shall pay the net amount of Running Royalties due after reduction by the amount of such taxes that are actually owed and paid;
- (c) LICENSEE shall provide UTRF with appropriate documentation and receipts supporting such payment; and
- (d) LICENSEE shall inform UTRF in writing within thirty (30) days of being notified that taxes will or have been levied by a taxing authority on Running Royalties.

5.4 Late Payments: In the event any payments are not received by UTRF when due, LICENSEE shall pay to UTRF interest on the overdue balance at the lesser of 1% per month or the maximum rate of interest allowed by law. LICENSEE shall also pay all reasonable collection costs at any time incurred by UTRF in obtaining payment of amounts past due, including reasonable attorneys fees. The payment of such interest shall not foreclose UTRF from exercising any other rights it may have as a consequence of the lateness of any payment. In no event shall this interest provision be construed as a grant of permission for any payment delays.

5.5 Payment Shortage: If an examination of records provided under Article 6 of this Agreement reveals a payment shortage of greater than 5% of the total amount due under any one royalty payment, LICENSEE shall promptly reimburse UTRF for the reasonable cost of examination, the shortage in payment, and the interest accrued on the shortage under Article 5.8 of this Agreement. Each event of payment shortage of greater than 5% shall be considered a failure to make a payment under Articles 14.

5.6 Manner of Payments: All payments shall be paid in United States dollars in Knoxville, Tennessee, or at such other place as UTRF may reasonably designate consistent with the laws and regulations controlling in the United States or any foreign country. If any currency conversion shall be required in connection with the payment of royalties hereunder, such conversion shall be made by using the exchange rate listed in the Wall Street Journal for major New York banks on the last business day of the calendar quarter to which such royalty payments relate. If the transfer of moneys owed to UTRF or the conversion into United States Dollar equivalents in any such instance is not lawful or possible, the payment of such part of the royalties as is necessary shall be made by the deposit thereof, in the currency of the country where the sales were made on which the royalty was based, to the credit and account of UTRF or its nominee in any commercial bank or trust company of its choice located in that country, prompt notice of which shall

be given by LICENSEE to UTRF.

5.7 Event of Default: LICENSEE's failure to make any payment at the time, in the manner, and in the amount that is required by Article 5 of this Agreement, shall constitute an event of default and UTRF shall have the option to terminate this Agreement in accordance with the terms and provisions of Article 14 of this Agreement.

5.8 Effect of Receipt or Acceptance: Receipt or acceptance by UTRF of any payment or report under this Agreement shall not prevent UTRF from subsequently challenging the validity or accuracy of such payment or report.

ARTICLE 6. REPORTS AND RECORDS

6.1 Books of Account: LICENSEE shall keep, and shall require each Sublicensee to keep, full, true and accurate books of account containing all particulars necessary to determine and show the amounts payable to UTRF hereunder. LICENSEE shall keep all books of account at its principal place of business or, upon written notice to UTRF, the principal place of business of its appropriate division to which this Agreement relates and shall require the same of each Sublicensee. LICENSEE shall ensure that its books are open at all reasonable times for five (5) years following the end of the calendar year to which they pertain, to the inspection by UTRF or its agents, upon reasonable notice and no more than once in any calendar year, for the purpose of verifying compliance with this Agreement, and LICENSEE shall require the same of each Sublicensee.

6.2 Delivery of Reports: LICENSEE shall deliver to UTRF true and accurate reports, giving such particulars of the business conducted by LICENSEE and its Sublicensees under this Agreement as shall be pertinent to a royalty accounting under this Agreement:

(a) Before the first commercial use or sale of a Licensed Product or the granting of the first Sublicense under this Agreement (whichever occurs first), annually, on January 31 of each year; and

(b) After the first commercial use or sale of Licensed Product or the granting of the first Sublicense under this Agreement, quarterly, within thirty (30) days after the end of each calendar quarter.

6.3 Content of Reports: Reports shall include at least the following on a Licensed Product-by-Licensed Product, country-by-country, and Sublicense-by-Sublicense basis:

(a) The number/amount of Licensed Products, used, leased, sold, and imported by and/or for LICENSEE and each Sublicensee; and

(b) Total amounts invoiced and total amounts received for Licensed Products used, leased, and sold by and/or for LICENSEE and all Sublicensees; and

(c) Accounting for Net Sales of LICENSEE and each Sublicensee; and

(d) A copy of each statement or report submitted to LICENSEE by a Sublicensee, provided that such statement or report has not previously been provided by LICENSEE to UTRF; and

(e) Total amount due under this Agreement (including, without limitation, the manner in which all royalties were calculated and a breakdown for each type of royalties listed in Article 5 and their respective amounts payable); and

(f) The current status of any regulatory activities pertaining to Licensed Products;

(g) The name, address, and phone number of each Sublicensee and the Licensed Patents licensed to each Sublicensee (including the named inventors of each of the Licensed Patents being sublicensed) as of the last date of the reporting period; and

(h) Upon reasonable request by UTRF, any other information that is necessary for the purpose of showing the amounts payable to UTRF hereunder and/or the compliance by LICENSEE with the diligence provisions of Article 4.1 and/or the achievement of Diligence Milestones under Article 4.2.

(i) If no payment shall be due, LICENSEE shall so report.

6.4 Financial Statements: On or before the 90th calendar day following the close of LICENSEE's fiscal year, LICENSEE shall provide UTRF with LICENSEE's certified financial statements for the preceding fiscal year including, at a minimum, a balance sheet and an income statement.

6.5 Responsibility for Accuracy: LICENSEE shall be responsible for the completeness and accuracy of its own records and reports as well as those of each Sublicensee. Each report submitted to UTRF by LICENSEE shall be certified as accurate by a duly authorized officer of LICENSEE.

ARTICLE 7. PATENT PROSECUTION

7.1 Rights and Duties: UTRF shall have the right, but not the obligation, to apply for, seek issuance of, and maintain, and prosecute or defend interferences declared with regard to the Licensed Patents during the term of this Agreement. Upon request by LICENSEE, UTRF shall provide or request that its patent attorney(s) provide LICENSEE with copies of correspondence with patent offices concerning Licensed Patents. In the event that UTRF elects not to prosecute or maintain any patent applications or patents that may be included within Licensed Patents or if UTRF elects not to defend an interference declared with regard to the Licensed Patents, UTRF shall so notify LICENSEE in writing of such election no later than thirty (30) days prior to any applicable statutory bar date or response date, as the case may be, to permit LICENSEE (at its own expense) to file, prosecute and/or maintain the patent application(s) and/or patent(s) that were the subject of such notice.

7.2 Reimbursement: Within thirty (30) days after receipt of an invoice from UTRF, LICENSEE shall reimburse

UTRF for all Patent Expenses incurred by UTRF.

7.3 Ownership: All patent applications and issued patents within Licensed Patents shall be owned by UTRF.

7.4 Patent Numbering: LICENSEE and all its Sublicensees shall mark all products covered by Licensed Patents with patent numbers in accordance with the statutory requirements in the country(ies) of manufacture, use, sale and import, and pending the issue of any patents, LICENSEE and its Sublicensees shall stamp the products, "Patent Applied For," or the foreign equivalent as appropriate.

7.5 Exclusion of Certain Foreign Patents: In order that LICENSEE will not incur expenses for foreign Licensed Patents that it considers unnecessary to its business objectives, LICENSEE may notify UTRF in writing of particular countries that it wishes to exclude from the License. From and after the date of such notice:

(a) LICENSEE shall have no rights, privileges, or license under this Agreement in the specified country(ies);

(b) LICENSEE shall have no responsibility for expenses incurred in the filing, prosecution, or maintenance of Licensed Patents in the specified country(ies);

(c) LICENSEE agrees that it will not thereafter manufacture, use, sell, lease, or import Licensed Products in the specified country(ies).

(d) The specified country(ies) will be automatically deleted from the definition of Territory; and

(e) All patents and patent applications in the specified country(ies) will be automatically deleted from the Licensed Patents.

ARTICLE 8. INFRINGEMENT

8.1 Enforcement: If either LICENSEE or UTRF becomes aware of any infringement of the Licensed Patents by a third party, the party having the knowledge will give the other party prompt written notice.

(a) **UTRF:** UTRF shall have the first right during the Term, at its sole cost and expense, to commence any action that UTRF deems appropriate, including notifying the infringer to cease and desist all such infringing activity, filing a complaint and/or instituting an action or a lawsuit for any known or suspected third party activity that may infringe the Licensed Patents (each an "Action"), and, in furtherance of such right, LICENSEE hereby agrees that UTRF may include LICENSEE as a party plaintiff in any such suit, without expense to LICENSEE. In the event UTRF commences an Action, LICENSEE shall retain the right, at its own expense, to join such Action as a co-litigant.

(b) **LICENSEE:** Should UTRF fail to commence and pursue any particular Action, then LICENSEE may commence, at its sole cost and expense, such Action as LICENSEE deems appropriate, provided that:

- i. LICENSEE gives UTRF a written 60-day notice of its intention to initiate such Action; and
- ii. UTRF fails to initiate said suggested Action within said 60 day notice period.
- iii. UTRF shall retain the right to join such Action as a co-litigant.

8.2 Cooperation: Upon the request of the party that institutes an Action (the "Instituting Party"), the other party (the "Co-Party") shall:

- (a) Join any such Action as a necessary party; and
- (b) Use its commercially reasonable efforts to assist and cooperate with the Instituting Party in such Action.

The Instituting Party shall reimburse the Co-Party for any reasonable and pre-approved costs related to such assistance and cooperation.

3. **Recovery of Damages:** After reimbursement of the parties' previously unreimbursed out-of-pocket expenses of such Action or any previous Action, any remaining recovery of damages resulting from any Action shall be divided equally between the parties.
4. **Declaratory Judgment Action:** In the event that a declaratory judgment action alleging invalidity or noninfringement of any of the Licensed Patents shall be brought against UTRF, LICENSEE may, within thirty (30) days of LICENSEE's receipt of notice regarding such action and with the written consent of UTRF which shall not be unreasonably withheld, intervene and take over the sole defense of the action against UTRF at LICENSEE's own expense, provided that LICENSEE may not enter into a consent judgment acknowledging the invalidity or noninfringement of any of the Licensed Patents or an admission of fault or of wrongdoing or that materially affects the rights of UTRF hereunder without the prior written approval of UTRF, which approval shall not be unreasonably withheld.

8.5 Notice and Settlement: The Instituting Party shall reasonably notify the Co-Party of the course of any Action and shall not settle any Action without prior approval of the Co-Party (i) during the Term if such settlement contains an admission of the invalidity of any Licensed Patents or (ii) either during or after the Term if such settlement contains an admission of fault or wrongdoing or materially affects the rights of the Co-Party hereunder.

ARTICLE 9. INDEMNIFICATION; INSURANCE; REPRESENTATIONS; DISCLAIMER OF WARRANTIES

9.1 Indemnification: In the event that UTRF, UT, any of their trustees, directors, officers, or employees (each an "Indemnified Party") is, as a result of the manufacture, marketing, use, sale, lease, or import of Licensed Products under this Agreement, charged with infringement of a patent by a third party or is made a party in any lawsuit arising out of the manufacture, marketing, use, sale, lease, or import of Licensed Products under this Agreement or any Sublicense (including, without limitation, actions founded on product liability) LICENSEE shall:

- (a) Defend or settle, at LICENSEE's expense, any such claim of infringement or lawsuit, provided that LICENSEE shall not enter into any such settlement (i) without the prior approval of UTRF if such settlement contains an admission of the invalidity of any Licensed Patent or materially affects the rights of UTRF hereunder; or (ii) without the prior approval of the Indemnified Party(ies) if such settlement contains an admission of fault or wrongdoing on the part of such Indemnified Party(ies);
- (b) Indemnify and hold the Indemnified Party(ies) harmless for any and all damages, losses, liability, and costs resulting from such charge of infringement or lawsuit except for damages, losses, liability, or costs resulting solely from the willful misconduct or misrepresentation by UTRF, UT, or their respective trustees, directors, officers, or employees, as adjudicated by decision of a court of competent jurisdiction, unappealable or unappealed within the time provided by law.

9.2 Insurance: During the Term beginning with the date of the first commercial manufacture, sale, or import of a Licensed Product, LICENSEE shall obtain and carry in full force and effect commercial, general liability insurance which shall cover LICENSEE and the Indemnified Parties with respect to events covered by Article 9.1 above. LICENSEE shall notify UTRF in writing of the first commercial manufacture, use, sale or import of a Licensed Product within thirty (30) days thereafter and shall concurrently provide UTRF and UT with Certificates of Insurance. Such insurance shall:

- (a) Be written by a reputable insurance company authorized to do business in the State of Tennessee;
- (b) List UT and UTRF as additional named insureds;
- (c) Be endorsed to include product liability coverage;
- (d) Require thirty (30) days' written notice to be given to UTRF and UT before any cancellation or material change thereof; and
- (e) Have a limit of not less than \$1,000,000.00 per occurrence with an aggregate of \$2,000,000.00 for personal injury or death, and \$1,000,000.00 per occurrence with an aggregate of \$2,000,000.00 for property damage.

9.3 Representations: Each party represents that:

- (a) It is authorized to enter into this Agreement;
- (b) Entering into this Agreement does not and will not create a conflict with or breach of the terms of any other agreement to which it is a party; and
- (c) All rights exercised and obligations undertaken in connection with this Agreement will comply with all applicable foreign, federal, state, and local laws and regulations.
- (d) UTRF represents and warrants that to the best of its actual knowledge as of the Effective Date, it has fully complied and will fully comply with the requirements, to the extent applicable, of 35 U.S.C. Section 200 *et seq.* and all implementing regulations, to the extent applicable, that are necessary to perfect title to the Licensed Patents.

9.4 Disclaimer of Warranties: Except as otherwise expressly set forth in this agreement, UTRF, its directors, officers, employees, and affiliates MAKE NO REPRESENTATIONS AND EXTEND NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, including warranties of merchantability, fitness for a particular purpose, validity of Licensed Patents claims, issued or pending, and the absence of latent or other defects, whether or not discoverable. In no event shall UTRF, UT, or their respective trustees, directors, officers, employees OR affiliates be liable for incidental or consequential damages of any kind, including economic damage or injury to property and lost profits, regardless of whether UTRF or UT shall be advised, shall have other reason to know, or in fact shall know of the possibility of the foregoing. NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS:

- (a) A representation made or warranty given by UTRF that the practice by LICENSEE of the License granted hereunder shall not infringe the patent rights of any third party;

- (b) A representation made or warranty given by UTRF as to the validity or scope of the Licensed Patents;
- (c) A representation made or warranty given by UTRF that any patent application included in the Licensed Patents will ultimately issue as a patent;
- (d) A requirement that UTRF shall be responsible for the expenses of filing or prosecuting any patent application or maintaining any issued patent in force;
- (e) An obligation on the part of UTRF to bring or prosecute actions or suits against third parties for infringement of the Licensed Patents or for unauthorized use of the LICENSED Know-How;
- (f) An obligation on the part of UTRF to defend any action or suit brought by any third party;
- (g) A representation made or warranty given by UTRF as to the safety, reliability or efficacy of the Licensed Products;
- (h) A representation made or warranty given by UTRF that any LICENSED Know-How is secret or confidential;
- (i) An obligation on the part of UTRF to take any action to prevent the disclosure of the Licensed Technology by UT, its employees or any third party; or
- (j) A representation made or warranty given by UTRF that any of the UT CONTRIBUTORS will agree to provide technical assistance or consultation to LICENSEE, or that such technical assistance or consultation, if provided, would be sufficient to enable LICENSEE to successfully exploit the Licensed Technology.

ARTICLE 10. EXPORT CONTROLS

10.1 Limitations: LICENSEE hereby agrees that it will not sell, transfer, export or re-export any Licensed Products or Licensed Technology:

- (a) In any form, or any direct products thereof, except in compliance with all applicable laws, including the export laws of any U.S. Government agency and any regulations thereunder; and
- (b) To any persons or any entities with regard to which there exist grounds to suspect or believe that they are violating applicable laws, including export laws of any U.S. Government agency.

10.2 Responsibilities: LICENSEE shall be solely responsible for obtaining all licenses, permits or authorizations required from the U.S. and any other government for any such export or re-export.

ARTICLE 11. NON-USE OF NAMES

11.1 LICENSEE shall not use the names or trademarks of UTRF, of UT, nor any adaptation thereof, nor the names of any of their employees, directors, trustees, or any UT Contributor in any advertising, promotional or sales literature without prior written consent obtained from UTRF, UT, or said employee, director, trustee, or UT Contributor, in each case, except that LICENSEE may state that it is licensed by UTRF under one or more of the patents and/or patent applications comprising the Licensed Patents.

11.2 UTRF shall not use the names or trademarks of LICENSEE, nor any adaptation thereof, nor the names of any employee of LICENSEE, in any advertising, promotional, sales or other literature without prior written consent obtained from LICENSEE, or said employee, in each case, except that UTRF may state that it has licensed one or more of the patents and/or applications comprising the Licensed Patents to LICENSEE.

ARTICLE 12. CONFIDENTIALITY

12.1 Disclosure of Agreement: Nothing herein shall preclude a Party from disclosing the existence of this Agreement and the general scope of the license granted hereunder. However, neither Party shall disclose the economic terms of this Agreement except that UTRF may disclose such economic terms to the UT Contributors, UT, and the State of Tennessee and as required by Federal Policy .

12.2 Confidential Information: Subject to the exceptions set forth herein, all information or material disclosed pursuant to this Agreement and/or related to the Licensed Technology shall be confidential ("Confidential Information"). The recipient of Confidential Information ("Receiving Party") agrees to hold in confidence, and not to distribute or disseminate to any person or entity, for any reason for a period of ten (10) years after receipt, any Confidential Information received under or relating to this Agreement from the other Party ("Providing Party"), except for Confidential Information which:

- (a) was known or used by the Receiving Party prior to the date of disclosure to the Receiving Party as evidenced by written records; or
- (b) either before or after the date of disclosure is lawfully disclosed to the Receiving Party by sources other than the Providing Party which are rightfully in possession of the Confidential Information and not subject to any obligation of confidentiality, as evidenced by written records; or
- (c) either before or after the date of disclosure to the Receiving Party becomes generally known to the public, through no fault or omission on the part of the Receiving Party; or
- (d) is independently developed by or for the Receiving Party without reference to, knowledge of, or reliance upon the Confidential Information as evidenced by written records; or
- (e) is required to be disclosed by the Receiving Party to comply with applicable laws, to defend or prosecute litigation or arbitration or to comply with governmental regulations, provided that the Receiving Party provides prior written notice of such disclosure to the Providing Party and takes reasonable and lawful actions to avoid and/or minimize the degree of such disclosure, provided that specific information shall not be deemed to be within any of these exclusions merely because it is embraced by more general information falling within these exclusions.

All information concerning Licensed Technology shall be deemed Confidential Information of UTRF. Disclosures of Confidential Information to LICENSEE, including, without limitation, disclosures that are made to LICENSEE by UT Contributors, shall be deemed, for purposes of this Article, to be disclosures made by UTRF.

12.3 Disclosure to Counsel: The Parties agree that counsel of the parties may receive Confidential Information.

ARTICLE 13. ASSIGNMENT

13.1 This Agreement shall be binding upon and shall inure to the benefit of UTRF and its assigns and successors, and shall be binding upon and shall inure to the benefit of LICENSEE and its assigns provided that LICENSEE obtains prior written approval from UTRF for any assignment of this Agreement to a third party, which approval shall not be unreasonably withheld. Notwithstanding the foregoing, no prior written approval from UTRF shall be required for any assignment of this Agreement by LICENSEE to an Affiliate of LICENSEE (or any entity into which LICENSEE shall have been merged or consolidated, provided that at least 51% of such merged or consolidated entity is owned by members holding at least 51% of Advanced Plasma Products, LLC immediately prior to such merger or consolidation). LICENSEE's right to assign the rights granted to LICENSEE under this Agreement shall be further conditioned upon the following:

- (a) The assignee shall first agree in writing to be bound by all the provisions of this Agreement in the same manner as LICENSEE is bound;
- (b) No assignment shall relieve LICENSEE of any of its obligations under this Agreement. LICENSEE shall remain liable to UTRF for the full and timely performance of this

Agreement by any assignee.

(c) This Agreement is in effect and LICENSEE is not in breach of its obligations under this Agreement; and

(d) No further assignment shall be permitted by the assignee without the prior written approval of UTRF.

(e) LICENSEE shall forward any such assignment document(s) to UTRF within fourteen (14) days after execution.

2. **Failure to Conform to this Article:** Any attempt to assign the rights granted to LICENSEE under this Agreement that fails to fulfill any of the terms of this Article in any way shall make said attempt voidable at UTRF's sole discretion. Said failure will constitute a material breach of this Agreement subject to the termination provisions of Article 14 of this Agreement.

ARTICLE 14. TERM AND TERMINATION

14.1 Term. This Agreement shall take effect upon the Effective Date, and unless earlier terminated pursuant to the provisions of this Article 14, shall continue in full force and effect on a country-by-country basis for the longer of (i) a period of twenty (20) years from the Effective Date, or (ii) in each country in which a Valid Claim for any Licensed Patent shall continue to exist, until the last Valid Claim for any Licensed Patent shall expire in the country, at which time this Agreement shall expire as to such country ("**Term**"). After expiration of the Term in a country, LICENSEE shall have a perpetual, fully paid, royalty-free license to the Licensed Technology in such country, such license being of no greater scope than that granted hereunder. LICENSEE shall continue to be obligated to pay (i) Running Royalties on account of Licensed Product sold in any country for which the Term shall not have expired; and (ii) Sublicense Royalties on Sublicense Revenue generated under any Sublicense that includes a grant of rights in any country for which the Term shall not have expired; and (iii) the Annual Maintenance Fee for as long as there is at least one country for which the Term shall not have expired.

14.2 Failure to Carry on LICENSEE's Business: If LICENSEE shall be adjudicated by a court of competent jurisdiction to be insolvent or is dissolved or declared bankrupt or is placed in receivership pursuant to proceedings directed against LICENSEE declare bankruptcy or insolvency, this Agreement shall terminate immediately, unless UTRF, after being informed of the same, elects to the contrary.

14.3 LICENSEE's Failure to Make Payment: Should LICENSEE fail to pay UTRF any payment due and payable under this Agreement, UTRF shall have the right to terminate this Agreement on thirty (30) days' notice, unless LICENSEE pays UTRF, within thirty (30) days after LICENSEE's receipt of such notice, all such overdue payments along with interest due and payable. Upon the expiration of the 30-day period, if LICENSEE shall not have paid all such payments along with interest due and payable, the rights, privileges and License granted hereunder shall terminate.

14.4 LICENSEE's Material Breach: Upon any material breach or default of this Agreement by LICENSEE, other than those occurrences set out in Articles 14.2 and 14.2 above, which shall always take precedence in that order over any material breach or default referred to in this Article 14.3, LICENSEE shall have thirty (30) days after the receiving of written notice of such default by UTRF to correct such default. If such default is not corrected within the said thirty (30) day period, UTRF shall have the right, at its option, to terminate this Agreement. The failure of UTRF to exercise such right of termination for non-payment of royalties or otherwise shall not be deemed to be a waiver of any right UTRF might have, nor shall such failure preclude UTRF from exercising or enforcing said right upon any subsequent breach or default by LICENSEE.

14.5 Multiple Failures by LICENSEE to Make Payment: UTRF may also terminate this Agreement upon the occurrence of the third separate failure by LICENSEE within any consecutive three-year period for failure to make any payment under this Agreement when due, regardless of LICENSEE's compliance with Article 14.3 above.

14.6 LICENSEE's Right to Terminate: LICENSEE shall have the right to terminate this Agreement:

(a) On thirty (30) days' written notice in the event that UTRF is in material breach or default of this Agreement and fails to cure such breach or default within thirty (30) days after UTRF's receipt of such notice; or

(b) At any time on six (6) months' written notice to UTRF provided that LICENSEE has paid all amounts due UTRF through the effective date of the termination.

14.7 Surviving Obligations: Upon expiration or termination of this Agreement for any reason, nothing herein shall be construed to release either party from any obligation that matured prior to the effective date of such termination. In addition, if the Agreement has been terminated for a reason other than breach on the part of LICENSEE, then LICENSEE (and any Sublicensee not then in default) may, after the effective date of such termination, sell all Licensed Products and complete Licensed Products in the process of manufacture at the time of such termination and sell the same, provided that LICENSEE shall pay to UTRF the royalties thereon as required by Article 5 of this Agreement and shall submit the reports required by Article 6 on the sales of Licensed Products. All provisions of this Agreement that are, by their nature, intended to survive expiration or termination of this Agreement (whether or in whole or as to a particular country or countries) shall so survive, including, without limitation, Articles 1, 5, 6, 7.2, 8.5, 9, 10, 11, 12, 14.7, 14.8, 15, 16, 17, and 18.

14.8 Effect on Sublicensees: Upon termination of this Agreement for any reason, any Sublicensee not then in default shall have the right to seek a license from UTRF.

ARTICLE 15. DISPUTE RESOLUTION

15.1 Arbitration: Any Dispute in connection with this Agreement shall be resolved by final and binding arbitration in Knoxville, Tennessee under the rules of the American Arbitration Association.

(a) **Limitations:** The arbitrator(s) shall not have the power to take any action in derogation of the clear intent of the parties or to award punitive damages.

(b) **Enforcement:** Any award rendered in such arbitration may be enforced by either party in the courts of the State of Tennessee or in the United States District Court for the Eastern District of Tennessee, to whose jurisdiction for such purposes UTRF and LICENSEE each hereby irrevocably consents and submits.

15.2 Temporary Restraining Orders and Preliminary Injunctions: Notwithstanding the foregoing, either party shall have the right to apply to a court of competent jurisdiction for a temporary restraining order, a preliminary injunction, or other equitable relief to preserve the status quo or prevent irreparable harm.

15.3 Non-Waiver: Nothing in this Article shall be construed to waive the timely performance of any obligations existing under this Agreement.

ARTICLE 16. PAYMENTS, NOTICES, AND OTHER COMMUNICATIONS

16.1 Any payment, notice or other communication required or permitted hereunder (hereinafter "notice") shall be in writing and shall be hand-delivered, sent by overnight courier, mailed by certified United States mail, return receipt requested, or sent by email or facsimile, to the address(es) given below or to such other address(es) as the parties may hereafter specify in writing. Notice shall be deemed given and received five (5) days after being deposited with the U.S. Postal Service certified mail postage prepaid, or if notice is hand-delivered or sent by overnight courier, upon the date of actual delivery, or if sent by facsimile or email, upon the date the receiving party acknowledges receipt in writing, by email or otherwise. An email notice shall be given concurrently to all the email addresses provided by the recipient party and the first acknowledgment of receipt from the recipient party shall establish the date on which such notice is given.

UTRF:

If notice is given by means other than email, to:

University of Tennessee Research Foundation

600 Henley St., Suite 211

Attn: President
With copy to:
Dr. John Hopkins
University of Tennessee Research Foundation
600 Henley St., Suite 211
Knoxville, Tennessee, USA 37996-4122

If notice is given by email, to:

jhop@utk.edu
jlsnider@utk.edu
vhunley@tennessee.edu

LICENSEE:

If notice is given by means other than email, to:

Attn: President and CEO
Kenneth Wood
924 Corridor Park Blvd
Knoxville, TN 37932

With copy to:

If notice is given by email, to:

kswood@optonline.net

ARTICLE 17. PUBLICATIONS

17.1 UT's Rights to Publish Licensed Technology: LICENSEE recognizes that under UTRF and UT policy, the results of a UT research project must be publishable and agrees that researchers engaged in such research shall have the right, with regard to the Licensed Technology, to present at symposia, professional meetings and to publish in journals, theses or dissertations, or otherwise of their own choosing ("**Publication**") provided that (a) UTRF shall provide such Publication regarding the Licensed Technology to LICENSEE promptly upon receipt; (b) that the information disclosed in such Publication shall be considered Confidential Information of UTRF; and (c) UTRF shall not be deemed in breach or default of this Agreement merely due to a Publication that UTRF does not receive prior to publication.

ARTICLE 18. MISCELLANEOUS PROVISIONS

18.1 This Agreement is entered into in the State of Tennessee and shall be construed, governed, interpreted and applied in accordance with the laws of the State of Tennessee without giving effect to any conflict of laws provisions thereof.

18.2 The parties hereto acknowledge that this Agreement sets forth the entire Agreement and understanding of the parties hereto as to the subject matter hereof, and shall not be subject to any change or modification except by the execution of a written instrument subscribed to by the parties hereto.

18.3 The provisions of this Agreement are severable, and in the event that any provisions of this Agreement shall be determined to be invalid or unenforceable under any controlling body of the law, such invalidity or unenforceability shall not in any way affect the validity or enforceability of the remaining provisions hereof.

18.4 The failure of either party to assert a right hereunder or to insist upon compliance with any term or condition of this Agreement shall not constitute a waiver of that right or excuse a similar subsequent failure to perform any such term or condition by the other party.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals and duly executed this Agreement the day and year set forth below.

ADVANCED PLASMA PRODUCTS, LLC

("LICENSEE")

By: _____

Name: _____

Title: _____

UNIVERSITY OF TENNESSEE RESEARCH
FOUNDATION ("UTRF")

By: _____

Name: Dr. Fred Tompkins

Title: President

APPENDIX A

to

LICENSE AGREEMENT

between

UNIVERSITY OF TENNESSEE RESEARCH FOUNDATION

and

ADVANCED PLASMA PRODUCTS, Inc.

LICENSED PATENTS

1. US 5,403,453 issued 04/04/95 Method and Apparatus for Glow Discharge Plasma Treatment of Polymer Materials At Atmospheric Pressure, John R. Roth, Peter P. Tsai, Larry C. Wadsworth, Chaoyu Liu, Paul D. Spence
2. US 5,456,972 issued 10/10/95 Method and Apparatus for Glow Discharge Plasma Treatment of Polymer Materials At Atmospheric Pressure, John R. Roth, Peter P. Tsai
3. CA application 2163967 filed 05/26/94 Method and Apparatus for Glow Discharge Plasma Treatment of Polymer Materials At Atmospheric Pressure, John R. Roth, Peter Ping-Yi Tsai, Chaoyu Liu, Larry C. Wadsworth, Paul D. Spence, Mounir Laroussi
4. AU 679237 filed 05/26/94 Method and Apparatus for Glow Discharge Plasma Treatment of Polymer Materials At Atmospheric Pressure, John R. Roth, Peter Ping-Yi Tsai, Chaoyu Liu, Larry C. Wadsworth, Paul D. Spence, Mounir Laroussi
5. US 5,414,324 issued 05/09/95 One Atmosphere, Uniform Glow Discharge Plasma, John R. Roth, Peter P. Tsai, Chaoyu Liu, Mounir Laroussi, Paul D. Spence
6. US 5,387,842 issued 02/07/95 Steady-State, Glow Discharge Plasma, John R. Roth, Peter P. Tsai, Chaoyu Liu
7. US 6,146,724, issued 11/14/2000, One Atmosphere Uniform Glow Discharge Plasma Coating with Gas Barrier Properties, John R. Roth
8. US 5,669,583 issued 09/23/97 Method and Apparatus for Covering Bodies with A Uniform Glow Discharge Plasma and Applications Thereof, John R. Roth
9. US 5,938,854 issued 08/17/99 Method and Apparatus for Cleaning Surfaces with A Glow Discharge Plasma at One Atmosphere of Pressure, John R. Roth
10. AU 695099 issued 11/19/98 Issued Method and Apparatus for Cleaning Surfaces With A Glow Discharge Plasma At One Atmosphere of Pressure, John R. Roth
11. US 6,406,759 issued 06/18/2002 Remote Exposure of Workpieces Using a Recirculated Plasma (as amended), John R. Roth
12. US 6,676,802 issued 01/13/2004 Remote Exposure of Workpieces Using a Plasma (as amended), John R. Roth

**Certification of Chief Executive Officer
Required by Rule 13a-14(a)/15d-14(a)**

I, Kenneth Wood, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q/A of Flight Safety Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

February 5, 2009	By:	/s/ Kenneth Wood
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		Kenneth Wood Its Chief Executive Officer
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**Certification of Chief Financial Officer
Required by Rule 13a-14(a)/15d-14(a)**

I, Richard S. Rosenfeld, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q/A of Flight Safety Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

February 5, 2009	By:	/s/ Richard S. Rosenfeld
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		Richard S. Rosenfeld Its Chief Financial Officer
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**CERTIFICATION PURSUANT TO
SECTION 1350, CHAPTER 63 OF TITLE 18, UNITED STATES CODE,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

We, Kenneth Wood, Chief Executive Officer, and Richard S. Rosenfeld, Chief Financial Officer, of Flight Safety Technologies, Inc. (the "Company"), certify, pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) This Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

February 5, 2009	By:	/s/ Kenneth Wood
		Kenneth Wood Its Chief Executive Officer
February 5, 2009	By:	/s/ Richard S. Rosenfeld
		Richard S. Rosenfeld Its Chief Financial Officer