



To: All Domestic & International AeroTech/Quest Model & Hobby Rocket Dealers & Distributors

AeroTech/Quest Dealer/Distributor Policy for ISP Aerospace & Defense Industry Business 8/26/2024

World events over the past two years have created a growing number of inquiries to some of our dealers and distributors regarding the availability of our mid-power & high-power hobby rocket motors for utilization in aerospace and defense industry applications. The Industrial Solid Propulsion (ISP) division of our parent company RCS Rocket Motor Components, Inc. (RCS), has been involved in providing and developing small to medium sized solid composite propellant propulsion systems for the aerospace and defense industry for more than 40 years.

Recently, several of our AeroTech hobby dealers and/or distributors have become directly involved in the aerospace and defense side of our business. We have discovered that this is generally not a good idea and usually results in communication issues, RFQ (request for quote) confusion, Statement of Work delays, significant project problems and gross “mission creep”. We simply can’t afford to deal with a “middleman situation” when our dealers and distributors should be concentrating on growing and servicing the hobby business with our AeroTech and Quest product lines. If one of our dealers or distributors brings us a new aerospace or defense industry project or customer, we will be happy to negotiate a finder’s fee or commission based on the final net sales amount involved. It is not our goal to steal an opportunity away from our dealers or distributors, but in the case of ISP business we must be directly involved and in complete control to assure the greatest potential for project or program success.

Effective immediately, we will no longer support ISP business being driven directly by an AeroTech/Quest dealer or distributor. This includes both R&D phase and full production aerospace and defense industry projects or programs. We will continue to support existing dealer/distributor ISP oriented projects and programs providing communication issues, RFQ confusion, Statement of Work delays, significant project problems and/or gross “mission creep” doesn’t get completely out of control. RCS reserves the right to cancel, withdraw from or restructure all current ISP aerospace or defense projects or programs involving AeroTech/Quest dealers or distributors.

Pricing for aerospace or defense projects is extremely involved and has no relationship to the cost or pricing of our hobby rocket products with or without a discount. Believing that you can develop a cheap and inexpensive weapons system with off-the-shelf hobby rocket product is a fallacy and very misguided. You and your business are an approved AeroTech/Quest dealer or distributor and as such we expect your priority to be the servicing and growth for your model and hobby rocketry business.

The ISP side of our business is self-insured, unlike the hobby side, and a variety of additional measures must be taken including an extremely rigorous quality assurance program, government inspections, detailed material source tracking and meeting AS 9100 certification requirements. We have yet to see an ISP project that uses totally off-the-shelf hobby product, which would have a problem meeting aerospace industry standard anyway.

Please take this new policy seriously, as dealers or distributors caught trying to circumvent this policy may have their AeroTech/Quest dealership privileges revoked immediately. You should be aware that violations of ITAR (International Traffic in Arms Regulations) can result in steep fines, imprisonment or both. Thank you for your understanding and adherence to this new AeroTech/Quest Policy for ISP Aerospace & Defense Industry Business.

AeroTech/Quest/ISP Management Team