

TERMS AND CONDITIONS- PURCHASE ORDER

ES&S (the "Buyer") and the company or individual named on the face of this purchase order (the "Seller") agree to the following terms and conditions.

1. **ACCEPTANCE.** This order shall become a binding contract when a signed acknowledgement or acceptance is received by the Buyer or when shipment of all or any part of the goods covered by this order is made. No revisions to this order shall be valid unless in writing and signed by an authorized representative of the Buyer. The terms of this order shall supersede the terms of any quotation, sales order or other document hereafter received from the Seller shall be binding upon the Buyer unless expressly accepted in writing by an authorized representative of the Buyer. If no price is provided on the face of this order or if the Seller seeks to charge a higher price than the price provided, the price set by the Seller shall not be binding upon the Buyer unless expressly accepted in writing by an authorized representative of the Buyer.

2. **PACKING AND SHIPPING.** Shipment of goods shall be made as specified by the Buyer or, if not specified, at the option of the Buyer. All goods shall be suitably packed or otherwise prepared for shipment so as to receive the lowest transportation and insurance rates and so as to conform to requirements of freight haulers and requirements of federal and state law governing freight haulers. No charges will be allowed for packing, crating, or cartage unless stated in this order. Each package must be marked to show the purchase order number and an itemized packing slip must accompany each shipment or delivery.

3. **INSPECTION AND REJECTION.** All goods are subject to inspection and testing by the Buyer and, where appropriate, by Government representatives, before, during and after manufacture and shipment. Final inspection shall be conducted by the Buyer at its premises. The Buyer shall not be deemed to have accepted the goods if it has not completed its final inspection, even though payment already may have been made. Goods rejected as nonconforming or otherwise defective will be returned at the Seller's expense, including transportation and handling costs.

4. **TAXES.** Except as otherwise provided on the face of this order, the contract price includes all applicable federal, state and local taxes.

5. **DELAYS IN DELIVERY.** Time is of the essence of this order. If the goods are not received by the date provided on the face of this order, the Buyer, at its option, may accept delivery at a later date or cancel this order. The Seller shall be liable to the Buyer for any loss incurred by the Buyer as a result of the failure of the Seller to make delivery on the date provided.

6. **SUSPENSION AND CANCELLATION.** If the Buyer's ability to receive and make reasonable use of the goods is adversely affected by strike, fire, accident or any other cause beyond the Buyer's control, the Buyer may elect to suspend shipment or cancel all or any part of this order, without liability to the Buyer, except that in the event of cancellation the Seller shall be entitled to reimbursement for expenditures actually made through the date of cancellation for labor and materials.

7. **CHANGES.** The Buyer shall have the right at any time to makes changes in packing requirements, testing procedures, destinations, specifications, drawings, designs and delivery

schedules. The Seller shall immediately notify the Buyer of any increases or decreases in costs caused by such changes and thereafter the Buyer and the Seller shall endeavor to agree upon an equitable adjustment to the contract price.

8. **BUYER'S PROPERTY.** All material, including tools, furnished or specifically paid for by the Buyer shall be the property of the Buyer, shall be subject to removal at any time without additional cost upon demand by the Buyer, shall be used only in filing orders from the Buyer, shall be kept separate from other materials or tools and shall be clearly identified as the property of the Buyer. The Seller assumes all liability for loss or damage, with the exception of normal wear and tear, and agrees to supply detailed statements of inventory as requested by the Buyer.

9. **DRAWINGS, SPECIFICATIONS, AND TECHNICAL INFORMATION.** The Buyer at all times shall have title to all drawings, specifications, and technical information furnished by the Buyer to the Seller and intended for use in connection with this order. The Seller shall use such drawings, specifications, and technical information only in connection with this order and shall not disclose such drawings, specifications and technical information to any other person. Upon the Buyer's request or upon completion of this order, the Seller shall promptly return all drawings and specifications to the Buyer.

10. **WARRANTY.** The Seller warrants that all goods and materials supplied and all work performed will conform to the specifications, drawings, samples and other descriptions specified in this order or furnished by the Buyer and will be merchantable, suited for the use intended, of good material and workmanship and free from defects. This warranty shall survive delivery, inspection, acceptance and payment.

11. **INFRINGEMENT.** The Seller warrants that the sale or use of the goods covered by this order, either alone or in combination with other materials, will not infringe or contribute to the infringement of any patents, trademarks or copyrights, either in the United States or in any other country and agrees to indemnify and hold the Buyer and any other person buying or using the Buyer's products from and against all claims, liability, loss, damage and expense, including attorney fees, arising from or related in any way to any actual or claimed patent, trademark or copyright infringement. This warranty and agreement to indemnify and hold harmless shall survive delivery, inspection, acceptance and payment.

12. **COMPLIANCE WITH THE LAW.** The Seller agrees that in performing any work pursuant to this order it will observe and comply with all laws, rules, regulations, ordinances, proclamations, demands, directives, executive orders and other requirements of municipal, state and federal governments and all subdivisions thereof which now govern or may hereafter govern the manufacture, sale or delivery of the goods covered by this order, including without limitation the provisions of the Fair Labor Standards Act of 1938 and the Walsh-Healy Act.

13. **GOVERNMENT CONTRACTS AND SUBCONTRACTS.** If a government contract number appears on the face of this order, clauses contained in the Armed Services Procurement Regulations or the Federal Acquisition Regulations which the Government requires be included in subcontracts to which the contractor is a party shall be incorporated in this order by reference.

The Seller agrees to execute such additional documents as may be required to satisfy Government requirements.

14. BANKRUPTCY. In the event of any proceedings, voluntary or involuntary, in bankruptcy or insolvency by or against the Seller, the inability of the Seller to meet its debts as they come due or the appointment, with or without the Seller's consent, of an assignee for the benefit of creditors or a receiver, then the Buyer shall be entitled, as its sole option, to cancel any unfilled part of this order without liability to the Seller.

15. WAIVER. No waiver of any provision of this order by the Buyer shall be valid unless in writing and signed by an authorized representative of the Buyer. No delay on the part of the Buyer in exercising any right or remedy available to it shall operate as a waiver of such right or remedy.

16. GOVERNING LAW. This order shall be governed by the laws of the State of Colorado.

ES&S is an Equal Opportunity Employer as required by Executive Order 11246, as amended. The parties hereby incorporate the requirements of 41 C.F.R. 60-1.4(a), 60-250.5, 60-300.5(a), 60-741.5(a) and C.F.R. 471, Appendix A Subpart A, if applicable.