

Conditions of Purchase

WE ARE AN EQUAL OPPORTUNITY EMPLOYER

1. ACCEPTANCE. (a) The order incorporating these Conditions of Purchase becomes a binding contract when it is accepted by Vendor. Either an acknowledgement by Vendor or the commencement of performance by Vendor shall constitute acceptance. Acceptance may be only on the exact terms herein set forth. No condition stated by Vendor in accepting this order shall be binding on Purchaser if different from or in addition to the conditions set forth herein, unless agreed to in writing by Purchaser.

(b) If this order follows an offer by Vendor setting forth Vendor's conditions of sale, Purchaser's acceptance of Vendor's offer is expressly conditioned on Vendor's assent to the additional or different conditions set forth herein. Prior to or in the absence of Vendor's assent to the Purchaser's conditions, there shall be no agreement in effect between Vendor and Purchaser.

2. SPECIFICATIONS. Vendor shall comply with any specifications stated on the face of this order or incorporated herein, and with any applicable United States Government specifications. Upon request Vendor shall furnish Purchaser with a certificate executed by an authorized representative of Vendor confirming Vendor's compliance with all applicable specifications.

3. PRICES. Unless otherwise specified, the prices set forth in this order include all applicable federal, state and local taxes and all shipping costs, duties and other charges.

4. ASSIGNMENT. Neither this order or its performance nor any interest herein nor any monies due or to become due Vendor hereunder may be assigned or otherwise transferred by Vendor without the prior written consent of Purchaser.

5. SUBCONTRACTING. Vendor may not enter into a subcontract for the procurement of any items covered by this order in completed or substantially completed form without the prior written consent of Purchaser.

6. TIME OF THE ESSENCE. Time is of the essence under this order. Failure of Vendor to make delivery of items or provide services within the time specified on the face hereof, or within any extension specified by a written amendment hereto, shall be a breach hereof. If no time is specified herein, Purchaser may, by reasonable advance notification to Vendor, terminate this order in whole or part if Vendor fails to make delivery of items or to provide services within a reasonable time after the date of this order.

7. EXCUSABLE DELAYS. Vendor shall not be charged with any liability for failure or delay in performance when such failure or delay is due to any cause beyond the control and without the fault or negligence of Vendor; provided that Vendor shall give to Purchaser prompt notice in writing when it appears that such delay shall cause delay in performance under this order. If any such failure or delay shall threaten to impair Purchaser's ability to meet delivery requirements for its products or to meet contractual obligations, Purchaser shall have the right, at its option and without being under any liability to Vendor, to cancel by notice in writing to Vendor the portion or portions of this order so affected. Correspondingly, Purchaser shall be excused for failure or delay in its performance hereunder due to any cause beyond its control and without its fault or negligence.

8. WARRANTIES. Vendor warrants that all items delivered and services provided hereunder shall be free from defects in workmanship, design, material and manufacture; shall comply with the requirements of this order, including any drawings or specifications incorporated herein or samples furnished by Vendor; shall be non-surplus goods of new manufacture and, if of Vendor's design, shall be free from defects in design. Vendor further warrants that all items purchased hereunder shall be of merchantable quality and shall be fit and suitable for the purposes intended, whether expressed or reasonably implied. The foregoing warranties shall survive any delivery, inspection, acceptance or payment by Purchaser, and shall run to Purchaser, its successors, assigns, customers and any third parties injured in person or property by reason of any breach thereof.

9. INSPECTION. (a) Purchaser shall have the right to inspect and test all work under this order at all reasonable times, including during manufacture. Vendor shall furnish without additional charge all reasonable facilities and assistance for safe and convenient inspections or tests.

(b) Notwithstanding any prior examination, payment or the passage of title, all items are subject to final inspection and acceptance at Purchaser's plant. If the time for final inspection is not specified on the face of this order, such final inspection shall be made within 180 days after receipt of the items at Purchaser's plant.

10. DEFECTIVE OR NONCONFORMING ITEMS. (a) If any items are found to be defective or otherwise not in conformity with the requirements of this order, Purchaser, in addition to its other rights and remedies, may reject all or some of such items and require either their correction or their replacement at Vendor's expense. Purchaser may charge back to Vendor's account the amount paid for rejected items pending redelivery of same or replacements therefor. Any items previously rejected shall not be resubmitted for Purchaser's acceptance without concurrent notice of the prior rejection.

(b) All risk of loss or damage to the items to be delivered hereunder shall be upon Vendor until such items are delivered at the F.O.B. point specified in this order. In addition, Vendor shall bear all risk of loss or damage to items rejected by Purchaser after notice of rejection to Vendor until such items or replacements therefor are redelivered, except for any loss or damage resulting from the negligence of officers, employees, or agents of Purchaser acting within the scope of their employment.

(c) No action taken by Purchaser under this section shall be deemed to extend any delivery dates specified on the face of this order.

11. TERMINATION FOR DEFAULT. Purchaser may terminate this order in whole or in part for default, without further cost or liability to it, if Vendor fails to comply with any of the order, including these Conditions of Purchase. In the event of termination pursuant to this section, Purchaser may procure upon such terms and in such manner as it may deem appropriate, items or services similar or substantially similar to those so terminated, and Vendor shall be liable to Purchaser for any excess cost, direct or indirect, resulting therefrom. Vendor shall continue performance to the extent not terminated. Without limiting the foregoing, Purchaser shall have the right to terminate this order or any part thereof in the event of the happening of any one of the following: the commencement by Vendor of a voluntary case in bankruptcy; the commencement against Vendor of an involuntary case in bankruptcy, if such a case is not dismissed within thirty days from the date of filing; the

appointment of a receiver or trustee for Vendor if such an appointment is not vacated within thirty days from the date thereof; the execution by Vendor of an assignment for the benefit of creditors; Vendor's failure to perform or delay in performing hereunder which failure or delay is not otherwise excusable hereunder; and Vendor's failure to provide adequate assurance of due performance when Purchaser has reasonable grounds for insecurity with respect to such performance and following a written demand by Purchaser for such assurance.

12. TERMINATION FOR CONVENIENCE. (a) Purchaser may terminate this order in whole or in part whenever Purchaser determines for any reason that such termination is in its best interests. Termination hereunder shall be effected by delivery to Vendor of a notice of termination specifying the extent to which performance of work under this order is terminated and the date upon which such termination becomes effective.

(b) Vendor shall stop work under this order and terminate all orders and subcontracts for materials, services or facilities in accordance with and as appropriate under the termination. With respect to the termination by Vendor of such related orders and sub-contracts, Vendor shall settle outstanding liabilities and claims only with the approval of Purchaser, except to the extent that such approval is waived by Purchaser.

(c) Upon termination under this section, Purchaser shall not pay for goods ordered, work in process, or labor for any item cancelled more than ninety days prior to delivery unless otherwise previously agreed in writing.

(d) Vendor agrees to transfer title and deliver to Purchaser such information and items which, if the order had been completed, would have been required to be furnished to Purchaser, including completed or partially completed plans, drawings and information and materials or equipment produced, in process or acquired in connection with performance of the order.

(e) This section in no way limits Purchaser's right to terminate this order for default.

13. CHANGES (a) Purchaser may at any time by written order to Vendor and without notice to sureties, if any, make changes within the general scope of this order in any one or more of the following: (1) quantity of items or services ordered; (2) drawings, designs or specifications; (3) delivery or performance schedules; (4) shipping and billing instructions; (5) place of delivery.

(b) Vendor shall proceed promptly to make such changes in accordance with the terms of Purchaser's written change order. If any such change causes an increase or decrease in the cost of performance of this order, or in the time required for performance, an equitable adjustment shall be made in the purchase order price or the performance schedule or both and this order shall be amended in writing accordingly. Any claim by Vendor for adjustment under this provision shall be asserted in writing within thirty days from the date of the written order effecting the change. In the absence of such notification, Purchaser shall not be obligated to consider Vendor's claim for an equitable adjustment resulting from the change. In no event shall Purchaser be obligated to consider any claim for an increase in price after final payment to Vendor hereunder. Where the cost of property made obsolete or excess as a result of change is included in Vendor's claim for adjustment, Purchaser shall have the right to prescribe the manner of disposition of such property.

14. INFORMATION AND INVENTIONS. (a) All information, specifications and drawings furnished to Vendor in connection with the order shall be used only in the manufacture of items or the performance of services for Purchaser, and shall be considered the property of Purchaser and shall not be disclosed by Vendor. In the absence of a written agreement to the contrary, all information, specifications and drawings furnished to Purchaser in connection with this order shall be considered non-proprietary and may be used or disclosed to third parties by Purchaser as Purchaser chooses.

(b) Any inventions, sole or joint, made by employees of Vendor and arising out of the subject matter of this order, as amended or extended, shall be fully disclosed and completely assigned by Vendor to Purchaser without further compensation.

15. INDEMNIFICATION. Vendor agrees to indemnify and hold harmless Purchaser, its successors, assigns and customers, against any and all claims, losses, costs or damages based upon or arising out of any infringement or alleged infringement of any letters, patent, trademarks or copyrights by reason of the sale or use by Purchaser or its customers of any item, service or process sold or furnished under this order, unless the item, service or process is made or furnished according to Purchaser's drawings, designs or specifications. Vendor further agrees to indemnify and hold harmless Purchaser, its successors and assigns from and against any and all claims, losses, costs or damages based upon or arising out of (1) any defect in any item furnished under this order, (2) any construction, installation, services or facilities furnished under or in connection with this order, (3) the use of any equipment or goods furnished to Purchaser on an experimental basis, or (4) any violation by Vendor of any governmental law, ordinance, regulation or order with respect to any item, service or process sold or furnished under this order.

16. MATERIAL, TOOLING AND EQUIPMENT FURNISHED BY PURCHASER. (a) All material, tooling and equipment which Purchaser is required hereunder to furnish to Vendor shall be delivered in sufficient time to enable Vendor to meet its performance schedule. If any such material, tooling or equipment is not delivered to Vendor in sufficient time, the resultant delay or Vendor non performance shall be excusable. If Purchaser shall terminate this order as a result of any such delay in performance or failure to perform by Vendor, such termination shall be for the convenience of Purchaser and settlement shall be made in accordance with section 13(b) hereof. Purchaser shall have no liability to Vendor by reason of any delay in delivery of, or failure to deliver, any such material, tooling or equipment.

(b) All risk of loss or damage to any material, tooling or equipment furnished by Purchaser shall be upon Vendor. Vendor shall replace by purchase from Purchaser at Purchaser's price then current any such material lost or damaged because of spoilage, breakage or defective workmanship of Vendor in excess of any allowance made thereof or by Purchaser. Upon completion of this order, any of the material furnished by Purchaser and not consumed in the performance of this order and any tooling or equipment furnished by Purchaser shall be returned to Purchaser or otherwise disposed of in accordance with instructions from Purchaser.

(c) When Purchaser furnishes any material for use in furnishing the items or services called for hereunder, Vendor shall neither substitute material from

any other source nor alter the physical or chemical properties of the material furnished to it except in accordance with applicable Purchaser specifications or Purchaser's written approval.

17. SERVICES SUPPLIED BY VENDOR. If this order covers the performance of services on the premises of Purchaser, Vendor agrees to furnish certificates from its insurance carriers showing that it carries workmen's compensation, automobile liability, public liability, and property damage insurance coverage with limits satisfactory to Purchaser. If Vendor is a self-insurer it must have the appropriate state agency of the state in which the services are to be performed furnish to Purchaser a certificate to the same effect. Vendor will be responsible for all materials and workmanship until the items or services are completed and accepted by Purchaser. Vendor further agrees to keep Purchaser's premises free and clear of all mechanic's liens. Purchaser may withhold any and all payments due under this order until Vendor has furnished to its satisfactory evidence that all bills for labor and material referable to this order have been paid in full by Vendor.

18. SHIPPING AND BILLING. (a) Packing. All items shall be packed in a suitable container for protection in shipping and storage, and in accordance with any specifications of Purchaser. Vendor shall be responsible for all packaging and packing costs unless otherwise agreed in writing by Purchaser.

(b) Marking. Vendor shall indicate plainly the number of this order on all packages shipped pursuant hereto and the order number, the part number, and the manufacturing order number, if there is one, must appear on all packing lists, bills of lading, and invoices.

(c) Shipping. Unless otherwise provided in this order, all items shall be delivered at Vendor's expenses F.O.B. Purchaser's receiving dock. If Purchaser agrees to pay shipping costs, Vendor shall nevertheless pay shipping costs to the extent that they exceed the cost of the mode of shipment specified on the face of this order or, if no mode is specified, any such costs in excess of normal shipping costs, including additional costs, necessitated by reason of any of delay by Vendor in making deliveries hereunder.

(d) Value. If Purchaser agrees that the delivery point shall be F.O.B. origin, Vendor shall make no declaration of value above \$50.00 on a bill of lading.

(e) Invoice. Vendor shall render to Purchaser's Accounts Payable Department on the date of shipment a separate invoice in duplicate for each shipment made pursuant to this order and shall indicate thereon the number of this order, the part number, and the manufacturing order number, if there is one. Any discount period shall be calculated from the date an acceptable invoice is received or the date items are received by Purchaser, whichever is later.

19. COMPLIANCE WITH STATUTES AND REGULATIONS. Vendor warrants and certifies that in the performance of this order it will comply with all applicable statutes, rules, regulations and orders, now in effect or hereafter enacted, of the United States and of any state or political subdivision of any state, including statutes, rules, regulations and orders pertaining to labor, wages, hours and other conditions of employment, wage and price ceilings, if applicable, the Fair Labor Standards Act, as amended, and notification requirements pertaining to employee rights under the federal labor laws pursuant to 29 C.F.R. Part 471, Appendix A to Subpart A, incorporated herein by reference. The supplier confirms they have exercised proper due diligence to identify conflict minerals, as defined by Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and counterfeited components in their supply chain, have disclosed this information to the Purchaser and will immediately inform the Purchaser of any changes, errors or omissions.

20. EQUAL EMPLOYMENT OPPORTUNITY. To the extent applicable, all parties agree that they will abide by the provisions 29 CFR Part 471 Appendix A to Subpart A. Additionally, this contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.

21. UTILIZATION OF SMALL BUSINESS CONCERNS. It is the policy of the Purchaser to develop, maintain and carry-out procedures to permit small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns and women-owned small business concerns to have a practicable opportunity to participate in performing contracts led by any federal government agency and to ensure timely payment of amounts due pursuant to its subcontracts with any of the foregoing as further defined and set forth in the Federal Acquisition Regulations ("FAR"), clause 52.219-8. If this order relates to a federal government contract, Vendor certifies by its acceptance of such order that it is undertaking a commitment to the utilization of small business concerns in compliance with the FAR and all other laws, orders and regulations relating thereto and shall obligate all subcontractors to comply with all such provisions.

22. CUMULATIVE RIGHTS AND REMEDIES. The rights and remedies herein provided to Purchaser shall be cumulative, as to one another, and shall be in addition to any other rights and remedies provided in law or equity.

23. WAIVERS. A waiver or any failure on Vendor's part to carry out any condition, term or part of this order shall not as a waiver with respect to any recurrence of such failure or with respect to a failure to carry out any other condition, term or part.

24. CAPTIONS. Captions used in this order are for convenience of reference only and shall not be deemed a part of the order.

25. ENTIRE AGREEMENT: MODIFICATIONS. This order sets forth the entire agreement between the parties hereto with respect to the subject matter and supersedes all prior communications, representations or agreements, whether oral or written. No agreements or understandings varying or extending the provisions of this order and no consent or waiver relating hereto will be binding on Purchasing Manager, Purchasing Agent or other duly authorized representative of Purchaser.

26. APPLICABLE LAW. Vendor warrants and certifies that in the performance of this order it will comply with all applicable local, state and federal laws. The laws of Colorado, without regard to its conflict of laws provisions, shall govern this Agreement. The state and federal courts of Colorado shall have exclusive jurisdiction over any conflict hereunder.