

1. ACCEPTANCE OF CONTRACT

This order expressly limits acceptance to the terms stated herein, and any additional or different terms proposed by Seller are rejected unless expressly assented to in writing signed by Buyer. Delivery of goods to Buyer prior to the acceptance prescribed above and use of such goods by Buyer shall constitute a contract embodying all and only the terms stated herein.

2. VARIATION

No variation or modification of this order or the contract resulting from this order or of the terms and conditions of either shall be effective without Buyer's written consent. No course of prior dealings, no usage of the trade and no course of performance shall be relevant to supplement or explain any terms used in this agreement or be deemed to affect any such modification or variation.

3. TERMINATION

Buyer reserves the right to terminate this contract at any time with respect to unperformed services by written, electronic, telegraphic notice, or verbal notice confirmed in writing.

4. DELIVERY

Time is of the essence in this contract, and if delivery or rendering of conforming materials or services is not completed by the time(s) promised. Buyer reserves the right without liability, in addition to its other rights and remedies, to cancel this contract, to reject such materials or services in whole or in part on reasonable notice to Seller, and/or to purchase substitute materials or services elsewhere and charge Seller with any loss incurred. Any provisions herein for delivery of materials or the rendering of services by installments shall not be construed as making the obligations of Seller severable. Shipments sent C.O.D. without Buyer's written consent will not be accepted and will be at Seller's risk.

5. PRICE

Buyer shall not be billed at prices higher than stated on this Purchase Order unless authorized in writing and signed by Buyer. Seller represents that the prices charged for the items or services covered by this order are the lowest prices charged by Seller and that such prices comply with all applicable laws and government regulations in effect at time of quotations, sale and delivery. Seller agrees to notify Buyer of any price reduction made in materials covered by this order subsequent to the placement thereof and prior to delivery and agrees that any such reduction will be applicable to this order.

6. CONTINGENCIES

Failure of Buyer to take delivery or accept performance of services hereunder for portions thereof when due, if occasioned by Act of God or the public enemy, fire, explosion, perils of the sea, flood, drought, war, riot, sabotage, accident, embargo, government priority, requisition or allocation, or any circumstance of like character beyond the reasonable control of Buyer, or by interruption of or delay in transportation, labor trouble from whatever cause arising and whether or not the demands of the employees involved are reasonable and within Buyer's power to concede, partial or complete suspension of Buyer's operations, compliance with any order or request of any governmental officer, department, agency, or committee, shall not subject Buyer to any liability to Seller. At Buyer's option, the period specified for delivery of materials or performances of services hereunder shall be extended by the period of delay occasioned by any such circumstance and deliveries or services omitted (or portions thereof) shall be made or performed during such extension, or the total ordered hereunder shall be reduced by the deliveries or services (or portions thereof) so omitted. The provisions of this

paragraph shall be effective notwithstanding that such circumstance shall have been operative at the date of this order.

7. WARRANTIES

In addition to all warranties established by law, Seller hereby warrants and agrees that:

a) All materials and services covered by this order shall conform to the specifications, drawings, samples or other descriptions furnished or adopted by Buyer, and shall be merchantable, fit for the purpose intended, of best quality and workmanship and free from all defects. Buyer shall have the right of inspection and approval, and may reject and return materials or require reperformance of services at Seller's expense if defective or not in compliance with Buyer's specifications. Defects shall not be deemed waived by Buyer's failure to notify Seller upon receipt of materials or completion of services, or by payment of invoice.

b) No disclosure, description or other communication of any sort shall be made by Seller to any third person of the fact of Buyer's purchase of materials or contract for services hereunder, or of the details and characteristics thereof without Buyer's prior consent in writing. Anything furnished to Seller by Buyer pursuant to this order, including without limitation, samples, drawings, patterns and materials, shall remain the property of the Buyer, shall be held at Seller's risk, and shall be returned upon completion of work, and no revelation or reproduction thereof in any form shall be made without Buyer's prior consent in writing.

c) All materials sold or services rendered pursuant to this order will have been produced, sold, delivered or rendered to Buyer under terms and conditions which satisfy all the requirements of, and which are in compliance with all applicable laws and regulations. In addition, Seller shall certify on each invoice for materials purchased hereunder that all such materials were produced in full compliance with Section 6, 7, and 12 of the Fair Labor Standards Act of 1938, as amended, and regulations issued thereunder.

d) The use or sale of any materials delivered hereunder, or any part thereof, does not infringe any adverse valid existing patent. Seller agrees to exonerate, indemnify and hold harmless Buyer, its customers, users of its products and its and their successors and assigns, of any of them, from any loss, cost or expense incurred in connection with any claim, suit or action for actual or alleged infringement of any such patent, arising out of or resulting from use or sale of the material ordered hereunder, and Seller further agrees to defend, at its expense, any such claim, suit or action brought against Buyer, its customers, users of its products and its and their successors and assigns, or any of them.

e) Seller agrees that the foregoing warranties shall survive acceptance of materials.

8. LOSS IN TRANSIT

Title and risk of loss in transit shall not pass to Buyer upon delivery to carrier.

9. MARKING

Seller shall mark each package or shipment clearly with Buyer's name and address, contents and this purchase order number.

10. ASSIGNMENT

Assignment of this contract, or any interest herein, or any money due or to become due under the terms hereof, without the prior written consent of Buyer, shall be void.

11. ATTORNEYS' FEES AND COSTS

In the event it becomes necessary for either party hereto to file a lawsuit to enforce any of the terms and costs of this agreement, the prevailing party shall be entitled to recover reasonable attorney's fees and costs.

12. GOVERNING LAW

This agreement shall be governed by, subject to, and construed in accordance with the laws of the State of Colorado

13. EEO COMPLIANCE

Vendor agrees to comply with all applicable federal, state and local laws, including the Civil Rights Acts of 1964 as amended. The Equal Employment Opportunity clause in Section 202 paragraphs 1 through 7 of Executive Order 11246, as amended, relative to Equal Employment Opportunity and the implementing Rules and Regulations of the Office of Federal Contract Compliance are incorporated herein by specific reference. The Affirmative Action Clause in Section 503 of the Rehabilitation Act of 1973, as amended, relative to Equal Opportunity for the handicapped is incorporated herein by specific reference. The Affirmative Action clause in 38 USC Section 2012 of the Vietnam Veteran's Readjustment Assistance Act of 1974, relative to Equal Employment Opportunity for the special disabled veteran and veterans of the Vietnam Era, is incorporated here by specific reference.

14. INDEMNIFICATION

In supplying any labor or performing any services hereunder, Seller is and undertakes performance hereof as an independent contractor, with sole responsibility for all persons employed in connection therewith, including without limitation, exclusive liability for the payment of all Federal, State, and local Unemployment and Disability Insurance. Social Security and/or other taxes and contributions incurred hereunder from and against which Seller agrees to exonerate, indemnify and hold harmless Buyer. Seller agrees, prior to commencement of any work hereunder, to transmit to Buyer certificates of Workmen's Compensation and Employer's Liability and Comprehensive General and Automobile Liability Insurance, with limits of not less than \$100/300,000 for bodily injuries and not less than \$25/50,000 for property damage, (at Buyer's option high limits may be specified). If this order shall require the presence of Seller's employees, subcontractors or others under Seller's control, at Buyer's plant, such persons are to be subject to all applicable rules of said plant, including those for safety and fire protection. Seller shall indemnify, exonerate, hold harmless and defend Buyer from and against any and all claims, loss, liability, judgments, cost and expense as a result of bodily injury or death and/or property damage arising out of or in any way connected with performance of work or materials procured under this purchase order, unless caused by the sole negligence of the Buyer.

15. INVOICES

An invoice shall be submitted and shall contain the following information: purchase order number, item number, description of items, sizes, quantities, unit prices, and extended totals in addition to any other information specified elsewhere herein. Bill of Lading or express receipt shall accompany each invoice. Payment of invoice shall not constitute acceptance of supplies and shall be subject to adjustment for errors, shortages, defects in the supplies, or other failure of Seller to meet the requirements of the order. Buyer may at any time set off any amount owed by Buyer to Seller against any amount owed by Seller or any of its affiliated companies to Buyer. Buyer is not liable for any additional charges due to late payment resulting from inaccurate invoice information. Seller agrees that producing an accurate and acceptable invoice is seller's responsibility.

16. TAXES

Unless otherwise specified, the prices set forth in this order include all applicable federal, state, and local taxes. All such taxes shall be stated separately on Seller's invoice.

17. OVERSHIPMENTS

Buyer will pay only for maximum quantities ordered. Overshipments will be held at Seller's risk and expensed for a reasonable time awaiting shipping instructions. Return shipping charges for excess quantities will be a Seller's expense.

18. PACKING AND SHIPMENT

Unless otherwise specified when the price of this order is based on the weight of the ordered supplies, such price is to cover net weight of material ordered only, and no charges will be allowed for boxing, crating, handling damage, carting, drayage, storage, or other packing requirements. Unless otherwise specified all supplies shall be packed, packaged, marked, and otherwise prepared for shipment in a manner which is (i) in accordance with good commercial practice, (ii) acceptable to common carriers for shipment at the lowest rate for the particular supplies and in accordance with I.C.C. regulations, and (iii) adequate to insure safe arrival of the supplies at the named destination. Seller shall mark all containers with necessary lifting, handling, and shipping information also, purchase order numbers, date of shipment, and the names of the consignee and consignor. An itemized packaging sheet must accompany each shipment. No partial or complete delivery shall be made hereunder prior to the date or dates shown unless Buyer has given prior written consent.

19. F.O.B. POINT

Unless otherwise specifically provided on the face of this order, the supplies called for hereunder shall be delivered on an F.O.B. origin basis.

20. INSPECTION

Notwithstanding any prior inspection or payments, all items shall also be subject to final inspection and acceptance at Buyer's plant within a reasonable time after delivery. In case any item is defective in material or workmanship, or otherwise not in conformity with the requirements of this order. Buyer shall have the right either to reject it, require its correction, or accept it with an adjustment in price. Any item which has been rejected or required to be corrected shall be replaced or corrected by and at the expense of the Seller promptly after notice. If, after being requested by Buyer, the Seller fails to promptly replace or correct any defective item within the delivery schedule, Buyer (i) may, by contract or otherwise, replace or correct such item and charge to the Seller the cost occasioned hereby, (ii) may, without further notice, terminate this order for default in accordance with the clause therefore entitled "TERMINATION FOR DEFAULT," (iii) may require an appropriate reduction in price.

21. CHANGES

The Buyer may at any time, by a written order and without notice to sureties or assignees, suspend performance hereunder, increase or decrease the ordered quantities, or make changes within the general scope of this order in any one or more of the following:

- (a) Applicable drawings, designs, or specifications,
- (b) Method of shipment or packing, and/or,
- (c) Place of delivery.

If any such change causes an increase in the cost or the time required for performance of this order, an equitable adjustment shall be made in order price or delivery schedule, or both, and the order shall be modified in writing accordingly. No claim by the Seller for adjustment hereunder shall be valid

unless asserted within twenty (20) days from the date of receipt by the Seller of the notification of change; provided, however, that such period may be extended upon the written approval of the Buyer. However, nothing in this clause shall excuse the Seller from proceeding with the order as changed or amended.

22. TERMINATION

(a) Buyer may terminate, for convenience, work under this order, in whole or in part, at any time by written or telegraphic notice. Upon any such termination Seller shall, to the extent and at the times specified by Buyer, stop all work on this order, place no further orders hereunder, terminate work under orders outstanding hereunder, assign to Buyer all Seller's interests under terminated subcontracts and orders, settle all claims thereunder after obtaining Buyer's approval, protect all property in which Buyer has or may acquire an interest and transfer title and make delivery to Buyer of all articles, materials, work in progress or other things held or acquired by Seller in connection with the terminated portion of this order. Seller shall proceed promptly to comply with Buyer's directions respecting each of the foregoing without awaiting settlement or payment of its termination of claim.

(b) Within six (6) months from such termination, Seller may submit to Buyer its written claim for termination charges, in the form and with the certifications prescribed by Buyer, it being understood and agreed that no profit shall be allowed if it appears Seller would have sustained a loss on the order. Failure to submit such claim within such time shall constitute a waiver of all claims and a release of all Buyers liability arising out of such termination.

(c) The parties may agree upon the amount to be paid Seller for such termination if they fail to agree. Buyer shall pay Seller the amount due for articles delivered prior to termination and in addition thereto, but without duplication, shall pay the following amounts:

(1) The contract price for all articles completed in accordance with this order and not previously paid for.

(2) The actual costs incurred by the seller which are properly allocable or apportionable under recognized commercial accounting practices to the terminated portion of this order and a sum constituting a fair and reasonable profit on such costs if it appears Seller would have sustained a loss on the order, no profit shall be allowed under this subparagraph (2) and an adjustment shall be made reducing the amount of the settlement to reflect the indicated rate of loss.

(3) The reasonable costs of the Seller in making settlement hereunder and in protecting property in which Buyer has or may acquire an interest.

(d) Payments made under paragraph 13(c) exclusive of payment under subparagraph (3) shall not exceed the aggregate price specified in this order, less payments otherwise made or to be made. There shall be excluded from any amounts payable to Seller under this Section 13 all amount payable in respect to property lost, damaged, stolen, or destroyed prior to delivery to Buyer.

(e) the foregoing paragraphs (a) to (d) inclusive, shall be applicable only to a termination for buyer's convenience and shall not affect or impair any right of Buyer to terminate this order for Seller's default in the performance hereof.

23. RESPONSIBILITY FOR SUPPLIES

Notwithstanding any prior inspections and irrespective of the F.O.B. point named herein, the Seller shall bear all risks of loss, damage, or destruction to the supplies called for hereunder until final acceptance by Buyer at destination. Further, the Seller shall also bear the same risks with respect to any supplies rejected by Buyer provided, however, that in either case, the Buyer shall be responsible for any loss occasioned by the gross negligence of its employees acting within the scope of their employment.

24. WAIVER

The failure of Buyer to enforce at any time any of the provisions of this contract, to exercise any election or option provided herein, or to require at any time performance by the Seller of any of the provisions herein shall in no way be construed to be a waiver of such provisions, nor in any way to affect the validity of this agreement or any part hereof, or the right of Buyer thereafter to enforce each and every such provision.

25. COMPLIANCE WITH LAWS

The Seller warrants that no law, rule or regulation of the United States, a state, or any other governmental agency has been violated in the manufacture or sale of the items or in the performance of services covered in this order, including transportation, and will defend and hold the buyer harmless from loss, cost, or damage as a result of any actual or alleged violation. Executive Order 11246 (and its implementing regulations at 41 CFR Part 60); the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended (and its implementing regulations at 41 CFR part 60-250); Section 503 of the Rehabilitation Act of 1973, as amended (and its implementing regulations at 41 FR 60-741).

26. NON-DISCLOSURE OF CONFIDENTIAL MATTER

Materials purchased hereunder with the Buyer's specifications or drawings shall not be quoted for sale to others without the Buyer's written authorization. Such specifications, drawings, samples, and other data furnished by the Buyer shall be treated as confidential information by the Seller, shall remain Buyer's property and shall be returned to it on request.

27. ASSIGNMENTS

No right or obligation under this order (including the right to receive monies due hereunder) shall be assigned by Seller without the prior written consent of Buyer, and any purported assignment without such consent shall be void. Buyer may assign this order at any time if such assignment is considered necessary by Buyer in connection with a sale of Buyer's assets or a transfer of its obligation.

28. NOTICE OF LABOR DISPUTES

Whenever an actual or potential labor dispute is delaying or threatens to delay the timely performance of this order, Seller will immediately notify the Buyer of such dispute and furnish all relevant details. Receipt by Buyer of such notice shall not constitute a waiver of the delivery schedule hereunder.

29. PATENT LICENSE

The Seller, as part consideration for this purchase order and without further cost to the Buyer, hereby grants and agrees to grant to the Buyer and, to the extent requested by the Buyer, to the government, an irrevocable non-exclusive, royalty-free right and license to use, sell, manufacture, and cause to be manufactured products embodying any and all inventions and discoveries made, conceived, or actually reduced to practice in connection with the performance of this order.

30. GOVERNMENT CONTRACTS

If this order is issued for any purpose which is either directly or indirectly connected with the performance of a prime contract with the government or a subcontract thereunder, the terms which the Armed Services Procurement Regulation, or other appropriate regulations, require to be inserted in contracts or subcontracts will be deemed to apply to this purchase order.