



## Terms & Conditions

The following terms and conditions apply to the Purchase Order:

**General Terms.** This Contract constitutes the entire agreement between the parties and merges and supersedes all previous agreements, communications and representations, oral or written, express or implied, with respect to the subject matter hereof. Seller's acknowledgment, acceptance of payment, or commencement of performance, shall constitute Seller's unqualified acceptance of this Contract. Unless expressly accepted in writing by SAS Manufacturing, additional or differing terms or conditions proposed by Seller or included in Seller's acknowledgment are objected to by SAS and have no effect. Each clause, paragraph and sub-paragraph of this Contract is severable, and if one or more of them are declared invalid, the remaining provisions of this Contract will remain in full force and effect. The parties agree that if this Contract is transmitted electronically, neither party will contest the validity of this Contract or any attachment thereto, on the basis that this Contract contains an electronic signature.

**Payment Terms.** Unless otherwise provided, terms of payment shall be net thirty (30) days from actual completion or performance of the Work with a Prompt Payment discount of 1% if paid in 10 days. Payment shall be deemed to have been made as of the date of mailing of payment or authorization of electronic funds transfer. Each payment made shall be subject to reduction to the extent of amounts which are found by SAS Manufacturing or Seller not to have been properly payable, and shall also be subject to reduction for overpayments. Seller shall promptly notify SAS Manufacturing of any such overpayments found by Seller.

**Publicity.** The Seller shall make no publicity, news, media, or any other public releases of information in connection with this Contract unless it has obtained prior written approval from SAS.

**Information of the Parties.** The Parties agree to comply with the terms of any NonDisclosure Agreement entered into by the parties and respect any proprietary and other restrictive markings that may be applied.

**Governing Law & Disputes.** Any dispute arising out of or relating to this Contract, shall be adjudicated in a court of competent jurisdiction within the State of Colorado. The parties each agree to irrevocably submit and consent to the exclusive jurisdiction and venue of courts located in Colorado and waive their rights to challenge the personal jurisdiction of those courts over it. Seller shall be obligated as a material condition of this Contract to continue performing all of its obligations under the Contract (including any proposed changes which are the subject of a dispute) in a diligent and timely manner notwithstanding a dispute between the parties. Seller agrees to provide SAS Manufacturing with prompt written notification of any legal action, subpoena, claim, notice, demand or other legal proceeding brought against Seller relating to or arising out of the Work performed under this Contract.

**Survivability.** If this Contract expires, is completed or is terminated, Seller shall not be relieved of those obligations contained in the following clauses: General Terms, Publicity, Information of the Parties, Governing Law & Disputes, Compliance with Laws, Export Control, Warranty and any Nondisclosure Agreement entered into by the parties applicable to this Contract.

**Compliance with Laws.** Seller shall comply with all applicable federal, state, municipal, and local laws and regulations. This includes employment laws. Seller represents and warrants that it is not included on the Excluded Parties List System (EPLS) and agrees to notify SAS immediately upon learning that it or any of its affiliates and/or Subcontractors has been proposed for inclusion in the Excluded Parties List System (EPLS).

**Gratuities.** Seller certifies and represents that it has not made or solicited and will not make or solicit kickbacks in violation of the Anti-Kickback Act of 1986 (41 USC paragraphs §§51-58), which is incorporated herein by this specific reference. No gratuities or kickbacks (in the form of entertainment, gifts, cash or otherwise) for the purpose of obtaining or rewarding favorable treatment as a supplier, have been or shall be offered or given by seller in connection with this Contract.

**Export Control.** Seller acknowledges, understands and agrees to comply with the U.S. export laws and regulations, including but not limited to, the U.S. Department of State, International Traffic in Arms Regulations (“ITAR”), and the U.S. Department of Commerce, Export Administration Regulations (“EAR”). Seller acknowledges that Data, information, hardware and software received from SAS Manufacturing or derived from or including Data, information, hardware or software received from SAS Manufacturing is controlled by the U.S. export laws. Seller agrees that such Data, information, hardware and software may not be exported, re-exported or otherwise transferred outside of the United States or to a foreign person (as defined by U.S. Export laws), including employees or subcontractors, wherever located, without advance written authorization from the United States Government and SAS Manufacturing. Nothing contained in this clause relieves Seller from any obligation stated elsewhere in this Contract not to disclose SAS Data.

**Inspection and Acceptance.** SAS Manufacturing and its customers have the right to inspect at reasonable times and places all supplies and services called for in this purchase order. No such inspection shall relieve Seller of its obligations to furnish and warrant products and services in accordance with the requirements of this Contract. SAS Manufacturing shall give the Seller notice of any non-conforming supplies and/or services or breach of any warrant or representation. At SAS Manufacturing’s option SAS Manufacturing may 1) have the Seller correct any defects in the goods and/or services at no cost 2) correct or replace the defective or services with similar goods and/or services and charge the Seller the cost of repair or replacement or 3) make an equitable adjustment to the contract. Final acceptance does not relieve the Seller for latent defects, fraud, or gross mistakes amounting to fraud. Final inspection and acceptance shall be at destination.

**Defense Priorities and Allocation System.** If so identified, this Contract is a “rated order” certified for national defense use, and the Seller shall follow all the requirements of the Defense Priorities and Allocation System Regulation (15 C.F.R. Part 700). For rated awards, Seller accepts the DPAS requirements and rating of this order in accordance with 15 CFR 700.13. The acknowledgment for this Order is required within ten (10) working days from date of receipt for DX rated orders and within fifteen (15) working days from date of receipt for DO rated orders.

**Warranty.** The following warranties apply to this Contract. This warranty shall begin upon final acceptance of the Products or Services by SAS Manufacturing and extend for a period of one (1) year thereafter.

- a) Services: Seller warrants that Services shall be provided in the highest professional manner and conform to all requirements of the Contract. Such warranties, together with Seller’s service warranties and guarantees, if any, shall survive inspection, test, acceptance of, and payment for the Services and shall run to SAS Manufacturing, its successors, assigns and customers.
- b) Supplies: Seller warrants that Products furnished under this Contract shall (i) strictly conform to the applicable statement of work, specifications, drawings, samples, descriptions, and other requirements of this Contract, and (ii) be free from defects in design, material, and workmanship. Such warranties shall survive inspection, test, acceptance of, and payment for the Products and shall run to SAS Manufacturing, its successors, assigns and customers. SAS Manufacturing may, at its option, either require prompt correction or a credit for the nonconformance. Work required to be corrected shall be subject to the provisions of this Article and the Inspection and Acceptance clause, to the same extent as Work originally provided under

this Contract. If any non-conforming Work is identified within the warranty period, Seller, at SAS's option, shall promptly repair or replace the non-conforming product. Transportation of replacement goods and return of non-conforming goods shall be at Seller's expense. If repair or replacement of goods is not timely, SAS may elect to return, repair, replace, or re-procure the nonconforming goods at Seller's expense.

**Timely Performance.** Seller's timely performance is of the essence and is a material element of this Contract. No acts of SAS Manufacturing, including without limitation, modifications of this Contract or acceptance of late deliveries, shall constitute waiver of this clause. If Seller becomes aware of difficulty in performing the Work, Seller shall immediately notify SAS Manufacturing, in writing, giving pertinent details. This notification shall not change any performance or delivery schedule. If Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this Contract, Seller shall immediately give notice, including all relevant information, to SAS Manufacturing.

**Supply Item Terms.** The following clauses apply only to purchase orders for the delivery of material or other supply items.

- a) All products and material delivered to SAS Manufacturing must be sourced from U.S. domestic companies unless approved in writing by SAS Manufacturing.
- b) Seller shall not supply excess quantities to those specified in this Contract. Seller shall be liable for handling charges and return shipment costs for any excess quantities.
- c) Items supplied on this purchase order shall be suitably packaged to prevent damage from contamination, corrosion, handling and extended storage. All goods shall be shipped by Seller in a manner to secure lowest transportation costs. All charges shall be F.O.B. Destination, Freight Collect. Packing slips shall accompany each shipment.
- d) If a product is manufactured with reference to SAS's proprietary information or materials, Seller agrees it will not sell or offer such product for sale to anyone other than SAS without prior written consent.
- e) Delivery shall be made in accordance with the terms of this Contract. The Seller shall immediately notify the Purchasing Agent in writing if the Seller is unable to meet the delivery date/schedule. Such notice shall include pertinent details; including the time/date delivery can be expected.
- f) Seller represents that each chemical substance constituting or contained in Work sold or otherwise transferred hereunder is on the approved list of chemical substances compiled and published by the Administrator of the Environmental Protection Administration pursuant to the Toxic Substances Control Act (15 U.S.C. Sec. 2601 et seq.) as amended.
- g) Seller shall provide with each delivery any Material Safety Data Sheet applicable to the Work in conformance with and containing such information as required by the Occupational Safety and Health Act of 1970 and regulations promulgated thereunder, or its State approved counterpart.