

GEOCOMP, INC. & GEOTESTING EXPRESS, LLC
GENERAL TERMS AND CONDITIONS OF PURCHASE

BY ACCEPTING THIS PURCHASE ORDER, AND/OR PERFORMING HEREUNDER, SELLER AGREES TO COMPLY FULLY WITH THESE GENERAL TERMS AND CONDITIONS OF PURCHASE AND ANY SPECIFIC TERMS STATED IN THE PURCHASE AGREEMENT, PURCHASE CONTRACT OR PURCHASE ORDER TO WHICH THESE GENERAL TERMS AND CONDITIONS ARE ATTACHED (HEREINAFTER REFERRED TO AS THE "PURCHASE ORDER"). IN THE EVENT OF A CONFLICT BETWEEN THESE GENERAL TERMS AND CONDITIONS OF PURCHASE AND ANY SPECIFIC TERMS OF THE PURCHASE ORDER, THE SPECIFIC TERMS SHALL APPLY.

ACCEPTANCE OF THIS PURCHASE ORDER BY SELLER IS EXPRESSLY LIMITED TO THE TERMS AND CONDITIONS OF THIS PURCHASE ORDER AND NONE OF SELLER'S TERMS AND CONDITIONS SHALL APPLY EVEN IF STATED IN ACKNOWLEDGING THIS PURCHASE ORDER OR IN THE ACCEPTANCE OF THIS PURCHASE ORDER. ACCEPTANCE BY GEOCOMP, INC. OR GEOTESTING EXPRESS, LLC (HEREAFTER CALLED "BUYER"), OF THE GOODS, SERVICES OR WORK DELIVERED UNDER THIS PURCHASE ORDER SHALL NOT CONSTITUTE AGREEMENT TO SELLER'S TERMS OR CONDITIONS EVEN IF SELLER MAKES SHIPMENT UNDER SUCH A SPECIFIC RESERVATION.

1. **Modifications.** These terms and conditions and those in the Purchase Order shall constitute the entire agreement between the parties and shall not be changed unless set forth in written Amendment and signed by an authorized representative of Buyer, provided, however, that issuance by Seller of acceptances or other documents pursuant hereto, which documents contain terms which are at variance with any term hereof, shall not work to alter, modify or expand upon any such term hereof and in the event of any such conflicting terms, the terms hereof shall govern.

2. **Release of Information.** Neither party hereto shall, without the prior written consent of the other party (which consent shall not be unreasonably withheld), publicly announce or otherwise disclose, except as legally required to be disclosed pursuant to any law or legal proceeding, the existence or the terms of this Purchase Order, or release any publicity regarding this Purchase Order. This provision shall survive the expiration, termination or cancellation of this Purchase Order. Any knowledge or information which Seller may disclose to Buyer shall not be deemed to be confidential or proprietary information and shall be acquired by Buyer free from any restrictions as to use or disclosure thereof. All written information obtained by Seller from Buyer in connection with this Purchase Order and which is identified as proprietary to Buyer shall be maintained in confidence by Seller and shall remain the property of Buyer and shall be used and disclosed by Seller only to the extent necessary for the performance of work under the Purchase Order and as may be agreed to by Buyer.

3. **INDEMNITY.** SELLER SHALL INDEMNIFY AND SAVE BUYER HARMLESS FROM ALL CLAIMS FOR PERSONAL INJURY, DEATH, AND PROPERTY DAMAGE ARISING OUT OF ANY CAUSE WHATSOEVER RESULTING DIRECTLY OR INDIRECTLY FROM SELLER'S PERFORMANCE HEREUNDER. SELLER SHALL PROCURE AND MAINTAIN, WITH RESPECT TO THE SUBJECT MATTER OF THIS PURCHASE ORDER, APPROPRIATE INSURANCE COVERAGE AND SHALL AT THE REQUEST OF BUYER, PROVIDE EVIDENCE THEREOF. SUCH INSURANCE SHALL INCLUDE, WITHOUT LIMITATION, WORKERS' COMPENSATION INSURANCE UNDER APPLICABLE STATE LAW, LONGSHOREMAN'S AND HARBOR WORKERS' COMPENSATION ACT COVERAGE, IF APPLICABLE FOR SELLER'S EMPLOYEES, AND PUBLIC LIABILITY AND PROPERTY DAMAGE WITH ADEQUATE LIMITS TO COVER SELLER'S LIABILITY THEREFOR ARISING DIRECTLY OR INDIRECTLY FROM WORK PERFORMED UNDER THE TERMS OF THIS PURCHASE ORDER. SELLER AGREES TO DEFEND AND INDEMNIFY BUYER AND ITS CUSTOMERS FROM AND AGAINST ALL CLAIMS, ACTIONS, LIABILITIES, LOSSES AND COSTS AND EXPENSES ARISING OUT OF THE DEATH OR INJURY TO ANY PERSON, PROPERTY DAMAGE OR LOSS, OR ECONOMIC INJURY ARISING OUT OF THIS PURCHASE ORDER.

4. **Waiver.** Any failure of Buyer to enforce at any time, or for any period of time, any of the provisions of this Purchase Order shall not constitute a waiver of such provisions nor of Buyer's right to enforce each and every provision. Any waiver by Seller or Buyer of any breach of any of these terms and conditions should not be construed to be a waiver of any breach of any other term or condition.

5. **Warranty.** Seller warrants that all articles, material and work supplied by Seller under this Purchase Order conform to the requirements, specifications, drawings, samples or other descriptions furnished or adopted by Buyer and that

they are of good material and workmanship and free from all defects in manufacture or design, and are of merchantable quality and fit for their intended purpose. Such warranties by Seller shall run to the benefit of Buyer, its employees and purchasers from Buyer. Buyer's approval of designs furnished by Seller shall not relieve Seller of its obligation under this warranty. Seller's warranty shall be effective for a period of time as set forth in the special terms of this Purchase Order. If no such schedule is set forth in the special terms of this Purchase Order, the warranty shall be effective for a period of one year from the date of acceptance of goods by Buyer pursuant to Section 6 hereof, or for any longer period specified by Seller. Seller agrees that shipment of materials against this Purchase Order constitutes certification that all articles or goods included in the shipment conform in all respects to the applicable requirements, specifications and drawings. Seller will make process control data, inspection and test reports covering the articles or goods and their parts available for review and subject to examination by Buyer or its authorized representatives to verify conformance to such applicable specifications and drawings. However, a certificate of conformance must accompany individual shipments when so specified on applicable drawings, or in the special terms of this Purchase Order.

6. **Acceptance.** Final acceptance of material by Buyer will not be until after its arrival at the Buyer facility from which this Purchase Order originates, unless otherwise specified herein. All articles and material returned to Seller for non-acceptance under this Section 6 or for breach of warranty under Section 5 shall be at Seller's expense, including expenses and penalties incurred by Buyer in recalling such articles and materials which have been delivered to Buyer's customers and expense of redelivery. Any articles or materials not accepted by Buyer or that Buyer determines violate the warranties set forth in this Purchase Order or otherwise made by Seller may be returned to Seller at Seller's expense for replacement or full credit of the purchase price, at Buyer's option. Inspection may be performed at Buyer's option on a statistical sampling basis. The entire lot may be rejected based on defects revealed by such sampling. The rejected lot may be i) returned to Seller for either immediate replacement or full credit or refund of the purchase price, at Buyer's option, or (ii) 100% screened by Buyer with cost of screening immediately reimbursed by Seller. The initial inspection performed at Buyer on receipt of material is a conditional acceptance and shall not waive the right of Buyer to return material to Seller which exhibits or develops defects due to latent causes during or after installation or testing of the end product. In the event that Seller determines prior to shipping that product is non-conforming, approval from Buyer must be obtained in order to determine the disposition for the product.

7. **Materials and Tools.** Seller shall preserve all special drawings, dies, patterns, tooling or other items supplied or paid for by Buyer in good condition, and they are the property of Buyer unless otherwise specified, and the same such items shall be returned in good condition when the work on the Purchase Order has been completed or terminated, or at any other time as requested by Buyer. No special drawing, die, pattern, tool or other item supplied by Buyer or made by Seller for the use of or delivery to Buyer, or for use by Seller in supplying Buyer, shall be used by Seller for any purpose other than supplying Buyer, without Seller's first obtaining the written consent of Buyer thereto, provided, however, that if the U.S. government has rights in such items under a prime contract with Buyer, noninterfering use of the items for direct sales to the government is

authorized if written notice is provided to Buyer prior to such use. If material, equipment, special drawings, dies, patterns, or other items are furnished by Buyer for performance of this Purchase Order, all risk of loss thereof or damage thereto shall be upon Seller from the time of shipment to Seller until redelivery to and receipt by Buyer.

8. **Force Majeure.** If Seller is prevented from delivering, or Buyer is prevented from receiving the materials or articles referred to in this Purchase Order as a result of governmental actions or regulations, except as hereinafter provided, or of fires, accidents, and other unforeseeable causes beyond the control of either party, Seller's and Buyer's obligations shall be suspended for a reasonable time during which such causes continue to exist.

9. **Patents and Copyrights.** Seller agrees to indemnify and to save Buyer, its officers, agents, employees, and vendees (mediate and immediate) harmless from any and all loss, expense, damage, liability, claims or demands either at law or in equity for actual or alleged infringement of any patent invention, design, trademark, or copyright arising from the purchase, use or sale of materials or articles required by this Purchase Order, except where such infringement or alleged infringement arises by reason of designs for such materials or articles originally furnished to Seller by Buyer.

10. **Changes.** Buyer may change from time to time any of the drawings, specifications or instructions for work covered by this Purchase Order and Seller shall comply with such change notices. If such changes result in a decrease or increase in Seller's cost or in the time for performance, an adjustment in the price and time for performance may be made by the parties in writing, provided, however, that Seller notifies Buyer of the request for such adjustments within thirty (30) days after receipt by it of the change notice.

11. **Assignment.** This Purchase Order and any payments to be made hereunder shall not be assigned or transferred by Seller without prior written approval by Buyer. Similarly, Seller shall not further subcontract any substantial portion of the work to be performed by it under this Purchase Order without the prior written consent of Buyer.

12. **Termination.** Buyer may terminate the work to be performed hereunder in whole or in part at any time without cause by written notice to Seller. Such notice shall state the extent and effective date of such termination and, upon the receipt of such notice, Seller will comply with the directions pertaining to work stoppage hereunder and the placement of further orders or subcontracts hereunder. The parties shall thereafter employ their best efforts to agree by negotiation within three (3) months upon the amount of reimbursement, if any, to be paid to Seller for each termination. Termination under this provision shall not be deemed a breach of contract. The provisions of this paragraph shall not limit or affect the right of Buyer to terminate this Purchase Order for cause and shall not apply to a termination with cause. Seller shall mitigate its claim to the maximum extent and in any event no claim shall exceed the lesser of fair market value or actual cost of raw materials and work in progress material which Seller shows cannot be diverted to other uses. No claim shall be asserted or honored for loss of expected profits, or for any consequential or incidental damages, due to termination.

13. **Price Adjustment.** Acceptance of this Purchase Order by Seller guarantees that the purchase of goods and services hereunder by Buyer shall not be at prices higher than Seller's last quoted price for similar goods and services and shall not be changed without approval of Buyer. Buyer will not accept shipment at any increase in price above that indicated on this Purchase Order. Any general price decrease announced by Seller in goods or services similar to those ordered hereunder shall automatically become the price of the goods and services ordered hereunder.

14. **Notice of Labor Disputes.**

A. Seller agrees that whenever any actual or potential labor dispute delays or threatens to delay the timely performance of this Purchase Order, Seller shall immediately give notice thereof to Buyer and if the Purchase Order relates to a military contract, Seller will also give notice to the nearest appropriate military representative.

B. The Seller agrees to insert the substance of this clause, including this section (B), in any lower tier subcontract with respect to which a labor dispute may delay the timely performance of this Purchase Order, except that each such lower tier

subcontract shall provide that in the event its timely performance is delayed or threatened by delay by any actual or potential labor dispute, the lower tier subcontractor shall immediately notify its next higher tier contractor of all relevant information with respect to such disputes.

15. **Terms of Payment.** Invoices shall be rendered by Seller to Buyer promptly after shipment of goods or rendering of services for each Purchase Order and shall clearly show the Purchase Order number, change order numbers, if any, cash discount, if any, and freight on board ("F.O.B.") point of origin or destination, as the case may be. The following terms with respect to payment are applicable to this Purchase Order.

A. **Net Invoices.** Net 30 days from date of invoice or receipt of the goods and/or services at the destination designated on the Purchase Order, whichever is later.

B. **Discounted Invoices.** Discounts shall be calculated from the date of invoice or receipt of the goods and/or services at the destination designated on the Purchase Order, whichever is later. The acceptance of minimal discount offers will be at the discretion of Buyer.

C. **Use of D-U-N-S Number.** Invoices must be imprinted, where applicable, with the nine digit D-U-N-S number where available, corresponding to the address where payment should be mailed and payment shall be sent to such address.

16. **Extra Charges.** No charges of any kind, including charges for boxing or cartage, will be allowed unless specifically agreed to by Buyer in writing. Pricing by weight, where applicable, covers net weight of material, unless otherwise agreed.

17. **Delivery.** The delivery dates indicated by Buyer for the articles, material or work to be supplied under this Purchase Order are of the essence. Failure to meet agreed upon delivery shall be considered a breach of the contract; furthermore, Seller agrees to pay to Buyer any penalty and damages imposed upon or incurred by Buyer for failure of Seller to deliver articles, materials, or work on such delivery dates.

18. **Setoff** Buyer shall be entitled at all times to setoff any amount owing, for any reason, at any time, from Seller to Buyer or any of its affiliated companies against any amount payable at any time by Buyer in connection with this Purchase Order.

19. **Sales and Use Tax Exemption.** It is hereby certified that the articles, materials and work purchased under this Purchase Order is exempt from sales and use tax, unless otherwise noted for the reason that such is purchased for resale or will become an ingredient or component part of, or be incorporated into, or used or consumed in, a manufactured product produced for or service provided for ultimate sale at retail. If the articles, materials and work described in this Purchase Order are purchased tax exempt and subsequent use makes it taxable, Buyer will assess and pay tax to the appropriate state.

20. **Reservation of Rights.** Buyer expressly reserves all rights and remedies which are available to it at law or equity, including but not limited to rights and remedies set forth in the Uniform Commercial Code.

21. **Attachments.** Any attachments referenced in the Purchase Order shall be deemed for all purposes to be an integral part of this Purchase Order. In the event of irreconcilable conflict between such referenced attachments and the terms stated herein, the terms of such attachments shall control.

22. **Complete Agreement.** This Purchase Order, which includes any supplemental sheets and riders annexed by Buyer, contains the complete and entire agreement between the parties and supersedes any previous communication, representation or agreements, whether oral or written with respect to the subject matter of the Purchase Order.

23. **Overshipments.** Seller is instructed to ship only the quantity (ies) specified in this Purchase Order. However, any deviation caused by conditions of loading, shipping, packing or allowances in manufacturing processes may be accepted by Buyer according to the overshipment allowance indicated in the special terms of this Purchase Order. If no allowance is shown, it shall be 0% (zero percent). Buyer reserves the right to return any overshipment in excess of the allowance at the Seller's expense.

24. **Packing and Shipping Instructions**

A. **Packing.** Seller is responsible for packing any shipment correctly based on the carrier/mode utilized. Charges for packing and crating shall be deemed part of the purchase price, and no additional charges will be made, for packing and crating unless specifically requested by Buyer in the Purchase Order.

B. **Marking.** Each box, crate, or carton will show Buyer's full street address and Purchase Order numbers regardless of how shipped. On United Parcel Service or parcel post shipments, a packing list shall accompany each container and shall describe the contents of that container. On other shipments, Seller will provide a packing list to accompany each shipment, referencing the appropriate Purchase Order number. The bill of lading, if any, also will reference the Purchase Order number.

C. **Routing.** Seller agrees to ship via the carrier specified by Buyer. Seller will not insure or declare value on shipments unless Buyer specifies otherwise. As a normal practice, Seller will ship prepaid and subsequently invoice Buyer for reimbursement. In case of any shipment that does not correspond to normal past practice between Buyer and Seller, or to standard practice in the industry, Seller agrees to notify Buyer 72 hours prior to shipment for special shipping instructions.

D. **Consolidation.** Seller shall consolidate air and surface shipments daily on one bill of lading per mode to avoid premium freight cost, unless instructed otherwise by Buyer. All premium freight cost incurred by Buyer or Seller beyond that specified by Buyer shall be borne by Seller. Seller is responsible for all shipments which are damaged in transit due to improper packaging, improper judgment and/or its act or omission.

25. **Inspection-Quality System.**

A. The Seller agrees to permit Buyer and Buyer's customer or government representatives if this Purchase Order references a U.S. government contract or subcontract number, to verify the quality of supplies and services being provided under this Purchase Order at any production stage in the Seller's facility or its subcontractor and sub-tier subcontractor's facility(ies). Verification may consist of a physical assessment/surveillance of the Seller's facilities and quality programs and/or a source inspection. Deficiencies identified during such verification shall be positively corrected by the Seller in the most expeditious manner possible. The Seller shall provide all reasonable facilities and assistance for the safety and convenience of personnel engaged in such verification. Seller agrees to include into each subcontract that Seller might make hereunder appropriate provisions to the same effect.

B. Unless modified by the Purchase Order clauses, Seller is required to ensure that the manufacturing processes used meet the technical requirements of the applicable drawings, specifications, engineering changes and added requirements of the Purchase Order. An inspection system inherent to verifying the technical requirements must be maintained and objective evidence of such will be produced on request.

C. Where Buyer intends to perform verification at Seller's facility(ies) or its subcontractor and sub-tier subcontractor's facility(ies); Buyer shall include any such requirements in this Purchase Order indicating also the method of product release applicable.

D. The Seller shall ensure employee competency. The Seller should provide, if requested by the Buyer, a proof of employee qualification for any specific processes required by the Buyer.

26. **Vendor Ownership Change.** Seller is required to submit immediately in writing to Buyer notification of the following change conditions, whether subcontract is DOD classified or not:

A. Acquisition by or merger with any domestic or foreign interest;

B. Majority or controlling interest obtained by any domestic or foreign interest.

27. **Cessation of Production.** If production of items covered by this Purchase Order is to be permanently discontinued at any time within one year after final delivery under this Purchase Order, Seller shall give Buyer at least 180 days prior written notice of such discontinuance during which time Seller shall accept orders from Buyer for reasonable quantities of such items, despite such cessation of production.

28. **Employees.** Seller shall be solely liable for the payment of any and all

payroll taxes or contributions for unemployment insurance or old age pensions which are measured by the wages, salaries and other remuneration paid to Seller's employees and Seller shall indemnify and hold Buyer harmless from any such taxes or contributions.

29. **Equal Employment.** Executive Order 11246 as amended, Title 41 Code of Federal Regulation 60-4.1, 60-250.4, 60-741.3 are hereby incorporated by reference.

30. **Applicable Law.** The validity, interpretation and performance of these terms and conditions and any purchase made hereunder shall be governed by the laws of the state from which this Purchase Order is issued, in force as of the date of this Purchase Order for contracts made and to be performed in such state. Where not modified by the terms herein, the provisions of such state's enactment of Article 2 of the Uniform Commercial Code shall apply to this transaction.

31. **Compliance with Law.** In all of their respective activities pursuant to this Purchase Order, Buyer and Seller shall strictly comply with all applicable laws, decrees, statutes, rules, regulations, codes and ordinances of any jurisdiction, including, without limitation,

(i) those affecting or limiting prices, production, purchase, sale or use of material; and,

(ii) the United States Foreign Corrupt Practices Act (Pub. L. No. 95-213, 94 Stat. 1494) (the "FCPA Act"), together with all amendments to the FCPA Act which are effective during the term hereof, which may be applicable to such activities. In addition to the FCPA Act, Seller expressly represents that it is aware of and familiar with the provisions of the anti-corruption laws such as the local laws, the laws under the OECD anti-bribery convention or the United Nations Convention, as these laws may be amended or interpreted from time to time (collectively the "Anti-Corruption Laws") and their purposes. Seller represents and warrants that it will not engage in any activity, practice or conduct which would constitute a violation of the Anti-Corruption Laws and as such Seller will not, directly or indirectly, offer, pay or agree to pay any payment, gift or other thing of value of any nature to any officials, employees or agents of any government, any department, agency or instrumentality of any government, any political party, or any candidate for political office or other person exercising a public function for a public agency, a public enterprise or a public international organization where such payment, gift or other consideration would violate the principles set forth in the Anti-Corruption Laws; and,

(iii) the rule adopted by Securities and Exchange Commission as mandated by the Dodd-Frank Wall Street Reform and Consumer Protection Act to require companies to publicly disclose their use of conflict minerals that originated in the Democratic Republic of the Congo (DRC) or an adjoining country. Seller shall have a policy to reasonably assure that the tantalum, tin, tungsten and gold (as well as their derivatives and other minerals that may be designated in the future) when used for the manufacture of the products, do not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses in the Democratic Republic of the Congo or an adjoining country. Seller shall exercise due diligence on the source and chain of custody of these minerals and make due diligence measures available to Buyer upon Buyer's request.

If requested by Buyer, Seller agrees to timely certify compliance with such laws in such forms as Buyer may request.

32. **Dispute Resolution.** Any controversy, dispute or claim arising out of or relating to these terms and conditions or this Purchase Order, or interpretation application, implementation breach or enforcement which the parties are unable to resolve by mutual agreement, shall be settled by submission by either party of the controversy, dispute or claim to binding arbitration in Houston, Texas before a single arbitrator in accordance with the rules of the American Arbitration Association then in effect (or similar dispute resolution facilitator if the American Arbitration Association is then no longer in existence). In any such arbitration proceeding the parties agree to provide all discovery deemed necessary by the arbitrator. The decision and award made by the arbitrator shall be final, conclusive and non-appealable and binding on all parties hereto for all purposes, and judgment may be entered thereon in any court of competent jurisdiction. The parties agree that the decision of the arbitrator shall not include punitive damages

and the arbitrator shall be so instructed. The costs of the arbitration proceeding shall be borne equally by Buyer and Seller.

33. **Limitations.** Any action by Seller under or for breach of these terms and conditions or this Purchase Order must be commenced within two (2) years after the cause of action has accrued and thereafter is waived.

34. **Records Retention.** Seller shall maintain and retain in hard copy or electronic form the quality records and relevant documents related to the performance and execution of this Purchase Order for a period of five (5) years following the completion or termination hereof. Seller shall notify the buyer prior to disposition of any Geocomp, Inc. or GeoTesting Express, LLC records.

35. **Flow-Down Requirements.** Seller shall ensure that Seller's direct and sub-tier external providers are also contractually obligated to meet all Buyer's requirements and any specific Buyer's customer requirements included in this Purchase Order or included as an attachment to the Purchase Order. When required by Buyer, Seller shall provide evidence that all the applicable requirements have been contractually agreed to by its direct and sub-tier external providers. Seller is responsible for ensuring that all Buyer's requirements are followed. Seller shall use customer-designated or approved external providers when contractually required.

36. **Disposition of Non-Conforming Product.** Seller shall verify that it has received from the buyer a copy of all the documents listed in the Purchase Order including all Geocomp, Inc. or GeoTesting Express, LLC standards or specifications or any other general standard. Seller must notify the Buyer indicated in the header of the Purchase Order about any non-conformance or non-conforming product and request product disposition approval in writing prior to shipping. Seller shall notify Buyer of any changes to the manufacturing process, changes to the product, changes in sub-suppliers, or changes in the manufacturing location of the product at least 90 days in advance of the effect of change. Any such changes must be approved prior to delivery and may require Seller to obtain approval through a First Article Approval process.

37. **Geocomp References.** Seller shall reference Geocomp's internal Part Numbers (where applicable) and Purchase Order Numbers on all related documents, shipping documents, packing lists, packaging labels and invoices. The invoice unit of measure must match the unit of measure specified on the Purchase Order. The invoice item must also indicate its corresponding line item of the Purchase Order.

38. **Supplier Performance.** The Seller's performance shall be measured by the organization based on its On Time Delivery performance and the number of Non-Conforming Reports generated.

38. **Counterfeit Parts.** The seller shall have a process in place to prevent the use and delivery of counterfeit parts and/or materials.