



MONTROSE WATER AND SUSTAINABILITY SERVICES, INC.
STANDARD US TERMS AND CONDITIONS
FOR THE PURCHASE OF GOODS AND SERVICES

1. **ACCEPTANCE** – Supplier agrees to furnish the goods and services ordered by Montrose Water and Sustainability Services, Inc. (“Montrose”) subject to these terms and conditions (the “Agreement”) from the supplier named on the Purchase Order (“Supplier”). Supplier shall not proceed with any work until Montrose has issued a written purchase order (the “Purchase Order”) to the Supplier. Any terms or conditions proposed by Supplier inconsistent with or in addition to this Agreement shall be void and of no effect unless Montrose specifically agrees to such terms and conditions in writing. This Agreement, together with such additions and/or modifications, and the Purchase Order, constitute the entire agreement between the parties.
2. **PRICES AND PAYMENTS** – The price of the goods and services supplied under this Agreement is the price stated in the Purchase Order. Unless otherwise specified in the Purchase Order, the price includes all packaging, transportation costs to the Delivery Point, insurance, customs duties and fees and applicable taxes, including, but not limited to, all sales, use or excise taxes. No increase in the price is effective, whether due to increased material, labor or transportation costs or otherwise, without the prior written consent of Montrose. Additional costs which has not been expressly accepted, in writing, by Montrose will not be eligible for reimbursement. Supplier shall invoice Montrose promptly in accordance with the milestone billing schedule set forth in the Purchase Order. Montrose shall not be obligated to pay any amounts not properly invoiced within 60 days after goods and/or services are provided, including any pass-through expenses that otherwise would have been reimbursable in accordance with the Purchase Order. Payment terms shall be Net 60 days from Montrose receipt of Supplier’s correct and valid invoice. Supplier’s invoices shall include the Purchase Order number and any other information Montrose shall reasonably request. All payments are made conditional upon acceptance by Montrose of the goods called for under the Agreement and shall be subject to adjustment for failure of Supplier to meet the requirements of the Agreement.
3. **DELIVERY - TRANSFER OF TITLE/RISK OF LOSS** – Time is and shall remain of the essence of this order, and no acts of Montrose, including without limitation modification of this order or acceptance of late deliveries, shall constitute a waiver of this provision. Shipment or delivery shall be in accordance with the schedule set out in the Purchase Order and in exact quantities ordered. Supplier shall box, crate, or package as necessary for shipment without charge unless otherwise specified in the Purchase Order. Montrose reserves the right to refuse or return, at Supplier’s risk and expense, shipments made in excess of the Purchase Order or in advance of required schedules, or to defer payment on advance deliveries until scheduled delivery dates. Unless otherwise specified in the Purchase Order, delivery shall be DDP (Incoterms 2010). Risk of Loss and Title shall transfer to Montrose upon delivery of the goods to the delivery place identified in the Purchase Order.
4. **DELIVERY DELAYS** – Supplier shall notify Montrose immediately of any actual or potential delays the timely performance of the Purchase Order. If the goods are not delivered on the due date then, without prejudice to any other remedy, Montrose shall be entitled to deduct from the price by way of liquidated damages for delay, and not as a penalty, five percent (5%) of the price for every week’s delay, up to a maximum of twenty percent (20%) of the price.
5. **INSPECTION; ACCEPTANCE** – All goods furnished to Montrose shall be subject to final inspection and approval by Montrose at the destination, notwithstanding prior receipt and payment, and, if unsatisfactory, may be returned, transportation both ways at Supplier’s expense. Montrose reserves the right to inspect the goods during the manufacturing process and/or to witness the factory acceptance test, at its own cost and expense, at Supplier’s facility at any time during Supplier’s normal working hours. Acceptance of any items by Montrose shall not be deemed to alter the obligations of Supplier or the rights of Montrose and its customers under the Warranties clause or any other provision of this Purchase Order.
6. **SUBCONTRACTORS** – Supplier shall not use subcontractors to provide goods or to perform any services under this Purchase Order without the prior written authorization of Montrose. The price quoted by Supplier includes the price of any goods or services obtained from any subcontractor or supplier to Supplier, unless otherwise agreed in advance by Montrose. Supplier shall incorporate these terms and conditions on any order or subcontract approved by Montrose and procured from third parties pertaining to this purchase order. Supplier shall remain fully responsible for all work performed by such third parties and shall indemnify and hold Montrose harmless for any payment required to be made to any such parties.
7. **WARRANTIES** – Supplier represents and expressly warrants (i) that all goods ordered to specifications will conform thereto and to the drawings, samples or other descriptions Montrose furnishes or, if not ordered to specifications, that such goods will be suitable for the purpose intended, and (ii) that all goods will be of good quality and workmanship and free from defects in design and materials. Supplier warrants that all services performed hereunder shall be performed in a good and workmanlike manner by qualified, trained personnel, free from errors. Supplier’s warranty shall run for twenty-four (24) months from delivery of the goods (the “Warranty Period”). Supplier’s warranties shall be enforceable by Montrose and shall run to Montrose’s customer(s).



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8. **BREACH OF WARRANTIES** – In addition to all other remedies available to Montrose at law or equity, at Montrose option and promptly upon receipt of notice from Montrose, Supplier shall at its own expense (i) replace any goods which are defective, (ii) correct any goods which are defective, or (iii) refund any payments Montrose has made for, and arrange pick-up or return of, any goods which are defective. Supplier agrees to proceed with the correction of any defects in a manner satisfactory to Montrose. Supplier shall assume all risk of loss or damage to goods which are to be replaced or corrected pursuant to this warranty from the date on which Supplier is notified of the defect or non-conformity until the replaced or corrected goods are received and accepted at the destination designated by Montrose. Alternatively, Montrose may at its option repair such defective goods at Supplier's expense.
9. **CHANGES** – Montrose may at any time, by written order and without notice to any surety, make changes or additions within the general scope of this purchase order in or to drawings, designs, specifications, instructions for work, method of shipment or packing or place of delivery. If any such change causes an increase or decrease in the cost of or in the time required for performance of this order, Supplier shall notify Montrose in writing immediately and an appropriate equitable adjustment will be made in the price or time of performance, or both, by written modification of this order. Any claim by Supplier for any such adjustment must be made within thirty (30) days, or such other period as the parties may agree in writing, after Supplier's receipt of notice of the change. Nothing herein contained shall excuse Supplier from proceeding with the purchase order as changed. No change shall be effective, nor shall Montrose be obligated to pay any increase in compensation as a result of a change, unless Montrose issues a written change order. Changes which increase or decrease pricing shall be revised as mutually agreed to in writing.
10. **PATENTS, COPYRIGHTS, TRADEMARKS, AND TRADE SECRETS** – Supplier warrants that the sale, use or incorporation into manufactured products of all goods furnished hereunder which are not of Montrose design, composition or manufacture shall be free and clear of infringement of any third-party patent, copyright, trademark or trade secret. Supplier shall indemnify and hold Montrose harmless from any and all liability and/or loss of any kind (and the cost and expenses, including without limitation attorney's fees) arising out of any claim, suit or action alleging or arising out of any such infringement, which claim, suit or action Supplier agrees to compromise or defend.
11. **ASSIGNMENT** – Supplier shall not assign any of its rights (including without limitation the right to any monies due or to become due) or delegate any of its obligations under this order without Montrose prior written consent. Any assignment by Supplier of any monies due or to become due shall be subject to set-off, recoupment or other claim of Montrose against Supplier.
12. **RELEASE OF LIENS** – All goods supplied and all services performed by Supplier pursuant to this order shall be free from all liens. If Montrose requests, Supplier shall provide a proper release of liens or other satisfactory evidence of freedom from liens.
13. **CONFIDENTIALITY** – Supplier shall keep confidential all information designated as confidential by Montrose or reasonable known to be confidential, including, but not limited to, designs, processes, drawings, specifications, reports, data and other technical or proprietary information and the features of all parts, equipment, tools, gauges, patterns and other items furnished or disclosed to Supplier by Montrose in connection with this purchase order ("Montrose's Confidential Information"). Supplier shall not disclose such information to any third party without the written consent of Montrose and shall not use Montrose's Confidential Information except as contemplated in this purchase order. Upon completion or termination of this purchase order, Supplier shall return all Montrose's Confidential Information to Montrose or make such other disposition thereof as may be directed and approved by Montrose and shall certify to such return or destruction.
14. **INDEMNITY – SUPPLIER SHALL DEFEND AND INDEMNIFY MONTROSE FROM AND AGAINST ALL DAMAGES, LIABILITIES, CLAIMS, LOSSES, JUDGMENTS, SETTLEMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES) ARISING OUT OF, OR IN ANY WAY RELATED TO: (I) THE CONTRACT OR PERFORMANCE THEREUNDER; (II) ANY DEFECT IN THE GOODS OR SERVICES; (III) THE BREACH OF ANY OBLIGATION OR WARRANTY UNDER THE CONTRACT; (IV) ANY ACTUAL OR ALLEGED INFRINGEMENT OF ANY PATENT, TRADEMARK, COPYRIGHT, MASK WORK, TRADE SECRET, OR ANY UNFAIR COMPETITION RIGHT, IN THE GOODS PURCHASED UNDER THE CONTRACT; (V) ANY ACT OR OMISSION OF SUPPLIER, ITS AGENTS, EMPLOYEES OR SUBCONTRACTORS; OR (VI) THE DELIVERY, CONDITION, USE OR OPERATION OF THE GOODS, WHETHER SUCH GOODS ARE IN THE SAME MODE AS WHEN DELIVERED UNDER THE CONTRACT OR WHETHER THEY HAVE BEEN USED IN THE MANUFACTURE OF, AND BECOME PART OF, EQUIPMENT, MACHINERY OR GOODS SOLD BY MONTROSE TO THIRD PARTIES AND SUPPLIER AGREES TO, AND WILL ASSUME ON BEHALF OF MONTROSE, UPON ITS DEMAND (WITHOUT REGARD TO THE REAL OR APPARENT MERITS OF SAID**



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ACTION), THE DEFENSE OF ANY COURT OR AGENCY ACTION WHICH MAY BE BROUGHT AGAINST MONTROSE.

15. LIMITATIONS OF MONTROSE'S LIABILITY – STATUTE OF LIMITATIONS: IN NO EVENT SHALL MONTROSE BE LIABLE FOR ANTICIPATED PROFITS OR FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES. MONTROSE'S LIABILITY ON ANY CLAIM OF ANY KIND FOR ANY LOSS OR DAMAGE ARISING OUT OF, CONNECTED WITH OR RESULTING FROM THE CONTRACT, OR FROM THE PERFORMANCE OR BREACH HEREOF, SHALL IN NO CASE EXCEED THE PRICE ALLOCABLE TO THE GOODS OR UNIT THEREOF WHICH GIVE RISE TO THE CLAIM. MONTROSE SHALL NOT BE LIABLE FOR PENALTIES OF ANY DESCRIPTION. ANY ACTION RESULTING FROM ANY BREACH ON THE PART OF MONTROSE AS TO THE GOODS DELIVERED UNDER THE CONTRACT MUST BE COMMENCED WITHIN ONE (1) YEAR AFTER THE CAUSE OF ACTION HAS ACCRUED.

16. INSURANCE – Supplier shall at minimum maintain, at its sole cost, and shall require any subcontractors it may engage to maintain at all times while transacting business with Montrose and for two (2) years following acceptance of goods and services hereunder, the insurance coverage set forth below, with one or more insurance companies licensed to do business in the state where the work is performed and with a rating of not less than A, X or better as shown in the most current issue of the A.M. Best Rating Guide:

(a) Workers' Compensation Insurance as required by laws and regulations applicable to and covering any subcontractor's employees performing in connection with Supplier's obligations hereunder at any Montrose location, and all employees of Supplier engaged in Supplier's performance of its obligations hereunder.

(b) Employers' Liability Insurance protecting Supplier against common law liability in the absence of statutory liability, for employee bodily injury arising out of the master-servant relationship with a limit of not less than \$1,000,000.

(c) Commercial General Liability Insurance including coverages for premises/operations, products/completed operations, bodily injury, property damage, independent contractors and coverage for insured contracts specifically in support of the contractual obligations of Supplier including, without limitation, any indemnity obligations hereunder, with limits of liability of not less than \$1,000,000 per occurrence and \$2,000,000 in the annual aggregate and naming Montrose and its Affiliates as an additional insured for both ongoing and completed products and operations. Including Primary and Noncontributory, Waiver of Subrogation and 30-day notice of cancellation.

(d) Automobile Liability Insurance including non-owned and hired vehicle coverage with limits of liability of not less than \$1,000,000 per occurrence combined single limit and naming Montrose and its Affiliates as an additional insured.

(e) Excess Liability/Umbrella Insurance including over the coverages described in parts 14(a)-(d) of not less than \$5,000,000, including pollution and professional liability where applicable, naming Montrose and its Affiliates as an additional insured.

Supplier shall provide a certificate of insurance evidencing such insurance coverage that shall provide that the insurance carrier will give Montrose thirty (30) days' prior written notice of any cancellation or non-renewal of any policy or policies identified in such certificate. Except where prohibited by law, Supplier shall require its insurer to waive all rights of subrogation against Supplier's insurers and Supplier. Endorsements shall be attached to the certificate of insurance.

17. COMPLIANCE WITH LAWS – Supplier warrants that in performance of this order it has complied or will comply with all applicable federal, state and local laws, rules and regulations at the time of delivery or performance, including without limitation, 41 C.F.R. Part 60-1, 60-300.5(a), 60-741.5(a) and 29 CFR Part 471, Appendix A to Subpart A; Section 503 of the Rehabilitation Act of 1973, 20 C.F.R. §§41.3, 741.4; and the Vietnam Era Veterans Readjustment Assistance Act of 1974, 41 C.F.R. Part 50-250. 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, sexual orientation, gender identity, 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, sexual orientation, gender identity, national origin, protected veteran status or disability. If Supplier provides export-controlled products, technology and/or software ("Products") to Montrose, Supplier will provide Montrose with a list of ECCNs (Export Control Classification Numbers) for such Products, as well as updates to such list when new Products are added. Supplier certifies (and will certify with respect to any updates) that it has conducted proper classification analysis under the EAR. For on-site performance of services, if applicable, Supplier shall adhere to all safety, health or other administrative



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requirements, rules, regulations or procedure of Montrose and its facilities where services are performed and shall provide to Montrose a health and safety declaration.

- 18. PUBLICITY** – Except as may be required by law or governmental rules, Supplier shall not, without the prior written consent of Montrose, which may be granted or withheld at Montrose’s sole discretion: (a) use Montrose’s name, brand, trademarks or any descriptions of Montrose and/or its industry that would allow a third party to identify Montrose (“Montrose’s Brand”), in advertising or promotional material, publicity releases or for any other commercial purpose; (b) in any manner advertise, publish or disclose the fact that Montrose has placed this purchase order with Supplier; or (c) disclose the subject matter or terms and conditions of this purchase order. In no case shall Supplier or an affiliate of Supplier use Montrose’s Brand or information about Montrose’s industry, equipment or operations in a manner that disparages Montrose.
- 19. SUSPENSION; TERMINATION** – Montrose may suspend or terminate this order in whole or in part at any time. Upon receipt of notice of such suspension or termination Supplier shall stop all performance under this order, except as otherwise directed by Montrose, furnish Montrose with a list of all outstanding orders for goods and services and take such action relative thereto as may be directed. In the event of a termination for convenience, Montrose shall reimburse Supplier for reasonable expenses incurred by such termination including Supplier’s cancellation charges. Montrose shall have the right, without penalty or payment, to cancel any Purchase Order if (i) the Supplier breaches any of the terms of this agreement; (ii) Supplier’s insolvency or commission of an act of bankruptcy; (iii) commencement of proceedings by, for or against Supplier under any law relating to bankruptcy or the relief of debtors; (iv) the appointment of a receiver or trustee for Supplier, whether voluntary or involuntary; (v) the execution by Supplier of an assignment for the benefit of creditors; and (vi) the determination by Montrose, in its sole and reasonable judgement, that Supplier’s financial condition is such as to endanger its performance hereunder (“Termination for Cause”). In the event of a Termination for Cause, upon Montrose’s request, Supplier shall deliver to Montrose full title and possession, in either case, of (i) the goods and service deliverables, or (ii) all raw materials, work-in-process and finished goods, parts and other material together with any associated warranties, and any subcontracted items which Supplier has specifically produced or acquired or contracted for in accordance with this Agreement, provided that Montrose shall pay to Supplier the unpaid balance of any amounts for work satisfactorily completed. The rights and remedies of Montrose provided in this Termination clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.
- 20. THIRD PARTY BENEFICIARIES** – Supplier acknowledges that Montrose’s ultimate parent and its subsidiaries are third party beneficiaries (“Affiliates”) of these terms and conditions. Affiliates shall have the right to exercise all of the rights of Montrose under these terms and conditions. References in the purchase order to Montrose shall be deemed to include Affiliates as the context requires.
- 21. COMPLIANCE WITH CODE OF CONDUCT** – It has been and continues to be the policy of Montrose, its Affiliates, and the officers, employees, agents and other representatives of each (collectively, the "Montrose Entities"): (i) to comply with all laws governing their operations; and (ii) to conduct their affairs in a manner consistent with high moral and ethical standards as described in its Code of Conduct available on Montrose’s website at www.montrose-env.com (the "Policy"). In furtherance of the Policy, Montrose requires Supplier to observe the Policy. Accordingly, supplier agrees that in the performance the Agreement it shall comply with, and shall cause its employees, contractors and agents to comply with, the Policy. If Supplier or its employees, contractors or agents engage any activities contrary to the Policy, Supplier shall bear all the losses, costs, damages, expenses and liabilities arising therefrom.
- 22. MISCELLANEOUS** – This agreement, and all rights and obligations of the parties, whether arising under this agreement or otherwise, shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to its principles of conflict of laws. The sole and exclusive jurisdiction for resolution of any disputes between the parties shall be in the state and federal courts located in Dover, Delaware, and each of the parties hereby submits to the jurisdiction of such courts. Failure of Montrose to enforce any of its rights hereunder shall not constitute a waiver of such rights or of any rights it may have. In case any provision hereof is held to be invalid, illegal or unenforceable, (a) such provision shall be limited or excluded only to the extent necessary to make it valid, legal and enforceable, and (b) the validity, legality and enforceability of the remaining provisions shall not be affected. Nothing herein shall be construed as creating an exclusive relationship between Montrose and Supplier regarding the goods or services. Montrose reserves the right to engage other persons or entities to provide goods and services similar to those provided hereunder. Montrose shall have the right to audit the books and records of Supplier relevant to this purchase order, at Supplier’s place of business or by electronic delivery, until four (4) years after delivery of goods and/or performance of services. Any notices required hereunder shall be given in writing to the addresses set out in the Purchase Order and shall be deemed effective on the same day any such written notice is personally served or delivered via electronic mail, or on the third (3rd) day after such notice is deposited in the United States mail or with a nationally recognized overnight delivery service.