

**ACCEPTANCE**

By requesting Company's services, equipment, or products, Client voluntarily elects to enter into and be bound by these terms and conditions, and any and all additions in the pricing proposal ("General Terms and Conditions"). All orders from Client are subject to final acceptance by Company and to the conditions set out herein. Terms and conditions set forth in Client's order shall be null and void unless specifically accepted by Company in writing. Performance by Company pursuant to order of Client shall not constitute acceptance by Company of Client's terms and conditions.

**DEFINITIONS**

**Chemicals** – any chemicals, substances and Fluids, used or unused, or considered as waste or by-products, cuttings, or cavings and other hazardous wastes (as defined pursuant to applicable law) and residue resulting from, or incident to, Company's performance of the Work.

**Claim(s)** – Damage, loss, expense, liability, claims, demands and causes of action of every kind and character (, all costs and expenses, and reasonable attorney fees associated therewith) including, but not limited to, special, punitive, exemplary, general, compensatory, direct, indirect, incidental, or consequential damages, either under common law, equity, statute, or otherwise, whether based on tort, contract, strict liability, or statutes that may or could be asserted including without limitation, actions in rem or in personam, civil or criminal actions and/or causes of action howsoever arising.

**Company** – the entity providing Work to Client, which may be: Frontier International, Wolverine Oilfield Technologies, Frontier Oil Tools, etc.

**Client** – the person, firm or other entity to which any Work is supplied or provided by Company.

**Fluids** – chemicals, emulsions, or chemically treated fluids and residue, including but not limited to drilling fluids, completion fluids, displacement fluids, wellbore fluids, wellbore treatments, stimulation fluids, whether water, oil, or synthetic based.

**Group** – Either Company or Client and its respective contractors, subcontractors, consultants, agents, invitees, co-venturers, co-owners, partners, investors, joint venturers, co-lessees, co-working interest owners, lessors, Client's clients (as part of Client Group), and its and their parents, affiliates, subsidiaries, and each of their respective officers, directors, managers, shareholders, members, representatives, servants, consultants, agents, employees and invitees.

**Order** – an oral or written request for Work, a Company quotation accepted by Client and/or a service or purchase order document issued by Client and accepted by Company, which together with these General Terms and Conditions constitute the contract between Company and Client. Company shall not be obligated to provide any Work before an Order is agreed to by both parties.

**Party or Parties** – Company and/or Client

**Products** – equipment, goods, materials, products provided by Company to Client.

**Rentals** – Client's hiring of Products and/or equipment from Company for a period of time.

**Services** – services provided by Company to Client, including Products and personnel customarily required to provide such services.

**Work** – Products, Services and/or Rentals.

**ORDERS; CHANGE ORDERS; CREDIT; PAYMENT; TAXES**

**Orders.** From time to time, at the request of Client, Company shall perform Work for Client as specified in Orders. The Parties are free to issue/accept Orders in any written form, including purchase orders, work orders, statements of work, emails or other written communication between the Parties, regardless of format, or via oral Orders, but, unless the Parties have entered into a separate, written, master services agreement, supply agreement, equipment rental agreement, or other contract which governs the Work, (a) each Order shall be subject to these Terms and Conditions, which shall control and govern all transactions between the Parties with respect to Work performed by Company, whether or not these Terms and Conditions are referred to in the Order; (b) no other, additional or different terms and conditions in any written or oral communication with respect to a transaction for Work (including the terms and conditions in any Client request for proposal, request for quote, request for bid, purchase order, or similar document shall vary or amend these Terms and Conditions; and (c) Orders submitted by Client orally or via email shall be followed by a purchase order or other written confirmation of the Order within seven (7) days from the date of the oral or email order, failing which Company shall have no obligation to perform Work thereunder. In the event of a conflict between these Terms and Conditions and the terms in any Order, these Terms and Conditions shall control, unless the Order (i) makes specific reference to and identifies to the provision(s) of these Terms and Conditions to be modified, (ii) explicitly states the intention of the Parties to effect the modification thereof, and (iii) is executed on behalf of each Party by an authorized officer of the Party. Such modifications shall be effective for that Order only, and no agreement to modify these Terms and Conditions with respect to any Order shall have the effect of varying or amending those Terms and Conditions (or any others herein) with respect to any other or subsequent Order. Each Order shall constitute a separate agreement between the Parties. Only the Company legal entity performing Work under an Order shall have any liability or responsibility with respect to such Work.

**Change Orders.** Client may, with reasonable notice, request to change the Work to be provided under an Order by issuing a written change order authorization document. If upon receiving a Change Order, Company determines that there is any impact that increases the cost or affects the time to perform or provide the Work, Company shall submit a proposal to Client specifying the pricing and scheduling changes needed to execute the Change Order. Client shall review the proposal and may accept, reject or modify the proposal, subject to mutual agreement; however, Client shall be deemed to have accepted such proposal once Company proceeds as specified in the Change Order. Company may, at its sole discretion, decline to execute the Change Order and such declination to execute shall not prejudice Company's rights under the applicable Order.

**Cancellations, Returns, and Buy-Back.** Orders placed by Client and accepted by Company can only be canceled with Company's written consent unless otherwise set forth in the relevant Order or otherwise agreed to in writing by Company, all Product sales are final. Rentals must meet the specifications set forth in the Order for return at the end of the rental period, and Company may verify compliance at the time of return to Company's designated facility. If Rentals do not meet the specifications at the time of return, or are damaged beyond repair, they shall, at Company's sole discretion, be sold to Client AS-IS, WHERE IS AND WITHOUT WARRANTY, at now replacement costs or then-current rates for sale of the same, if applicable, and will be returned to Client at Client's cost. Any waste found in Rentals upon return to Company will be returned to Client or disposed of at Client's cost. Neither all nor part of Client's order may be returned to Company without prior written agreement of Company. In the event Company shall agree to such return, Client agrees in addition to any other requirements of Company to pay all shipping charges and Company's minimum restocking charge of 40% and that such goods be unused, undamaged, salable and in new condition. Under

no circumstances may any goods be returned to Company that are used, damaged, or otherwise, considered a special order or are not regularly stocked by Company. On special items, Company will attempt to advise the Client at time of order if the products, supplies, and materials are special, but Company' failure to do so shall not be taken as a denial of the fact that it is a special item. Rubber products cannot be returned. Company shall have the first right of refusal to purchase any service equipment sold herein back from the Buyer at an agreed-upon negotiated price if the Buyer chooses to resell such service equipment.

**Payment.** Client acknowledges that Company's payment terms are cash in advance unless the value of the Work is supported by Client credit approved by Company prior to the transaction. Client also acknowledges that Company, in its sole discretion, may refuse to grant Client the right to request Work on credit and/or may rescind the right to request Work on credit at any time. In the event that Client's credit account with Company becomes delinquent, Company shall have the right to require, at its sole discretion, payment in advance, an irrevocable letter of credit, or bank guarantee as a condition to continue performing any ongoing Work or accepting any additional Work. For transactions not supported by Company approved credit, Company's invoice will be issued upon receipt of full payment from Client. If Client requires any supporting documents or information to be submitted with Company's invoices, then such requirements must be agreed in the Order before the Work is provided.

Unless otherwise specifically agreed in an Order, the following invoicing conditions shall apply to Work for which credit has been approved: a. Company may invoice Client for each portion or stage of the Work, as described and priced in the Order, as soon as practicable and without frequency restrictions. b. Company may invoice Client for Products as follows: fifty percent (50%) of the sale price immediately upon receipt and acceptance of an Order, and the remaining fifty percent (50%) immediately upon delivery of the Products. c. Company may invoice Client for Rentals in advance, as follows: one hundred percent (100%) of the rental price for the initial rental period immediately upon receipt and acceptance of an Order. In the event the rental is extended beyond the initial rental period or the scope is expanded, Company will submit a subsequent invoice to Client for an amount equal to one hundred percent (100%) of the additional rental price to cover such extended period or expanded scope. d. Company may invoice Client for any and all reimbursable items in advance. Company's invoice shall be deemed correct and shall evidence Client's acceptance of Work delivered unless Company receives prompt written notice of any disputed items within five (5) business days after the date of the invoice. Such notice shall explain the reason for the dispute in detail, along with any supporting documentation of Client's position, and Client and Company will meet in good faith within fifteen (15) calendar days from Company's receipt of the notice to resolve the dispute. If an invoice is disputed, however, Client agrees to pay Company any undisputed portion of that invoice as set forth below and without delay. Upon settlement of the dispute, Client shall immediately pay to Company all amounts agreed by the parties to be due with respect to the disputed amount(s) and Company shall make the appropriate corrections regarding the disputed amounts by issuing, as applicable, a credit or debit note to Client. Client shall have no right to withhold or offset payments, except to the extent it is agreed because of the foregoing dispute resolution procedure. Client waives all rights to dispute any item (or submit a claim for amounts invoiced) where Company has not received written notification of a disputed item within two (2) years from the date such Work is actually provided. Client shall pay the total invoice amount without any payment retentions (other than taxes which must be withheld as mandated by tax legislation). Payment shall be made by electronic transfer of funds to Company's designated bank account, or by other payment means mutually agreed, at Company's office in Houston, Texas, unless another office location has been designated in the payment instructions contained in an Order or an invoice.

With respect to some export sales, payment is to be made in exchange for the documents mentioned in delivery below to be tendered to bankers approved by Company for the full amount of the goods sold, with such credit to be confirmed to Company by such bankers if required by Company and to remain in full force until the order of Client shall be completely performed by Company. For certain Orders, export letters of credit are to be confirmed (if required by Company) and irrevocable, payable at sight in U.S. Dollars and issued by a major bank acceptable to Company at the address shown in this quotation as beneficiary. Unless otherwise agreed, all bank transfer charges, commissions, amendment charges or any charges in connection with the letter of credit are for the Client's account. The latest shipment date of the letter of credit should be thirty days after the quoted delivery date. The expiration date should be at least sixty days after the latest shipment dated.

**Taxes.** Client shall pay or reimburse Company for, to the extent allowed by applicable laws and regulations, any and all taxes or other levies (other than Company's income taxes) imposed by any government, governmental unit or similar authority with respect to the charges made or payments received by Company in connection with the Work.

#### **PRICING; SHIPMENT; TITLE**

Prices quoted herein are in U.S. Dollars per **INCOTERMS 2010** as defined under delivery.

**Delivery.** Tender to the Client or his authorized agent of commercial invoice and shipping documents, consisting of proper bills of lading or air waybill(s) and In case of "CIF" and "CIP" sales, a negotiable insurance certificate, shall constitute full and final delivery on the part of Company and entitle it to payment as stated herein. Sales quoted as "Ex Works" means Company fulfills its obligation of delivery when it has made the goods available at its premises (i.e. works, factory warehouse, etc.) to the Client, unless otherwise stated, and such shall constitute full and final delivery on the part of Company as provided in **INCOTERMS 2010**. Sales quoted as "FCA Named City" means Company fulfills its obligation of delivery when it has arranged carriage via common carrier to the first delivery point in the named city and pays the freight charges, which shall constitute full and final delivery on the part of Company as provided in **INCOTERMS 2010**. Under "FCA", "FAS", "FOB", "CFR", "CIF", "CPT", "CIP", and any other similar terms, if a U.S. export license is required, Company will obtain such export license or other official authorization necessary for export of the goods prior to shipment when the Buyer is outside the country, a) U.S.A.

**Inspection and Expediting.** Inspection of the goods by Client is to be made at Company's works and at Client's expense and such inspection and acceptance shall be final. Reasonable facilities will be afforded to inspectors representing the Client. If the Client requires expeditors, inspectors, and/or agents, Company will make available personnel to assist the Client's expeditors, inspectors, and/or agents during normal

working hours at Company' works and current rate charges for Company' personnel will be added to the price quoted for the products, supplies and materials.

**Storage of Client Owned Goods.** If the Client specifies delivery at a Company facility, the following terms shall apply, a) Title to the Goods sold hereunder and delivered to a Company facility ("Client-Owned Goods") has passed to Client on delivery to the Company facility, if not earlier per the stated delivery terms; b) the Risk of loss of or damage to Client-Owned Goods has passed to Client on delivery to the Company facility, if not earlier per the stated delivery terms; c) Client-Owned Goods may not be returned without Company's express written consent; d) Company shall take reasonable measures to identify and segregate such Client-Owned Goods from Company' inventory, and shall not use such Client-Owned Goods for its own account; e) Company holds such Client-Owned Goods as a bailee, and shall have no liability in excess of a bailee's liability at law.

Company has no obligation to insure Client-Owned Goods and as such payment for Client-Owned Goods shall be per the payment terms hereof, and shall not be contingent upon future services to be provided by Company, if any; and the Client has full ownership of such Client-Owned Goods, and may remove such Goods from Company' facility upon reasonable notice to Company.

**Validity.** Prices quoted herein are firm for forty-five days from the date of this quotation, and, unless specified otherwise, will be the invoice price through delivery; provided the order is received within this period and such order can be invoiced and shipped when completed. Deliveries quoted are estimates and subject to change based on first come first served. Firm shipping dates will be provided for the material upon acceptance of order.

**Title and Risk of Loss.** Unless otherwise agreed between the parties in an applicable Order, title to and risk of loss for Products sold, will pass to Client upon delivery to Client's designated carrier at Company's manufacturing facility. The prices of Products exclude any costs of transportation, handling, insurance, or any other costs for delivery beyond Company's manufacturing facility. At Client's request, Company may arrange for shipment of Products to a location designated by Client, and Client will pay or reimburse Company for all freight, preparation, and in-transit insurance costs so incurred by Company. In the event that purchased or repaired Products not subject to a bill-and-hold arrangement are left at a Company facility for over thirty (30) days, Company reserves the right at its sole discretion to charge storage fees to Client and/or to consider the Products abandoned and sell them for scrap or otherwise dispose of them at Client's cost.

#### **WARRANTY FOR PRODUCTS AND SERVICES**

**Products and Rentals.** Company warrants that Products furnished hereunder shall conform to the type and specifications represented by Company. Company reserves the right, at its sole discretion, to use new, used or refurbished parts in the assembly of its Products. Company warrants all its Products sold to be free of material defects in material and workmanship for a period of twelve (12) months from the date of delivery to the location stated in the Order, provided that notice of any defects is received by Company within the warranty period, unless otherwise stated in the Order. Rentals are warranted only for the rental period. The above warranty does not apply to Products that have been affected by normal wear and tear, modified at Client's request, supplied by Client or purchased by Company at Client's request, subjected to improper handling, storage, application, installation, operation or maintenance by anyone other than Company, and/or damaged by aggressive fluids, lightning, vandalism, or improper voltage supply or force majeure. No warranty is given to rapidly wearing Products or consumables. Company does not warrant or guarantee the results of the use of Rentals. Well conditions which prevent satisfactory operation of Rentals do not relieve Client of its responsibilities for payment of the rental prices and other costs agreed upon in the applicable Order. Company expressly reserves the right to change or modify the design and construction of any of its goods in the due course of its manufacturing process, without incurring any obligation or liability to furnish or install such changes, modifications or improvements on goods previously or subsequently sold.

**Services.** Company does not guarantee the results of the Services it performs or represent that those Services will achieve Customer's intended objectives, but does warrants to Customer that all Services performed by Company (i) shall be performed in a good and workmanlike manner, with reasonable diligence, using competent workmen and supervisors; (ii) shall be performed in accordance with the specifications (if any) detailed in the Order therefore; and (iii) shall be performed in accordance with standard oilfield services industry practices and the requirements of any applicable laws. For interpretation, analytical and / or log services, Company will give Client the benefit of its best judgment based on its experience interpreting information and making written or oral recommendations concerning logs or tests or other data, type or amount of material or service required, manner of performance or predicting results. Nevertheless, all such recommendations or predictions are opinions only and, in view of the impracticability of obtaining first-hand knowledge of the many variable conditions; the reliance on inferences, measurements and assumptions which are not infallible, and/or the necessity of relying on facts and supporting services furnished by others, **NO WARRANTY IS GIVEN CONCERNING THE ACCURACY OR COMPLETENESS OF ANY LOG (INCLUDING SOFTWARE MODELS), OR OTHER DATA, THE EFFECTIVENESS OF MATERIAL USED, RECOMMENDATIONS GIVEN, OR RESULTS OF THE SERVICES RENDERED.** Any warranty claim for Services must be made prior to Company's demobilization from the well site.

#### **INDEMNITY; RELEASE; WAIVER**

**Rental Tools.** Customer agrees to pay for, or to reimburse Company for, any loss of or damage (which includes damage beyond repair) to Company Tools (i) that occurs while the Company Tools are in the hole, or in the drill string below the level of the rotary table; (ii) that results from the flow or existence of any substance from or in the reservoir or well, or any well condition (including corrosion, erosion, embrittlement or abrasion); or (iii) that occurs while the Company Tools are otherwise in the care, custody and control of any member of Customer Group (e.g., while being transported on, or being loaded or unloaded to/from, a conveyance provided or arranged for by any member of Customer Group). Unless the Parties stipulate a replacement price for Company Tools in the applicable Order or have entered into a separate, written agreement waiving Customer's responsibility for (or specifying the replacement values applicable to) the specific lost Company Tool(s), Customer shall pay or reimburse Company for the Replacement Price (as defined below) of lost (or damaged beyond repair) Company Tools, plus any applicable taxes, as well as the costs of shipping the replacement tools or equipment from the manufacturer thereof to the Company's designated location. For purposes of the foregoing and these Terms and Conditions, the term "Replacement Price" shall mean Company's then current list price, without

discounts (if the lost Company Tools were manufactured by Company) or the list purchase price of new replacement tools or equipment purchased from a Third Party. Save and except for damage occasioned by normal wear and tear, Customer shall reimburse Company for the cost of repairing damaged Company equipment, including the costs of inspection and of shipping the damaged Company equipment to and from the place of repair, not to exceed the Replacement Price thereof.

**Rental Equipment.** Rental Equipment Warranties. Company warrants that all Rental Equipment shall, upon delivery to Customer, (i) be clean and in good mechanical condition; (ii) be capable of operating in accordance with its rated capacities and capabilities when operated in accordance with the Rental Equipment Operating Guidelines and otherwise conform to Company's published Rental Equipment specifications (and to any additional specifications stipulated in the Order); and (iii) comply with the requirements of all Applicable Laws. Company makes no other representations or warranties whatsoever with respect to Rental Equipment, hereby expressly disclaiming any and all other warranties, express or implied, including any warranty that the Rental Equipment will be merchantable or suitable for any particular use or purpose.

**Delivery and Inspection.** Unless otherwise specified in the Order, Company shall, at Customer's expense, deliver all Rental Equipment to the work site specified in the Order. Customer shall conduct a thorough visual inspection of all Rental Equipment upon its delivery to the Work Site and shall promptly notify Company of any apparent defects or deficiencies therein or damages thereto. Within 72 hours of its first use of the Rental Equipment, Customer shall notify Company, in writing, if same is non-operational by reason of a latent defect not discoverable from a thorough visual inspection, or otherwise fails to satisfy the requirements of the Order. If Customer timely notifies Company that the Rental Equipment is damaged, defective, non-operational, or otherwise fails to satisfy the requirements of the Order, Company shall replace the Rental Equipment, at Company's expense, within 72 hours after its receipt of such notice, or as soon as reasonably practical under the circumstances.

**Use and Control.** Customer shall have and assume all responsibility for the care, custody and control of the Rental Equipment after delivery and until its return, and agrees to use and operate the Rental Equipment in a careful and prudent manner, using only competent and properly trained employees, subcontractors, and only in accordance with any written installation, maintenance and/or operating manuals, procedures or instructions applicable thereto (including any applicable Original Equipment Manufacturer ("OEM") specifications or warranty requirements) furnished by Company (collectively "Rental Equipment Operating Guidelines") and the requirements of all Applicable Laws. Customer shall not move the Rental Equipment from the Work Site specified in the Order, sublease the Rental Equipment or allow any Third Party to operate such equipment without the prior written consent of Company. Customer shall not modify the Rental Equipment without Company's prior written consent, and shall not change, alter or remove any insignia, serial number or lettering of or on the same, or affix any of its own markings or insignia thereto.

**Routine Maintenance and Parts.** Unless otherwise specified in the Order with respect thereto, Customer shall have sole responsibility for the installation, routine inspection, service and maintenance of the Rental Equipment, and shall be responsible for furnishing or obtaining all labor, parts and other materials necessary to service and maintain the Rental Equipment in good operating condition throughout the rental period in accordance with the Rental Equipment Guidelines. The Rental Equipment shall be serviced by trained and qualified Customer personnel or by the repair facility designated by Company. All parts and other materials employed by Customer to service and maintain the Rental Equipment shall conform to the Rental Equipment Operating Guidelines. Customer shall maintain a maintenance log indicating the details of all maintenance and service performed on the Rental Equipment and shall provide a copy thereof to Company upon request.

**Replacement Parts and Service Technician.** Should the Rental Equipment fail at any time during the rental period and Customer be unable to repair same, Customer shall notify Company thereof and Company shall, within 72 hour of Company's receipt of Customer's notice, or as soon as reasonably practical under the circumstances (i) ship any necessary replacement parts and/or repair items ("Replacement Parts") to the Work Site where the Rental Equipment is located, and (ii) if requested by Customer, dispatch a service engineer or equipment technician ("Service Technician") to repair the Rental Equipment. Should the Rental Equipment's failure occur by reason of a latent defect or by virtue of normal wear and tear specific to the item of equipment and the customary use thereof, all costs and expenses for or relating to (i) the Replacement Parts necessary to repair same, and (ii) the services of the Service Technician (including all travel costs to and from the work site) shall be borne by Company, and no rental shall be due for the period during which the Rental Equipment was inoperable. Should the Rental Equipment's failure occur for any other reason, including Customer Group's misuse of the Rental Equipment or failure to install, operate and maintain it in accordance with the Rental Equipment Operating Guidelines, or damage by a Third Party, Customer shall be charged as stated in the applicable Order (or if not so stated, at Company's then current rates) for the Service Technician's time, plus the cost of transportation from and to the Company facility from which they were dispatched, along with associated expenses for meals and lodging, or invoiced directly by the Rental Equipment's manufacturer or designated repair facility, as applicable.

**Return of Rental Equipment.** At the end of the rental period, Customer shall return the Rental Equipment to Company at Company's facility clean, and in the same condition as received (ordinary wear and tear excepted) and shall pay or reimburse Company for the costs of any inspections performed by Company or any Third Party engaged by Company for that purpose. Where Rental Equipment is returned in an uncleaned condition, Company reserves the right to clean the Rental Equipment or cause it to be cleaned by a Third Party. Where applicable, all charges associated with the cleaning (and for the disposal of any waste resulting therefrom) shall be for Customer's account as follows: (a) removal of thread compound and cleaning end connections shall be charged at Company's applicable per connection fees, and (b) removal and disposal of waste (including oil base mud, heavy pipe scale, hazardous and/or oilfield waste and corrosive material) performed by Third Parties shall be invoiced to Customer at Company's invoiced cost, plus fifteen percent (15%). Rental Equipment which has been run downhole shall also be inspected and tested for the presence of Naturally Occurring Radioactive Material, including Technologically Enhanced Naturally Occurring Radioactive Material (collectively "NORM") upon its return and, if found to be contaminated with NORM above the levels permissible under Applicable Law, Customer shall, at its sole cost and expense, either (i) take direct responsibility for decontaminating the Rental Equipment, at its expense, at an appropriately licensed facility and for returning same to Company's Facility, or (ii) direct Company to have the Rental Equipment decontaminated at a licensed facility. For Rental Equipment decontaminated by Company, Customer shall reimburse Company for all NORM decontamination charges incurred by Company, including transportation, plus fifteen percent (15%). In the absence of Applicable Law regulations defining permissible levels of

NORM, the laws and regulations of the State of Texas relating thereto shall apply with respect to Rental Equipment used in the United States of America and the international laws and regulations as they shall apply with respect to Rental Equipment used outside the USA, and the Rental Equipment shall be decontaminated in accordance therewith. If the Rental Equipment is damaged or otherwise not returned in the same condition as received by Customer (ordinary wear and tear excepted), Customer shall pay Company the lesser of (i) all costs incurred by Company to restore the same to such condition, or (ii) its Replacement Price (plus applicable taxes and shipping costs). Rental Equipment parts or components replaced shall be charged to Customer at Company's Price Book price or the manufacturer's current list price, as applicable. Rental payments shall not apply to the cost of repair or replacement.

**Rental Equipment Default.** Should Customer fail to timely pay rentals or other amounts due Company with respect to Rental Equipment, or to otherwise comply with its obligations with respect to the Rental Equipment, Company or its agent shall have the right to enter upon the Customer's premises or Work Site to take possession of the Rental Equipment, with or without judicial process, after first making written demand upon Customer and providing Customer ten (10) days to cure. Customer hereby waives any and all damages occasioned by such taking of possession. Company's taking of possession of the Rental Equipment shall not constitute a termination of the Order under which the Rental Equipment was furnished, and shall not relieve Customer of its obligations.

**Cancellation of Rental Equipment Orders.** If Customer cancels an Order for Rental Equipment prior to commencement of the rental period, it shall nonetheless pay or reimburse Company for all testing, inspection and/or other make-ready costs incurred by Company prior to its receipt of Customer's notice of cancellation. If Customer cancels an Order for Rental Equipment prior to the end of the rental period, it shall remain liable for its obligations under this Article.

**CONFIDENTIAL INFORMATION; INTELLECTUAL PROPERTY; RELIEF**

Each Party receiving Confidential Information (the "Receiving Party") warrants and agrees that for a period of five (5) years after its receipt thereof, it shall maintain and safeguard the confidentiality of all Confidential Information received by it from the other Party (the "Disclosing Party"), handling and treating it with at least the same degree of care (and affording it the same protections) the Receiving Party observes and provides for its own confidential, proprietary and trade secret information, and in all events with at least a reasonable standard of care. For purposes of these Terms and Conditions, the term "Confidential Information" shall mean and include only confidential, non-public information provided by the Disclosing Party that describes, pertains or relates to the Work or the performance thereof (including information with respect to the work site) or to the tools, equipment, processes or technologies employed in performing the Work. Confidential Information shall not include information which is independently developed by a Party, without reliance upon or reference to the Confidential Information of the other Party. (b) Nothing contained herein shall in any way limit or restrict a Receiving Party's right to use, disclose, or otherwise deal with any Confidential Information of the Disclosing Party which (i) is or becomes generally available in the public domain through no wrongful act or unauthorized disclosure of the Receiving Party, (ii) was lawfully in the Receiving Party's possession prior to being provided to the Receiving Party, or (iii) is independently made available to the Receiving Party as a matter of right by a Third Party who is under no obligations to maintain the confidentiality thereof. (c) If a Receiving Party receives a request or order to disclose all or any part of the Disclosing Party's Confidential Information under the terms of a discovery request, subpoena, or other order issued by a court or governmental body pursuant to law or regulation (a "Disclosure Request"), the Parties each hereby agree (i) to promptly notify the other Party of the existence, terms and circumstances surrounding the Disclosure Request and (ii) to reasonably assist the other Party in seeking an appropriate protective order and/or taking other legally-available steps to resist or narrow the scope of the Disclosure Request, and (iii) if disclosure of the Confidential Information of the Disclosing Party is required to prevent the Receiving Party from being held in contempt or subject to other penalty, to furnish only such portion of the Confidential Information as it is, in the opinion of the Receiving Party's counsel, legally compelled to disclose.

**Intellectual Property Rights.** (a) Unless the Parties have otherwise agreed in writing, a Party's Intellectual Property (and any development, enhancement, improvement, or derivative thereof, regardless of inventorship) shall be and remain the property of that Party. To the extent any Intellectual Property of a Party (and/or any enhancement, improvement, or derivative thereof) is incorporated into or necessary for the performance of any Work provided to Customer, that Party grants the other Party only a non-exclusive, non-transferrable, non-sub-licensable, revocable, royalty-free, right and license to use such Intellectual Property incorporated into the Work solely for the purpose of performing or using such Work, as applicable. Except as expressly stated herein, neither Company nor Customer shall have any right or license to use, whether directly or indirectly, any of the other's Intellectual Property. The foregoing does not, however, grant or extend to Customer any ownership interest in or license to use (or right to sublicense) any computer programs, software or firmware used or employed by Company in performing Work or made available to Customer in connection therewith. (b) If Company and Customer or their respective employees jointly develop any Intellectual Property which is not an enhancement, improvement or derivation of either Party's Intellectual Property ("Joint IP"), the Joint IP shall be owned by Company. Company hereby grants Customer, a revocable, non-exclusive, non-sub-licensable, non-transferrable, royalty free, right and license to use the Joint IP incorporated into the Work solely for the purpose of using such Work.

**Reverse Engineering Prohibited.** Except to the extent necessary for the maintenance or repair thereof, Customer shall not (and shall not direct or permit any Third Party to) disassemble any Company Product(s) or Rental Equipment, or decompile, analyze or otherwise seek to reverse engineer any Company Product(s) or Rental Equipment (or any component part thereof) in an effort to discover its design, structure, construction, or formulation, or the firmware used or embedded therein.

**Injunctive Relief.** Because money damages would not be a sufficient remedy for any breach or threatened breach by Customer, Company shall be entitled to specific performance, injunctive or other equitable relief to enforce the provisions above (Confidential Information and Intellectual Property), without the necessity of proving irreparable harm, without the necessity of posting bond, and without waiving any other remedies available to it, at law or in equity. In the event of such an action, Company shall be entitled to recover its reasonable attorney's fees and costs of litigation.

**INSURANCE**

Each party, as indemnitor, agrees to support the indemnity obligations it assumes under these General Terms and Conditions, by obtaining at its own cost, adequate insurance for the benefit of the other party and its Group as indemnitees, with contractual indemnity endorsements. To the extent each party assumes liability hereunder, such insurance shall waive subrogation against the indemnified Group and its insurers and name the indemnified Group as additional insured(s) and loss payee, but only to the extent of liabilities assumed herein by the indemnifying party, and to the same extent such coverage shall be primary to that carried by the indemnified Group. At a minimum, each Party shall maintain Commercial General Liability Insurance providing for Third Party property damage and personal injury including broad form contractual liability for any agreement and broad form property damage and in rem actions, in the amount of \$5,000,000 per occurrence. Client shall not self-insure without the written consent of Company. Notwithstanding the above, to the extent, and only to the extent, that the Texas Oilfield Anti-Indemnity Act (TOAIA) applies to these General Terms and Conditions, the Contract or the Work, and would render void, unenforceable, or void any obligations hereunder, including those set forth in above, each party agrees to carry supporting insurance in equal amounts of the types and in the minimum amounts required by the TOAIA. Where a party's insurance is deficient or unavailable for any reason, then such party agrees and shall be deemed to have approved self-funded or self-insurance. It is the intention of the parties hereto that the party to whom indemnity is owed hereunder will receive the benefit of such indemnity regardless of events that may happen, which could affect the insurance required to be obtained by the indemnifying party, after the Contract is entered into by Company and Client.

#### **LAWS AND REGULATIONS**

**Governing Laws.** The validity, interpretation and construction of these Terms and Conditions shall be determined by the laws of the country or jurisdiction from where the goods are shipped by Company. All disputes, differences or questions arising out of or relating to this agreement or the validity, interpretation, breach, violation or termination thereof, if not finally settled by mutual agreement of the parties hereto within thirty (30) days, shall be finally and solely determined and settled by arbitration in United States in accordance with the UNCITRAL Rules of Arbitration. Each Party shall appoint one arbitrator and the two arbitrators shall chose a third arbitrator to preside over the arbitration. The arbitral proceedings shall be conducted in English. The parties acknowledge by this Agreement that any award rendered hereunder shall be governed by the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards.

**Export Laws.** SOME OR ALL OF THE GOODS AND SERVICES (INCLUDING ANY SOFTWARE AND TECHNICAL DATA) TO BE SUPPLIED HEREUNDER ARE OF U.S. ORIGIN OR ARE PRODUCED FROM U.S. ORIGIN TECHNOLOGY. THE PARTIES ACKNOWLEDGE THAT THE LAWS OF THE UNITED STATES REGULATE THE MOVEMENT BETWEEN COUNTRIES OF SUCH GOODS AND SERVICES, WHETHER IT BE THE INITIAL EXPORT FROM THE U.S. OR ANY SUBSEQUENT MOVEMENT ACROSS AN INTERNATIONAL BORDER. COMPANY CAUTIONS THAT ANY CHANGE IN USE, CHANGE IN COUNTRY OR USE OR USE BY A PARTY OTHER THAN CLIENT MAY ALTER THE STATUS OF THE GOODS AND SERVICES UNDER APPLICABLE LAWS OF THE UNITED STATES AND THE COUNTRY OF USE AND SUCH LAWS MAY RESTRICT OR PROHIBIT SUCH CHANGE. CLIENT AGREES THAT IT SHALL IN NO CASE BE A PARTY TO A TRANSACTION WHICH WOULD ALLOW SUCH GOODS OR SERVICES TO BE USED IN CONNECTION WITH THE DESIGN, PRODUCTION, USE OR STORAGE OF CHEMICAL, BIOLOGICAL OR NUCLEAR WEAPONS OR MISSILES OF ANY KIND OR WOULD RESULT IN A VIOLATION OF OR A PUNISHABLE OFFENSE UNDER UNITED STATES LAW. ANY COMPANY OBLIGATION TO SUPPLY GOODS AND SERVICES TO CLIENT IS SUBJECT TO ITS ABILITY TO DO SO UNDER APPLICABLE LAW CURRENT FROM TIME TO TIME HEREAFTER, INCLUDING ITS ABILITY TO SECURE A LICENSE FROM THE APPROPRIATE AGENCY OF GOVERNMENT. ANY FAILURE OF COMPANY TO COMPLY WITH SUCH AN OBLIGATION OR DELAY IN COMPLIANCE ARISING OUT OF OR IN CONNECTION WITH APPLICABLE LAW OR INABILITY TO OBTAIN A LICENSE SHALL BE DEEMED A FORCE MAJEURE EVENT AND NOT A BREACH OF CONTRACT.

**Trade Compliance.** Customer agrees to comply with all applicable laws, ordinances, rules, regulations, by-laws, decrees, orders and the like, whether of governmental or other authority or agency, related to economic sanctions, embargoes, international boycotts and/or the importation, exportation, or re-exportation of any equipment, product, materials, software (including source code), technical data or technology (collectively "Trade Compliance Laws"), and shall not, directly or indirectly, sell, provide access to, export, re-export, transfer, divert, loan, lease, consign, transship, transport, or otherwise dispose of any Company equipment, product, materials, software (including source code), technical data or technology to, via, or for (i) any entity known to be headquartered in, or owned or controlled by a national of, any country or region subject to comprehensive sanctions at any time applicable to Company, including currently Cuba, Iran, North Korea, Sudan, Syria, and the Crimea Region of Ukraine, (ii) any other Person identified on a denied or restricted party list applicable to Company, or (iii) any activity or end-use restricted by Trade Compliance Laws without first obtaining all required government authorizations and Company's written permission. Customer agrees to complete Company's end-use, end-user, end-destination documentation when requested.

Company shall have the right, in its sole discretion, to immediately suspend performance under or to terminate any Order if (i) applicable comprehensive sanctions are imposed, or (ii) Customer is designated as or determined to be a denied or restricted party under any Trade Compliance Law.

**Ethics and Anticorruption.** Company complies with, and requires that each member of Customer Group comply with, the U.S. Foreign Corrupt Practices Act of 1977, the UK Bribery Act of 2010, and/or any Applicable Laws related to anti-corruption, anti-kickbacks, and anti-money laundering with regards to the Work. Customer shall make no facilitating payments, or grease payments, with regards to the Work.

**Termination and Indemnification.** If Company is required by Customer to engage in any act that violates this Article, Company may immediately terminate any Order(s) and will not be in breach or default as a result of such termination. Customer agrees to Indemnify Company Group for all Claims arising from Customer's violation as above.

#### **FORCE MAJEURE**

Neither Party shall be considered in breach of any Order or the requirements of these Terms and Conditions (excluding the obligation of Customer to pay Company for the Work) if prevented from performing due to a Force Majeure Event. The term "Force Majeure Event" means any act or event that renders it wholly or partially impossible for the affected Party to perform its obligations under these Terms and Conditions or any Order or delays such affected Party's ability to do so, when such act or event (i) is beyond the reasonable control of the affected Party, (ii) is not

due to the fault or negligence of the affected Party, and (iii) could not have been avoided by the affected Party by the exercise of reasonable diligence.

Should a Force Majeure Event delay Company's performance of Work under an affected Order by more than thirty (30) days, and cannot be accommodated by adjustment to the schedule of the Work, either Party may terminate the affected Order by giving five (5) days written notice to the other Party. In the event of such termination, Company shall be paid or reimbursed for (i) all Work performed prior to the date of termination and (ii) any other reasonable costs incurred as a result of such termination (including Company's standard personnel and equipment stand-by charges, demobilization costs, and any early vendor termination expenses incurred). If the Force Majeure Event affects only a portion of the Work and Customer should elect to terminate the Order, then Customer shall pay the early termination fee specified in the Order (if any) or as agreed between the Parties. Subject to the foregoing and/or any other compensation or reimbursement provided for in the applicable Order, each Party shall otherwise bear its own costs for the Force Majeure Event.

#### **OBLIGATIONS OF CLIENT.**

**Well Conditions; Notification of Hazardous Conditions.** Client, having custody and control of the well and superior knowledge of the conditions in and surrounding it, shall provide Company with all necessary information to enable Company to perform its Services safely and efficiently. Company's Products, Rentals and Services are designed to operate under conditions normally encountered in the well bore; however, if hazardous or unusual conditions exist, Client shall notify Company in advance and make special arrangements for servicing such wells.

**Extraordinary Drilling Operations.** If the Services performed by Company involve directional drilling, and in the course of performing those Services Company determines that the continuation thereof will or might, in light of unanticipated subsurface or other Work Site conditions encountered by Company after the commencement thereof, require the performance of Extraordinary Drilling Operations (as defined below), Company shall promptly notify Client thereof and may suspend the Work unless and until Client provides Company with written instructions to nonetheless proceed with the Work (a "Notice to Proceed") and, if requested by Company, executes an appropriate Change Order detailing any changes in the scope or timing of the Work to be provided under the affected Order, and the adjustment (if any) to be made to the fees and other amounts due Company in connection with its performance of the Extraordinary Drilling Operations. For purposes of the foregoing, the term "Extraordinary Drilling Operations" means and includes the conduct of directional drilling Services in conflict with or contrary to Standard Oilfield Services Industry Practices and/or Company's safe drilling policies and procedures, notwithstanding the possibility that doing so will or might involve an increased risk of (i) reliance upon inaccurate drilling data (including wellbore positional error, inaccurate hole-direction measurements, well path error or other faulty well survey data) leading to well collision or other catastrophic loss; and/or (ii) injury, death or damage to Company's personnel and/or equipment (including damage resulting from the use of Company's drilling or other downhole tools and equipment beyond their designed operating parameters). Client's issuance of a Notice to Proceed shall constitute Client's acknowledgement that Company makes no warranties with respect to the Extraordinary Drilling Operations and its agreement to Indemnify Company from and against any and all Claims arising out of or with respect thereto, including any Claims arising out of, resulting from, or relating to (i) bodily injury, disease, or death or (ii) property damage or loss suffered by any Company Group member or Third Party. Notwithstanding the foregoing, Company shall not be obligated to proceed with any Extraordinary Drilling Operations if, in Company's sole opinion, the performance thereof would require Company to perform Ultra-hazardous Work. "Ultra-hazardous Work" means the performance of Services to control a wild well or other Services exposing Company's personnel and/or equipment to extreme well pressures, vibrations, temperatures or other conditions not reasonably anticipated at the time the applicable Order was entered into, or the performance of Services at any Work Site in an area or location subject to war, civil unrest or political conflict, or where conditions would otherwise unreasonably jeopardizes the health or safety of Company's personnel and/or equipment.

**Radioactive Sources.** If any radioactive source is lodged or lost in a well or at the well site or while being transported by or while under the custody or control of Client or their Third Party, Client shall immediately notify Company and exert its best efforts to locate and recover the source and take all necessary precautions to avoid breaking, damaging or rupturing the source. If the source is irretrievable, or if it or its container is damaged or ruptured, Client shall immediately notify Company and comply with all applicable laws and regulations including isolating and marking the location of the source. Client shall not attempt to recover a sealed source in a manner that, in Company's opinion, could result in its rupture. If the source ruptures, Client shall minimize any resulting contamination and radiation exposure, and decontaminate the environment, equipment and personnel.

**Fishing Operations.** Client shall assume the entire responsibility for operations in which Client Group or a third party fish or attempt to fish for the equipment of any member of Company Group or perform any operation that may jeopardize the retrievability or the integrity of equipment containing radioactive sources. Company will, without assuming liability and if so requested by Client, render assistance for the recovery of such equipment. Client shall use commercially reasonable efforts to attempt recovery of Company Group's equipment.

**Documentation.** Client acknowledges and agrees that it has received, reviewed, understands and will comply with all provisions contained in all manuals and documentation (including but not limited to operations and maintenance manuals and hazard and safety information within) provided by Company. COMPANY SHALL NOT BE HELD LIABLE FOR ANY INJURY, LOSS OR DAMAGE ARISING FROM USE OF PRODUCTS OUTSIDE OF THE GUIDELINES.

#### **INDEMNITIES**

##### **Personnel and Property**

- 1. COMPANY SHALL BE RESPONSIBLE FOR AND HEREBY AGREES TO WAIVE, RELEASE, PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS CLIENT GROUP FROM AND AGAINST ANY AND ALL CLAIMS ARISING OUT OF OR IN CONNECTION WITH DAMAGE TO OR LOSS OR DESTRUCTION OF PROPERTY OF OR THE PERSONAL INJURY, ILLNESS OR DEATH OF ANY MEMBER OF COMPANY GROUP ARISING OUT OF OR IN CONNECTION WITH THE CONTRACT AND/OR THE WORK PROVIDED HEREUNDER.**

2. CLIENT SHALL BE RESPONSIBLE FOR AND HEREBY AGREES TO WAIVE, RELEASE, PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS COMPANY GROUP FROM AND AGAINST ANY AND ALL CLAIMS ARISING OUT OF OR IN CONNECTION WITH DAMAGE TO OR LOSS OR DESTRUCTION OF PROPERTY OF OR THE PERSONAL INJURY, ILLNESS OR DEATH OF ANY MEMBER OF CLIENT GROUP ARISING OUT OF OR IN CONNECTION WITH THE CONTRACT AND/OR THE WORK PROVIDED HEREUNDER.

**Special Indemnity.** NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, CLIENT ASSUMES ALL LIABILITY FOR AND AGREES TO WAIVE, RELEASE, PROTECT, DEFEND, INDEMNIFY, AND HOLD HARMLESS COMPANY GROUP FROM AND AGAINST ALL CLAIMS BROUGHT BY OR ON BEHALF OF ANY MEMBERS OF CLIENT GROUP, COMPANY GROUP OR ANY THIRD PARTY ARISING OUT OF OR IN CONNECTION HERewith FOR PROPERTY DAMAGE, PERSONAL INJURY, ILLNESS, DEATH OR LOSS THAT RESULTS FROM: (I) FIRE, EXPLOSION, SEEPAGE, BLOW-OUT, CRATERING, PRESSURE CONTROL OPERATIONS, INDUCED SEISMICITY EVENTS, WILD-WELL OR WORK PERFORMED TO CONTROL A WILD-WELL INCLUDING, BUT NOT LIMITED TO: DAMAGE TO, LOSS OF, DESTRUCTION AND/OR REPLACEMENT OF, OR RELEASE OR ESCAPE OF SUBSTANCES FROM, ANY PROPERTY, EQUIPMENT, DRILLING RIG/UNIT/VESSEL/PLATFORM OR OTHER FIXED OR FLOATING STRUCTURE, INCLUDING OIL/GAS PRODUCTION FACILITIES OR PIPELINES, AT OR AROUND A SITE (INCLUDING ANY DOWNTIME, REMEDIATION, OR RECOVERY TIME); (II) POLLUTION, AND/OR CONTAMINATION EMANATING FROM ANY AND ALL WELLS, WELL BORES AND/OR RESERVOIRS OR RESULTING FROM FRACTURING SERVICES OR ANY WORK, OR RADIATION DAMAGE (INCLUDING ENVIRONMENTAL POLLUTION, CONTAMINATION OR DAMAGE) RESULTING FROM COMPANY GROUP'S RADIOACTIVE TOOLS OR EQUIPMENT WHILE BELOW THE SURFACE OF THE LAND OR, IN THE EVENT OF CONTAMINATION ORIGINATING ABOVE THE SURFACE OF THE LAND, WHEN THE RADIOACTIVE SOURCE IS UNDER THE CUSTODY OR IN THE CONTROL OF ANY MEMBER OF THE CLIENT GROUP; AND POLLUTION OR CONTAMINATION, CAUSED BY CLIENT GROUP'S FAILURE TO PROPERLY HANDLE, TREAT, TRANSPORT OR DISPOSE OF ANY CHEMICALS, INCLUDING CONTAINMENT, CLEAN-UP, DISPOSAL AND REMEDIATION OF THE POLLUTANT AND CONTAMINATION, WHETHER OR NOT REQUIRED BY AN APPLICABLE FEDERAL, STATE OR LOCAL LAW OR REGULATION; (III) DAMAGE TO WELL(S), BOREHOLE(S), RESERVOIRS OR UNDERGROUND DAMAGE, INCLUDING BUT NOT LIMITED TO DAMAGE OR INJURY RESULTING FROM FRACTURING SERVICES, LOSS OF OIL, GAS, OTHER MINERAL SUBSTANCES OR WATER, OR THE WELL-BORE ITSELF, SURFACE DAMAGE ARISING FROM SUBSURFACE OR SUBSEA DAMAGE, INCLUDING TRESPASS, AND DAMAGE TO DOWNHOLE EQUIPMENT; (IV) COST TO KILL OR CONTROL A WILD-WELL, UNDERGROUND OR ABOVE THE SURFACE, INCLUDING ANY SIDETRACKING, FISHING, REDRILLING OR REWORKING AND RELATED CLEAN-UP COSTS; (V) DAMAGE TO PROPERTY OWNED BY, IN THE POSSESSION OF, OR LEASED BY CLIENT GROUP OR THE WELL OWNER, IF DIFFERENT FROM CLIENT (THE TERM "WELL OWNER" SHALL INCLUDE WORKING AND ROYALTY INTEREST OWNERS AND THE OWNER OF ANY LAND AND OIL/GAS PRODUCTION FACILITIES OR PIPELINES, DRILLING RIG/VESSEL, PLATFORM OR OTHER STRUCTURE AT OR WITHIN 500 METERS OF THE WELL SITE) AND THIRD PARTIES; (VI) LOSS OR DAMAGE RESULTING FROM FAILURE OF CLIENT GROUP'S PRESSURE CONTROL EQUIPMENT AND/OR DEVIATION FROM COMPANY'S PRESSURE CONTROL STANDARD AT CLIENT'S REQUEST; OR (VII) LOSS OF OR DAMAGE TO COMPANY GROUP'S PROPERTY OR PRODUCTS, INCLUDING BUT NOT LIMITED TO, RECOVERY, REPAIR AND REPLACEMENT EXPENSES, WHEN SUCH LOSS OR DAMAGE OCCURS: (A) IN THE HOLE OR BELOW THE ROTARY TABLE, (B) WHILE IN TRANSIT OR BEING MOVED ON ANY FORM OF TRANSPORTATION OWNED OR FURNISHED BY CLIENT, (C) WHILE LOCATED AT THE WELL SITE WHEN COMPANY PERSONNEL ARE NOT PRESENT, (D) AS A RESULT OF IMPROPERLY MAINTAINED PRIVATE ACCESS ROADS TO THE WELL SITE OR AS A RESULT OF THE INFERIOR CONDITION OF LEASE ROADS OR THE SITE, OR (E) WHILE BEING USED BY OR WHILE UNDER THE CUSTODY OR CONTROL OF ANY PERSON OTHER THAN A COMPANY EMPLOYEE, WHETHER IN AN EMERGENCY OR OTHERWISE. WITH RESPECT TO (A) ABOVE, THE PROPERTY AND PRODUCTS WILL BE VALUED AT THEIR RESPECTIVE NEW LANDED REPLACEMENT COST OR, IF REPAIRABLE, AT REPAIR COST PLUS HANDLING AND TRANSPORTATION TO COMPANY'S DESIGNATED LOCATION. RENTAL CHARGES ON THE EQUIPMENT LOST OR DAMAGED IN THE HOLE SHALL CONTINUE TO BE PAID UP TO AND INCLUDING THE DATE ON WHICH COMPANY RECEIVES NOTICE IN WRITING OF THE LOSS OR DAMAGE. IN RESPECT OF RENTALS WHICH HAVE BEEN LOST (INCLUDING, WITHOUT LIMITATION, LOST-IN-HOLE) OR DAMAGED BEYOND REPAIR, THE CLIENT SHALL BE LIABLE AND SHALL PAY TO COMPANY, COMPANY'S MOST RECENT REPLACEMENT PRICE AS MAY PRESCRIBED IN APPENDIX A

**Application of Indemnity.** THE ASSUMPTION OF LIABILITY AND INDEMNITIES ABOVE SHALL APPLY TO ANY INJURY, ILLNESS, DEATH OR CLAIM ARISING OUT OF OR IN CONNECTION WITH THE CONTRACT AND/OR THE WORK PROVIDED HEREUNDER, WITHOUT REGARD TO THE CAUSE(S) THEREOF INCLUDING, WITHOUT LIMITATION, UNSEAWORTHINESS, STRICT LIABILITY, ULTRAHAZARDOUS ACTIVITY, BREACH OF EXPRESS OR IMPLIED WARRANTY, IMPERFECTION OF MATERIAL, DEFECT OR FAILURE OF EQUIPMENT, DEFECT OR "RUIN" OR OTHER CONDITION OF PREMISES, INCLUDING ANY CONDITIONS THAT PRE-EXIST THESE GENERAL TERMS AND CONDITIONS OR THE CONTRACT, OR THE SOLE, JOINT, ACTIVE, PASSIVE, GROSS OR CONCURRENT NEGLIGENCE, STRICT LIABILITY, BREACH OF CONTRACT OR DUTY, OR OTHER FAULT OF ANY MEMBER OF EITHER PARTY'S GROUP.

#### **INCIDENTAL OR CONSEQUENTIAL DAMAGES**

IT IS EXPRESSLY AGREED THAT THE COMPANY GROUP SHALL NOT BE LIABLE TO THE CLIENT GROUP FOR ANY PUNITIVE, INCIDENTAL, CONSEQUENTIAL, INDIRECT OR SPECIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, ANY LOSS OF PROFITS, BUSINESS INTERRUPTION OR LOSS OF USE, LOSS OR DEFERRAL OF PRODUCTION, LOSS OF RIG TIME, LOSS OF DATA OR SAMPLES, OR LOSS RESULTING FROM DELAY, WHETHER DIRECT OR INDIRECT, SUFFERED BY CLIENT GROUP, REGARDLESS OF THE SOLE, JOINT, ACTIVE, PASSIVE, GROSS OR CONCURRENT NEGLIGENCE, STRICT LIABILITY, BREACH OF CONTRACT OR DUTY, OR OTHER FAULT OF ANY MEMBER OF COMPANY GROUP. CLIENT SHALL WAIVE, RELEASE, PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS COMPANY GROUP FROM AND AGAINST ANY AND ALL CLAIMS IN VIOLATION OF THIS SECTION.

#### **EMPLOYEE SOLICITATION**

Except with the prior written consent of Company, Client shall not directly, indirectly or through third parties solicit, recruit, or induce any Company employee, consultant or representative to leave, terminate or otherwise end his/her association with Company in order to become an employee, consultant or representative of Client Group until at least one (1) year has elapsed from Client's receipt of the final invoice for the Work.



**INTELLECTUAL PROPERTY**

Company owns all rights to the proprietary intellectual property embodied in its Work or which are created in the course of providing such Work to Client. Company does not transfer any ownership rights in such intellectual property to Client and Client shall not reverse engineer or cause any Company property or Products to be reverse engineered without Company's express written consent. Company will be liable for intellectual property infringement claims arising out of Client's normal use of Company's Work but will not be liable for infringement that arises: (i) out of Client's use of Company Work in combination with work, products or services not provided by Company; (ii) where Company Work has been specially modified, designed and/or manufactured to meet Client's specifications; (iii) out of unauthorized additions or modifications to Company Work; or (iv) where Client's use of Company Work does not correspond to Company published standards or specifications. Any Claim for intellectual property infringement shall be brought to Company in writing within ten (10) calendar days of service on Client or this indemnity shall be void.

**MISCELLANEOUS**

If Work is furnished offshore or on navigable waters, General Maritime laws shall govern the Contract; in those instances where the General Maritime Law does not apply, the laws of the State of Texas shall apply and govern the validity, interpretation, and performance of the Contract. Should any clause, sentence, or part of these Terms and Conditions be held invalid, such holding shall not invalidate the remainder, and the Terms and Conditions shall be interpreted as if the invalid clause, sentence, or part has been modified or omitted, if necessary, as required to conform to the jurisdiction purporting to limit such provision. Client and Company respectively agree to comply with all laws, statutes, codes, rules, and regulations, which are now or may become applicable to operations covered by these Terms and Conditions or arising out of the performance of the Work. When applicable, should Company fail to supply Products when required which have been forecasted by the Client, and the Product forecast has been accepted and approved by Company; the following resolution will be actioned: a) The Client may source the product which Company has failed to deliver from any source to meet their immediate demand and Company will reimburse the Client for the difference of the actual replacement product and delivery cost and the Company current pricelist for the Client, b) Company may offer Products of equal specification and technical performance as a substitute when applicable if the specific product forecasted by the Client cannot be delivered by Company when required and Client consents to such substitution.

**RESTRICTIONS**

Should Client decide to transfer ownership, sell or otherwise release their interest in Products purchased from Company, Client shall offer the first right of refusal to Company at which time Company has the right to match any written offer for purchase of any Products. This right shall extend for five (5) years from original date of sale of goods to Client.

Neither Party shall assign all or any part of its rights or obligations under these Terms and Conditions without prior written consent from the Company, whose consent shall not be unreasonably withheld. However, Company shall have the right to freely assign all or any part of this Agreement to an Affiliate without obtaining Client's consent.

**PUBLICITY.**

Unless required by applicable laws, rules or regulations, neither party shall or otherwise permit or cause any member of its Group to, issue or publish any press releases or make any public statements or publicize any information with respect to (i) the contents of these Terms and Conditions, (ii) the Work contemplated to be performed under the Contract, and/or (iii) any transactions or occurrences arising as a result of the Work, without the prior written approval of the other party. Furthermore, the parties agree to confer with each other prior to any publication of any such information and to set forth such agreement in a separate writing.

**COMPANY ENTITIES.**

In the event that the parties enter into an Order subject to these General Terms and Conditions, Client and Company agree, and it is the intent of these General Terms and Conditions, that the parties identified herein as Company shall not be jointly liable and shall only be severally liable to the extent of their respective obligations and liabilities hereunder. The specific party identified as Company in the applicable Order shall be the party responsible for the applicable Work. Each Company entity shall not be deemed a guarantor or surety with respect to the other Company entities' obligations and liabilities. This provision shall not impair Company Group's rights under Client's indemnity and hold harmless obligations provided herein.

**INDEPENDENT REPRESENTATION.**

Client acknowledges that they have consulted an attorney concerning these Terms and Conditions or have elected not to do so but represent that they fully understand their rights and obligations hereunder. The Client further acknowledges that they have mutually negotiated the final terms and conditions of these General Terms and Conditions, which shall be construed fairly and reasonably and not more strictly against one party than another.