

1. **CONTRACT ACCEPTANCE:** The entity identified in the SELLER's quotation and BUYER's order providing the products, services, or rental equipment (the "Work") is herein referred to as the "SELLER" and the customer or person or entity purchasing the Work from SELLER is referred to as the "BUYER" and may collectively be referred to herein as the "Parties" and individually as a "Party". Any written or oral purchase order, work order, call-off order, or any other document received from BUYER by SELLER for the supply of the Work shall be construed as acceptance of SELLER's offer to sell and shall be filled in accordance with these terms and conditions of sale. SELLER'S ACCEPTANCE OF THE ORDER IS EXPRESSLY CONDITIONED ON BUYER'S ASSENT TO THE TERMS CONTAINED HEREIN, unless negotiated otherwise between the Parties and mutually agreed upon by an authorized representative of each Party in writing. The terms and conditions of SELLER's proposal and or quotation and SELLER's sales order acknowledgement shall prevail over any conflicting or different terms in BUYER's order, work order, call-off order, or any other document. BUYER's standard terms of purchase will not be considered a counteroffer to SELLER's terms and conditions of sale. The failure of SELLER to object to any provision in conflict herewith whether contained in the BUYER's purchase order or otherwise shall not be construed as a waiver of the provisions hereof nor as an acceptance thereof.
 - a. **QUOTATIONS AND PRICES:** Any stated capability or availability claimed at the time a proposal or quotation is made is subject to prior sale. Prices quoted are subject to change without prior notice. The price in effect at the time of performance including any escalation formula will apply unless a valid quotation or written agreement to the contrary exists between BUYER and SELLER. Unless otherwise stated in the proposal, quotation or SELLER's sales order acknowledgement, all prices shown are in U.S. dollars and the applicable delivery term for products shall be EXW SELLER's named place in accordance with Incoterms 2020.
 - b. **ORDER CONFIRMATION:** The BUYER's requests for the Work shall only become binding on SELLER upon written confirmation of the order, which shall only become valid upon SELLER's issuance of its Sales Order Confirmation to BUYER. Agreements, undertakings and declarations of all kinds must be made in writing in order to be legally valid. Work performed under an oral request shall be subject to and incorporate these Terms and Conditions, but no oral work order, instruction, advice, or similar oral communication regarding the Work shall be the basis for any warranty, representation, change order, or agreement regarding payment unless reduced to writing and signed by an authorized representative of SELLER. SELLER may at its sole discretion and upon agreement with BUYER, provide services at SELLER's location to load the Work on BUYER's designated carrier. SELLER may, in its reasonable discretion and with prior notice, make partial shipments of goods to BUYER without liability or penalty. Each shipment will constitute a separate sale, and BUYER shall pay for the units shipped whether such shipment is in whole or partial fulfillment of BUYER's order. Any documentation pertaining to traceability requirements for raw materials or products or documentation required for any routine or special processes (if any) must be identified by the BUYER at the time of quotation or at the time of order placement in order that the effect on the prices or performance dates (if any) can be considered and taken into account as necessary. Material records and data books will be provided in accordance with documentation requirements defined by API, SELLER's standards, or mutually agreed standards as defined explicitly in the Order. Industry standards and guidelines will be per the revision level in effect at the time of sales order acknowledgement unless mutually agreed otherwise in writing by the Parties.
 - c. Further, if BUYER requests Rental Equipment (e.g. equipment leased by SELLER (Lessor) to BUYER (Lessee)) as part of the Work, SELLER's Terms and Conditions of Rental ("Rental Terms"), a copy of which is attached hereto as Annex A and incorporated in by reference, shall govern the Parties' relationship regarding all aspects of the Rental Equipment regardless of whether or not reference is made to the Rental Terms and regardless of the form of request. These Terms and Conditions shall continue to supplement the Rental Terms with regards to any request for Rental Equipment and where these Terms and Conditions provide greater protections to SELLER than the Rental Terms, these Terms and Conditions shall prevail.
2. **DELAYS TO PERFORMANCE:** Performance dates are given as accurately as conditions permit and every effort will be made to perform as scheduled. SELLER shall not be liable or responsible to BUYER, nor be deemed to have defaulted under or breached the terms and conditions of an order, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts beyond the SELLER's reasonable control, including, without limitation, the following example Force Majeure events: acts of God, fire, floods, lightning, blizzards, tornados, earthquakes, ice storms, named tropical storms and hurricanes, terrorism, insurrection, acts of the public enemy, revolution, piracy, war, civil strife, civil war or hostile action, maritime disasters, epidemic, pandemic, quarantine, explosions or other matters of similar nature, strikes, lockouts and labor disputes, government priorities, including supply chain disruption or raw material shortages beyond SELLER's reasonable control, orders of any governmental authorities having jurisdiction in the premises or of any other group, federal or state laws, rules or regulations of any governmental or public authorities having or asserting jurisdiction over the Parties and/or the order and which through the exercise of diligent effort such Party cannot overcome. SELLER shall have additional time within which to perform as may be reasonably necessary under the circumstances and shall have the right to apportion its production, personnel, or equipment among its customers in such a manner as it may consider to be equitable. SELLER may subcontract any portion of the Work to affiliates or qualified third parties without notice, provided SELLER remains responsible for performance. In no event shall SELLER be liable for any consequential damages resulting from a failure or delay in performance. During any Force Majeure event, SELLER shall not be liable for standby charges, non-productive time, or delay damages. If BUYER requires drawings, procedures, standards or similar material for approval, performance dates will be adjusted to reflect any delays in approval by BUYER, since performance dates are based on SELLER having all required information and a firm order from BUYER which is enterable into production. Any hold points, witness points, or the need for inspection by BUYER's representatives must be identified by BUYER at the time of quotation (if any) and/or order placement, in order that the effect on the prices or performance dates (if any) can be considered and taken into account as necessary. Additional inspection or testing required by BUYER which affects normal production sequence will be considered as extending the performance dates accordingly. SELLER may suspend performance upon reasonable belief of financial instability.
3. **TAXES:** Any tax or other charge imposed by law relating to the performance of the purchase order shall be paid by the BUYER, unless the law specifically provides that such payment must be made by SELLER, in which case BUYER shall reimburse SELLER for such payment as part of the purchase price. Custom duties, consular fees, insurance charges and other comparable charges will be borne by BUYER. Notwithstanding any other provisions in the order, in case of changes in any laws or regulations or the application or interpretation of such legislation after the effective date of the order, which results in additional sums becoming payable by SELLER in respect of any taxes, duties, levies, or any other costs, then BUYER shall reimburse SELLER for any such taxes, duties, levies, or costs.
4. **TERMS OF PAYMENT:** Terms of payment are thirty (30) days from the date of SELLER's invoice unless otherwise stated in the SELLER's quotation or SELLER's sales order acknowledgement. SELLER may require advance payment or deposit for first-time customers, custom goods, or orders exceeding USD \$250,000. Notwithstanding any circumstances or change in conditions which may prevent or delay BUYER from collecting any product, using any rental equipment, or receiving any service, BUYER shall not be relieved of its payment obligations under the purchase order. BUYER's payment obligations shall not be contingent upon operational results, tool performance, or the success of any well or drilling operation. The time, method, place, or medium of payment will not limit SELLER's rights in and to the Products until payment has been received in full. For all orders, SELLER reserves the right to place a service charge on past due accounts at the highest rate permitted by law and SELLER retains the right to charge storage fees and any associated costs for any products that remain uncollected for more than forty-five (45) days from notification of readiness for collection. Where any account remains unpaid for more than six (6) months, SELLER shall be entitled to consider the relevant purchase order(s) cancelled by BUYER in accordance with Section 5 and SELLER shall be entitled to take action to recover its losses, including but not limited to legal proceedings and/or the sale of any undelivered products. If BUYER defaults on any payment, SELLER has the right to suspend performance of any further Work for BUYER, and if BUYER's payment delay exceeds ninety (90) days, SELLER has the unilateral right to terminate the order by giving BUYER fifteen (15) days' notice. The suspension of any Work due to BUYER's nonpayment shall entitle SELLER to any amounts set forth in Section 5 and shall result in appropriate extensions of time. SELLER shall have no liability to BUYER for any suspension or termination resulting from BUYER's payment default. BUYER shall reimburse SELLER

for all reasonable costs of collection, including attorneys' fees. As security of BUYER's obligation to SELLER to pay for the goods purchased hereunder, BUYER grants SELLER a purchase money security interest on the goods shipped hereunder and authorizes SELLER to take any and all steps to perfect or otherwise protect or maintain such security interest. BUYER authorizes SELLER to file UCC-1 financing statements to perfect its security interest.

Set-off or retention is excluded and shall not be allowed against any invoice. No invoice discounts made by BUYER shall be allowed by SELLER. If BUYER disputes any item billed, BUYER shall, within fifteen (15) days of receipt of SELLER's invoice, notify SELLER of the item disputed and specify BUYER's complaint. BUYER shall not withhold, offset, or delay payment of any invoice due to any dispute. Any disputed amounts shall be resolved separately and BUYER shall pay all undisputed portions when due. SELLER may authorize for payment on such item(s) to be withheld pending review; however, any undisputed portion shall be paid within the time period specified.

a. Bill-and-Hold; Failure to Take Delivery:

i. Applicability and Trigger:

SELLER may implement a Bill-and-Hold arrangement in any of the following circumstances:

1. At BUYER's written request;
2. Where shipment or collection is delayed due to BUYER's project schedule, site readiness, regulatory requirements, or other BUYER-controlled circumstances; or
3. Where BUYER fails to take delivery of or arrange for collection of the Goods within forty-five (45) days after SELLER provides written notice that the Goods are completed and ready for delivery.

b. Conditions Precedent to Bill-and-Hold:

The Parties acknowledge and agree that prior to invoicing under a Bill-and-Hold arrangement:

- i. The Goods have been fully manufactured, inspected, tested, and completed in accordance with the applicable Order;
- ii. The Goods are specifically identified to the order and segregated as BUYER's property;
- iii. The Goods are custom, project-specific, or otherwise not readily marketable to another customer without substantial modification; and
- iv. SELLER has no continuing performance obligations other than storage, preservation, and shipment upon written release.

c. Invoicing; Transfer of Title and Risk:

Upon issuance of SELLER's invoice under a Bill-and-Hold arrangement:

- i. The Goods shall be deemed delivered for contractual and accounting purposes;
- ii. Title to the Goods shall transfer to BUYER (to the extent permitted by applicable law);
- iii. Risk of loss, damage, deterioration, corrosion, obsolescence, or casualty shall transfer to BUYER; and
- iv. Delivery shall be deemed EXW SELLER's facility (Incoterms 2020) regardless of the date of physical pickup or shipment.
- v. BUYER's obligation to pay shall not be contingent upon physical shipment or collection.
- vi. To the extent full payment has not been received, SELLER retains a purchase money security interest in the Goods and BUYER authorizes SELLER to file any financing statements necessary to perfect such interest.

d. Storage; Preservation; Fees:

SELLER shall store the Goods in a commercially reasonable manner consistent with industry standards applicable to machined components and oilfield equipment. BUYER acknowledges that extended storage of downhole tools and precision-machined components may require preservation measures, including but not limited to: (1) protective coatings, (2) vapor corrosion inhibitors, (3) desiccant or climate-controlled storage, (4) re-preservation, (5) inspection and re-packaging.

Beginning on the forty-sixth (46th) day after SELLER's notice of readiness, BUYER shall pay reasonable storage and handling charges. Storage charges shall: (1) be capped at an aggregate amount of USD \$2,500 during the first ninety (90) days of storage; and (2) after ninety (90) days, be assessed at SELLER's then-current standard storage rates upon written notice to BUYER. All additional preservation, inspection, re-packaging, corrosion mitigation, insurance, and handling costs required due to delayed collection shall be borne by BUYER.

e. Insurance:

During the Bill-and-Hold period, BUYER shall maintain property insurance covering the full replacement value of the Goods. Upon request, BUYER shall provide evidence of such insurance. If BUYER fails to do so, SELLER may procure insurance at BUYER's expense.

f. Warranty; Inspection; No Tolling:

Any applicable warranty period shall commence on the earlier of:

- i. The date the Goods are first made available for delivery; or
- ii. The date of invoice under Bill-and-Hold.
- iii. Warranty periods shall not be extended, tolled, or renewed due to delayed shipment or storage. SELLER shall not be responsible for deterioration attributable to: (1) extended storage beyond SELLER's reasonable control, (2) normal corrosion risk associated with oilfield equipment, (3) BUYER's delay in providing release instructions, or (4) BUYER's failure to authorize recommended preservation measures.

g. Release Instructions:

Shipment shall occur only upon BUYER's written release instructions. SELLER shall not be obligated to ship earlier than its standard lead times following receipt of such instructions. Any previously stated delivery dates shall be deemed suspended during the Bill-and-Hold period.

h. Maximum Duration; Disposition Rights:

Bill-and-Hold storage is intended to be temporary. If BUYER fails to collect the Goods within one hundred eighty (180) days after SELLER's notice of readiness, SELLER may, upon thirty (30) days' written notice and subject to applicable law:

- i. Ship the Goods to BUYER at BUYER's expense;
 - ii. Resell or otherwise dispose of the Goods in a commercially reasonable manner; or
 - iii. Treat the Order as cancelled and pursue remedies available under these Terms and Conditions.
- Any resale proceeds shall be credited against amounts owed by BUYER, net of: (1) storage, (2) preservation, (3) handling, (4) transportation, (5) administrative costs, and (6) any deficiency.

i. No Waiver of Remedies:

SELLER's implementation of a Bill-and-Hold arrangement shall not constitute a waiver of any payment rights, lien rights, cancellation rights, or other remedies available under the Order or applicable law.

5. CHANGES, SUSPENSIONS, AND CANCELLATION: Purchase orders, once placed by BUYER and accepted by SELLER, can be changed, suspended, or cancelled only with SELLER's prior written consent and upon terms which will compensate SELLER for any change in scope and/or save SELLER from loss. BUYER may, with reasonable notice, request to change the Work to be provided under an order, including delaying or suspending the order, by issuing a written change order authorization document (referred to herein as the "Change Order"). If upon receiving a Change Order, SELLER determines that there is any impact that increases the cost or affects the time to perform or provide the Work, SELLER shall submit a proposal to BUYER specifying the pricing and scheduling changes needed to execute the Change Order. BUYER shall review the proposal and may accept, reject, or modify the proposal, subject to mutual agreement; however, BUYER shall be deemed to have accepted such proposal once SELLER proceeds as specified in the Change Order. SELLER may, at its sole discretion, decline to execute the Change Order and such declination to execute shall not prejudice SELLER's rights under the applicable order. In addition, in the event of suspension or cancellation, SELLER shall be entitled to payment on demand for (A) Work completed by SELLER and accepted by BUYER or Work completed by SELLER and not yet accepted by BUYER at the date of suspension/cancellation based on the purchase order price (B) Work being performed at the date of suspension/ cancellation based on the purchase order price (C) any agreed cancellation charge and stand-by charge stated in the quotation, SELLER's sales order acknowledgement, or the purchase order (D) all reasonable documented charges

incurred by SELLER arising out of such suspension/cancellation, and (E) SELLER's expected profit on the uncommenced portion of the suspended/cancelled purchase order. If any agreed suspension continues for more than thirty (30) days, the parties shall meet to agree to a way forward which may at SELLER's ultimate discretion include cancellation of the whole or part of the purchase order in accordance with this Section 5. Following cessation of any agreed suspension, all performance dates shall be extended an appropriate period of time to reflect the impact of the suspension on the SELLER, and the Parties shall meet to agree on scheduling changes needed to accommodate recommencing performance of the purchase order. No products may be returned for credit or adjustment without prior written permission from SELLER's authorized representative to issue such permission. Notwithstanding anything to the contrary herein, if any suspension or change order extends the delivery dates beyond six (6) months from the delivery date in the initial order and, prior to resumption of the Work, SELLER determines that there is any impact that increases the cost to perform or provide the Work, SELLER shall be entitled to revise the prices to account for any increase in its costs and BUYER shall be deemed to have accepted such revised prices. If after twelve (12) months from the delivery date in the initial order, BUYER has continued to request suspension or delay of the order, SELLER shall have the right to deem the order as cancelled, and if cancelled, BUYER shall pay the amounts defined in Section 5 herein. In the event of any order cancellation under Section 4 or Section 5, SELLER shall have the right to keep any money paid to SELLER as damages of the cancellation and will also have the right to pursue additional damages as laid out in this Section 5.

6. WARRANTIES: SELLER warrants that its Work as it relates to Products (New Equipment and Repair) hereunder shall conform to the written specifications represented by SELLER and as specified in the BUYER's order. All New Equipment of SELLER's manufacture are warranted against defects of material and workmanship for a period of twelve (12) months from the earlier of date of shipment, per the agreed upon EXW Incoterms 2020, or thirty (30) days from notification of readiness for collection; whichever period first expires, unless specifically agreed upon otherwise and as specified in writing and/or on the order, provided that (A) all such New Equipment is used in the service for which they were manufactured, and (B) provided that the New Equipment are used within the conditions and technical parameters to which they were manufactured. SELLER does not warrant or guarantee the results of the use of Products. Well conditions which prevent satisfactory operation of Products, or operational results that are not satisfactory to BUYER, do not relieve BUYER of its responsibilities for payment of the Products prices or other costs to be paid by BUYER as agreed upon in any applicable order. BUYER acknowledges that subsurface conditions, well conditions, and operational variables are inherently uncertain, and SELLER does not warrant or guarantee any particular performance, result, or outcome from the use of the Work. BUYER retains sole responsibility for the selection, integration, and operation of the Work within its systems, including compatibility with other equipment, bottom hole assemblies, and operational procedures. WITH REGARDS TO ALL SERVICES, INCLUDING REPAIR OR MODIFICATION SERVICES PROVIDED ON BUYER'S GOODS, SELLER DOES NOT WARRANT THE RESULTS OF THE WORK AND DOES NOT GUARANTEE ANY OUTCOME OR END RESULT AND SELLER'S WARRANTY FOR PERFORMANCE SHALL EXPIRE IMMEDIATELY AFTER COMPLETION UNLESS PROMPTLY REJECTED AS PROVIDED IN THIS SECTION 6. UNLESS EXPRESSLY PROVIDED OTHERWISE IN AN ORDER, ALL GOODS, MATERIALS OR PARTS (OTHER THAN THOSE PROVIDED IN CONNECTION WITH NEW EQUIPMENT) ARE PROVIDED "AS-IS", WITH ALL FAULTS, UNLESS REJECTED IMMEDIATELY UPON DELIVERY. If, within these specified periods, SELLER receives written notice from BUYER of any alleged defect in or nonconformance of any Work and if in the SELLER's sole judgment the Work does not conform or is found to be defective in material or workmanship, then, BUYER shall, at SELLER's request, be responsible for all costs associated with the return of the part or product to SELLER's designated plant or service location. SELLER has no liability for removal, recovery or reinstallation of products or equipment including but not limited to lifting, rig stand-by time, work at or below the water line or diving support. SELLER's sole liability and BUYER's exclusive remedy for any Claims for breach of warranty for New Equipment sold as set forth in this Section 6 are expressly limited to, at SELLER's sole option: (i) the repair of the defective portion of the New Equipment, (ii) the replacement of the defective portion of the New Equipment, or (iii) a refund or credit to BUYER of an equitable portion of the paid purchase price of the portion of the New Equipment proven to be defective within the warranty period stated above. SELLER's warranty liability, including defects caused by SELLER's negligence, shall be limited to such repair, replacement, reperformance or refund, and shall not include Claims for labor costs, expenses of BUYER resulting from such defects, recovery under general tort law or strict liability or for damages resulting from delays, loss of use, or other direct, indirect, incidental, or consequential damages of any kind. SELLER shall have a reasonable opportunity to inspect and cure any alleged nonconformity, and Buyer shall not undertake repair, replacement, or remediation at Seller's expense without Seller's prior written consent. SELLER will not be responsible for failures or defects found within equipment which have been in any way tampered with or altered by anyone other than an authorized representative of SELLER, failures or defects due to lack of compliance with SELLER's recommended operating and/or maintenance procedures, Work which has been repaired or altered in such a way (in SELLER's judgment) as to affect the Work adversely, or normal wear and tear, corrosion, erosion, or were improperly stored, maintained, or repaired, or failure caused by well fluids, corrosive environment, H2S exposure, or downhole chemical incompatibility. Any Claim by BUYER pursuant to SELLER's warranty for new equipment shall be made immediately upon discovery and confirmed in writing within seven (7) days after discovery of the defect. Failure to raise any such warranty Claim within this time period may result in waiver of the Claim. A new warranty period shall not be established for any New Equipment repaired or replaced under warranty, and such repaired or replaced New Equipment shall remain under warranty only for the remainder of the original warranty period. THE FOREGOING WARRANTIES IN THIS SECTION 6 FOR WORK ARE IN LIEU OF AND NEGATE ALL OTHER WARRANTIES, WHETHER ORAL, WRITTEN, EXPRESS, IMPLIED, STATUTORY, REGULATORY, PURSUANT TO GOVERNMENT REQUIREMENTS, OR AT LAW. WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY SHALL NOT APPLY. SELLER'S WARRANTIES AND OBLIGATIONS, AND BUYER'S REMEDIES, HEREUNDER (EXCEPT AS TO TITLE) ARE SOLELY AND EXCLUSIVELY STATED HEREIN, AND BUYER, ON BEHALF OF ITSELF, WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OTHER REPRESENTATION, WARRANTY, RIGHT, REMEDY, CLAIM OR CAUSE OF ACTION ARISING FROM, OR RELATING TO, THIS AGREEMENT. SECTION 6 SHALL APPLY TO ANY PERSON WHO MAY BUY, RENT, ACQUIRE, OR USE THE PRODUCTS, REPAIRS, INCLUDING ANY PERSON WHO OBTAINS THE PRODUCTS, REPAIRS FROM BUYER, AND SUCH PERSON SHALL BE BOUND BY THE LIMITATIONS HEREIN. BUYER AGREES TO PROVIDE SUCH SUBSEQUENT TRANSFEREE CONSPICUOUS, WRITTEN NOTICE OF THIS AGREEMENT AND OBTAIN THEIR CONSENT TO THE SAME.

- a. CUSTOMER-FURNISHED MATERIALS; LIMITATION OF LIABILITY:
 - To the extent BUYER provides raw materials, components, forgings, castings, tubulars, or other goods ("Customer-Furnished Materials") for machining, processing, modification, assembly, heat treatment, coating, inspection, or other services by SELLER, BUYER acknowledges and agrees as follows:
 - i. SELLER is not the manufacturer of such Customer-Furnished Materials and does not control their metallurgy, integrity, internal defects, dimensional condition, heat history, storage history, or prior handling.
 - ii. Complex machining, deep-hole drilling, threading, boring, special processes, heat treatment, coating, or finishing operations inherently involve risk of tool failure, material fracture, cracking, distortion, subsurface defect exposure, or other unintended damage, even when performed with reasonable care and in accordance with industry standards.
 - iii. SELLER shall exercise commercially reasonable care in performing services on Customer-Furnished Materials; however, SELLER shall not be liable for loss of or damage to such materials except to the extent caused by SELLER's proven negligence.
 - iv. In no event shall SELLER's total cumulative liability arising out of or relating to damage to or loss of Customer-Furnished Materials exceed the lesser of:
 - (i) the fees paid or payable to SELLER for the specific services performed on the affected materials; or
 - (ii) USD \$25,000 per occurrence.
 Notwithstanding Section 13(c), the limitation of liability applicable to Customer-Furnished Materials shall be governed exclusively by this Section 6(a).

- v. BUYER assumes all risk of loss or damage to Customer-Furnished Materials in excess of the foregoing limitation and shall maintain adequate insurance covering the full replacement value of such materials while in SELLER's care, custody, or control. BUYER acknowledges that SELLER's charges do not include risk underwriting for the full replacement value of Customer-Furnished Materials.
 - vi. SELLER shall not be responsible for internal defects, metallurgical inconsistencies, laminations, inclusions, hardness variation, or other latent conditions within Customer-Furnished Materials that are not discoverable through ordinary visual inspection prior to machining.
 - vii. SELLER shall have no obligation to inspect, test, or verify the condition, suitability, or integrity of any Customer-Furnished Materials except as expressly agreed in writing.
 - viii. The limitations set forth in this Section reflect a material allocation of risk between the Parties and form an essential basis of the commercial pricing of the services.
- 7. ENGINEERING AND TECHNICAL SERVICES:** Upon request, SELLER may provide engineering and/or technical information regarding Work and, if agreed, will provide personnel to assist BUYER in effecting field installations and/or field service. Any such information, service, or assistance so provided, whether with or without charge, shall be advisory only. SELLER DOES NOT WARRANT THE ACCURACY OR COMPLETENESS OF ANY INTERPRETATION SERVICE, ASSISTANCE, RECOMMENDATION, ADVICE, DESCRIPTION, ANALYSIS, CONCLUSION, TEST, MEASUREMENT, REPORT, OR DATA GIVEN IN RELATION TO THE PURCHASE ORDER ("COLLECTIVELY, "INFORMATION"). BUYER HAS COMPLETE RESPONSIBILITY FOR ANY ACT OR OMISSION TAKEN BY BUYER IN RELATION TO THE INFORMATION AND BUYER AGREES TO INDEMNIFY AND HOLD SELLER HARMLESS AGAINST ALL COSTS IN RESPECT THEREOF.
- 8. LABOR STANDARDS:** SELLER hereby confirms that the Work shall be provided in accordance with all applicable requirements of relevant labor laws.
- 9. INSPECTION:** Unless otherwise agreed in writing, final inspection and acceptance of Work must be made at SELLER's plant or other shipping or receiving point designated by SELLER within the agreed timeframe as specified in the order. Such inspection and acceptance shall be conclusive except as regards latent defects. Subject to Section 2 above and on reasonable notice and at reasonable times, BUYER's representatives may inspect the products at the SELLER's plant prior to shipment in such manner as will not interfere with operations. SELLER shall be entitled to additional costs and/or time if any inspection impacts SELLER's performance of the purchase order. The BUYER must inspect and examine deliveries of SELLER immediately after receipt and shall notify SELLER, within seven (7) calendar days, about any possible complaints, including, but not limited to, deviations from the order and visible damage. This applies to defects in material and or workmanship, short deliveries and/or differing deliveries. After acceptance of the delivery, or deemed acceptance as a result of BUYER's violation of the obligation for examination and to give notice of defects immediately after delivery, all legal dispositive rights and claims for damage to BUYER from a possible deviation of the delivery from the order are barred and excluded and BUYER's sole remedy with regards to such Work will be SELLER's warranty provided in Section 6 herein. Work shall be deemed accepted upon the earliest of (i) use in operations, (ii) integration into BUYER's equipment or well, or (iii) BUYER's failure to reject within the time period specified herein.
- 10. TITLE AND RISK:** Unless otherwise agreed between the Parties in a written order or SELLER's order acknowledgment, Title and risk of loss shall pass to BUYER EXW SELLER's named place, when products are loaded onto BUYER's transport at SELLER's named place of delivery. Title to rental equipment shall remain with SELLER, however BUYER shall be responsible for risk of loss and for insuring the rental equipment for the full reinstatement value from the date of delivery until the date such rental equipment is returned to SELLER. For cancellations according to Sections 4 and/or 5, title to the Work shall remain with SELLER until the full purchase price is paid by BUYER for the Work. SELLER shall retain a security interest in the Work, irrespective of attachment to the land or equipment of BUYER or any Third-Party, to the extent of any unpaid balance of the purchase price thereof, and SELLER may use all reasonable efforts to retain and/or obtain possession of such Work until such unpaid balance has been received in full and accepted by SELLER. Notwithstanding the foregoing, where goods are invoiced pursuant to a Bill-and-Hold arrangement, title and risk shall transfer as set forth in the Bill-and-Hold provisions herein.
- 11. EXPORT COMPLIANCE AND CONTROLS:** (A) BUYER shall ensure that it and its Group are bound by and comply with applicable laws, including sanctions and trade compliance laws and regulations (including, but not necessarily limited to, orders issued by the United States' Office of Foreign Assets Controls (OFAC), UK Office of Financial Sanctions Implementation (OFSI), or other applicable regulatory agency or law restricting the importation, sale, or use of the products in particular countries or regions). BUYER shall be liable for and shall defend, indemnify, and hold SELLER Group harmless from and against all fines and penalties and any other damage suffered by the SELLER Group resulting from a breach of such applicable laws or regulations by BUYER Group. (B) BUYER represents that as of the Effective Date of the order (i) it is not, and neither any of its Affiliates or any of their directors or officers are, listed as a restricted person; (ii) it is not, and neither any of its Affiliates or any of their directors or officers are in breach of any sanction laws and related trade compliance regulations; and (iii) due performance of its obligations under the order and these terms and conditions will not result in a breach of any sanction laws and regulations. (C) To the extent and in the event that SELLER performance of the order results or would result in noncompliance with, a violation of, or be inconsistent with sanction laws and regulations, SELLER shall, as soon as reasonably practicable, give written notice to the BUYER, with the details and specifics of the applicable sanction laws or regulations. Provided that all conditions in this paragraph (C) are satisfied, SELLER may suspend, delay, or cancel the performance of its obligations under the order and these terms and conditions. (D) BUYER undertakes at any time during the performance of the order at the request of SELLER to sign and provide SELLER with a Certificate of End Use. SELLER reserves the right to suspend the performance of its obligations under the order until the Certificate of End Use signed by the BUYER is obtained. (E) BUYER shall not, directly or indirectly, sell, provide, export, re-export, transfer, divert, loan, lease, consign, or otherwise dispose of any of the Work or technology to or via any person, entity, or destination, or for any activity or end-use restricted by any applicable laws or regulations (including those applicable to nuclear, missile, chemical, or biological weapons proliferation) without first obtaining all required government authorizations. BUYER is responsible for any re-export classification, export license, or customs declaration once goods leave SELLER facility under EXW Incoterms 2020.

SELLER warrants and represents that neither the SELLER nor the SELLER's parent or subsidiary companies, affiliates or any of their shareholders, subcontractors, members, managers, directors, officers, employees, independent contractors, subcontractors or agents to SELLER's knowledge: (a) has made or authorized or will make or authorize any offer, payment, promise to pay, any money, including kick-backs, or a gift, promise to give, or the giving of anything of value to any third party including, but not limited to, a government official, political party, party official, family member or representative of a state-owned enterprise, for the purpose of wrongfully influencing the recipient; obtaining or retaining business; or for securing or obtaining an improper business advantage; or (b) has taken or permitted or will take or permit any action to be taken, including an action in connection with the conduct of their business and the transactions contemplated under this Agreement, which would cause the SELLER or BUYER be in violation of any applicable Anti-Bribery or Anti-Corruption Laws, including, where applicable, but not limited to the United States Foreign Corrupt Practices Act of 1977, as amended; the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and related implementing legislation and all local equivalent laws in the countries in which business is conducted.

Each Party shall maintain records of all transactions relating to the performance of this Section 11, including, without limitation, the spending of money, any other disposition of assets and the incurrence of liabilities, expenses and contractual obligations, in accordance with applicable law. Such records shall, fairly and accurately, reflect the transactions undertaken by the parties in the performance of an order governed by this Section 11.

The BUYER undertakes to comply with these rules and controls and to indemnify and hold harmless SELLER in any case of breach of those rules and controls.

12. TRANSPORTATION CHARGES, ALLOWABLE CLAIMS: If the quoted or contractual price includes transportation, SELLER reserves the right to designate the common carrier and to ship in the manner it deems most economical. Added costs due to special routing requested by the BUYER are chargeable to the BUYER. Under no circumstances is any freight allowance which is absorbed by SELLER to be deducted from the selling price, and no deduction will be made in lieu thereof whether BUYER accepts shipment at plant, warehouse, freight station, or otherwise supplies its own transportation. SELLER endeavors to pack or prepare all shipments so that they will not break, rust, or deteriorate in transit, but does not guarantee against such damage. Unless requested in writing by BUYER, and stated in the SELLER's quotation and sales order acknowledgment, no shipments are insured by SELLER against damage or loss in transit. SELLER will place insurance as nearly as possible in accordance with BUYER's written instructions provided that SELLER acts only as agent between the insurance company and BUYER and assumes no liability whatsoever. Any Claims for shipping loss, breakage, or damage (obvious or concealed) are BUYER's responsibility and should be made to the carrier. All Claims regarding shortages must be made within thirty (30) days from receipt of shipment and must be accompanied by the packing list(s) covering the shipment.

13. INDEMNIFICATION AND LIMITATION OF LIABILITY:

a. INDEMNIFICATION:

"BUYER Group" means: BUYER, its parent (if any), subsidiaries, affiliates, co-owners, co-venturers, partners, and any entity with whom BUYER has an economic interest with respect to the Work including BUYER's customer and its and their respective employees, personnel, directors, officers, borrowed servants, representatives, agents, contractors, and subcontractors (respectively and of any tier or level and who are not included within the SELLER Group),

"SELLER Group" means: SELLER, its parent (if any), subsidiaries, affiliates, co-owners and its and their respective employees, personnel, directors, officers, borrowed servants, representatives, agents, contractors, and subcontractors (respectively and of any tier or level and who are not included within the BUYER Group),

"Negligence" means: sole, joint, or concurrent, active, passive, or gross Negligence, willful misconduct, strict liability, product liability, or any other legal cause of action,

"Claims" means: any and all Claims, demands, losses, damages, and causes of action of whatever kind or nature. Unless otherwise specified, Claims is to be read in its broadest sense to include all Claims by a first party (which includes any member of either BUYER Group or SELLER Group) or by a third party (which includes any person or entity not included in BUYER Group or SELLER Group).

- i. SELLER SHALL RELEASE, DEFEND, SAVE, INDEMNIFY (COLLECTIVELY "INDEMNIFY"), AND HOLD BUYER GROUP HARMLESS FROM AND AGAINST ALL CLAIMS, FOR LOSS OF OR DAMAGE TO THE PROPERTY OF THE MEMBERS OF THE SELLER GROUP EVEN IF SUCH CLAIMS ARISE FROM OR ATTRIBUTABLE TO THE NEGLIGENCE OF THE MEMBERS OF BUYER GROUP.
- ii. SELLER SHALL INDEMNIFY AND HOLD BUYER GROUP HARMLESS FROM AND AGAINST ALL CLAIMS FOR THE DEATH(S) OF OR PERSONAL INJURY(IES) TO MEMBERS OF THE SELLER GROUP EVEN IF SUCH CLAIMS ARISE FROM OR ATTRIBUTABLE TO THE NEGLIGENCE OF THE MEMBERS OF BUYER GROUP.
- iii. BUYER SHALL INDEMNIFY AND HOLD SELLER GROUP HARMLESS FROM AND AGAINST ALL CLAIMS FOR LOSS OF OR DAMAGE TO THE PROPERTY (INCLUDING THE WORK) OF THE MEMBERS OF THE BUYER GROUP EVEN IF SUCH CLAIMS ARISE FROM OR ATTRIBUTABLE TO THE NEGLIGENCE OF THE MEMBERS OF SELLER GROUP.
- iv. BUYER SHALL INDEMNIFY AND HOLD SELLER GROUP HARMLESS FROM AND AGAINST ALL CLAIMS FOR THE DEATH(S) OF OR PERSONAL INJURY(IES) TO MEMBERS OF THE BUYER GROUP EVEN IF SUCH CLAIMS ARISE FROM OR ATTRIBUTABLE TO THE NEGLIGENCE OF THE MEMBERS OF SELLER GROUP.
- v. EXCEPT AS PROVIDED IN SECTION 13.a.vi BELOW, BUYER (ON ITS OWN BEHALF AND ON BEHALF OF BUYER GROUP) AND SELLER (ON ITS OWN BEHALF AND ON BEHALF OF SELLER GROUP) SHALL INDEMNIFY AND HOLD EACH OTHER HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS ASSERTED AGAINST THEM BY OR ON BEHALF OF ANY THIRD PARTY FOR THE DEATH(S) OF OR PERSONAL INJURY(IES) TO SUCH A THIRD PARTY, AS WELL AS LOSS(ES) OF OR DAMAGE(S) TO THE PROPERTY OF SUCH A THIRD PARTY. IT IS AGREED BY BUYER AND SELLER THAT THEIR RESPECTIVE DUTY OF INDEMNITY TO EACH OTHER WITH RESPECT TO CLAIMS ASSERTED AGAINST THEM BY A THIRD PARTY PURSUANT TO THIS SECTION 13.a.v SHALL BE LIMITED TO THEIR RESPECTIVE DEGREE OF NEGLIGENCE.
- vi. NOTWITHSTANDING ANY OTHER PROVISION CONTAINED HEREIN, BUYER SHALL INDEMNIFY AND HOLD THE MEMBERS OF SELLER GROUP HARMLESS FROM AND AGAINST ALL CLAIMS (INCLUDING CONTROL CLEAN-UP AND REMOVAL COSTS AND LOSS(ES) OF OIL, GAS, OR HYDROCARBONS), PERSONAL INJURY, DEATH OR LOSS OF OR DAMAGE TO PROPERTY ARISING DIRECTLY OR INDIRECTLY FROM (A) LOSS OF OR DAMAGE TO THE WELL, THE FORMATION OR THE RESERVOIR AND THE COST OF RE-DRILLING THE WELL AND (B) LOSS, DAMAGE, INJURY, AND/OR DEATH RESULTING FROM FIRE, AN EXPLOSION, A WILD WELL, OR BLOW-OUT AND ALL COSTS ASSOCIATED WITH SUCH EVENTS; INCLUDING BUT NOT LIMITED TO DAMAGE CAUSED TO A RIG/VESSEL AS WELL AS ANY DOWNTIME OR REMEDIATION/RECOVERY TIME AND/OR THE COST OF RE-COMPLETION AND RE- RUNNING OF THE SERVICES OR REPLACEMENT OF ANY INSTALLATION AND (C) LOSS, DAMAGE, INJURY, AND/OR DEATH RESULTING FROM POLLUTION AND/OR CONTAMINATION EMANATING FROM THE WELL AND/OR RESERVOIR, INCLUDING ALL COST OF CONTAINMENT, CLEAN-UP, AND DISPOSAL AND (D) LOSS, DAMAGE (INCLUDING ALL COST OF CONTAINMENT, CLEAN-UP AND DISPOSAL), INJURY, AND/OR DEATH RESULTING FROM RADIOACTIVE CONTAMINATION ORIGINATING BELOW THE SURFACE OR IN THE EVENT OF CONTAMINATION ORIGINATING ABOVE THE SURFACE, WHILST THE RADIOACTIVE SOURCE IS UNDER BUYER GROUP'S DIRECT OR INDIRECT CUSTODY AND CONTROL, AND (E) LOSS, DAMAGE, INJURY, AND/OR DEATH SUFFERED BY ANY THIRD PARTY RESULTING FROM ANY OF THE EVENTS LISTED IN (A) TO (D) INCLUDING LOSS OF OR DAMAGE TO OIL AND/OR GAS PRODUCTION FACILITIES OR PIPELINES OR ANY THIRD PARTY INSTALLATIONS OR RIGS/VESSELS WITHIN A 500M RADIUS OF THE WORKSITE, IT BEING THE INTENTION OF THE PARTIES THAT THIS INDEMNITY SHALL APPLY TO ANY LOSS TO ANY PROPERTY OR PERSONNEL OF THE BUYER GROUP AND TO ANY LOSS TO ANY PROPERTY OR PERSONNEL OF ANY THIRD PARTY AND SHALL APPLY REGARDLESS OF CAUSE EVEN IF ARISING OUT OF OR ATTRIBUTABLE TO THE NEGLIGENCE OF ANY MEMBER OF SELLER GROUP.
- vii. NOTWITHSTANDING ANY OTHER PROVISION CONTAINED HEREIN, BUYER SHALL BE RESPONSIBLE FOR AND SHALL REIMBURSE AND INDEMNIFY SELLER IN RESPECT OF ANY LOSS OF OR DAMAGE (EXCLUDING NORMAL WEAR AND TEAR) TO SELLER GROUP PROPERTY, MATERIALS, OR EQUIPMENT (TOOLS) OR COMPONENTS WHICH (A) IS DAMAGED OR LOST WHILST IN-HOLE BELOW THE ROTARY TABLE OR OTHERWISE LOST AND (B) IS LEASED, RENTED, OR BORROWED BY BUYER.

b. INDEMNITY FOR CONSEQUENTIAL DAMAGES:

Neither Party shall be liable to the other for consequential damages except to the extent arising from indemnity obligations expressly assumed under Section 13(a).

UNDER NO CIRCUMSTANCES SHALL SELLER BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, EXEMPLARY, INDIRECT, OR PUNITIVE DAMAGES (COLLECTIVELY "CONSEQUENTIAL"), AS DEFINED BY THE LAWS GOVERNING THE PURCHASE ORDER, NOR FOR ANY LOSS OF ANTICIPATED PROFITS (IF ANY), LOSS OF BUSINESS OPPORTUNITY, LOSS OF OR DAMAGE TO THE LEASEHOLD, LOSS OF OR DELAY IN DRILLING OR OPERATING RIGHTS, DELAY, BUSINESS

INTERRUPTION (INCLUDING COST OF OVERHEAD INCURRED DURING BUSINESS INTERRUPTION), LOSS OF BARGAIN, EXPECTATION OR OPPORTUNITY, LOSS OF CONTRACT, OR ANY OTHER SIMILAR LOSSES, LOSS OF USE, LOSS OF DATA, LOSS OF ASSETS (INCLUDING BUT NOT LIMITED TO LOSS OF OR DELAY IN PRODUCTION, OR LOSS OF SAMPLES), LOSS OF RIG TIME, OR LOSS OF USE OF EQUIPMENT OR OF ANY INSTALLATION, SYSTEM, OR FACILITY INTO WHICH SELLER'S EQUIPMENT MAY BE LOCATED OR AT WHICH MEMBERS OF THE SELLER GROUP MAY BE PERFORMING WORK; AND BUYER AGREES TO INDEMNIFY AND HOLD SELLER GROUP HARMLESS FROM AND AGAINST ANY CLAIMS FOR SUCH DAMAGES EVEN IF ARISING OUT OF OR ATTRIBUTABLE TO THE NEGLIGENCE OF THE MEMBERS OF THE SELLER GROUP.

c. **LIMITATION OF LIABILITY:**

Except as otherwise expressly limited in these terms and conditions it is the express intention of the parties hereto that all indemnity obligations and/or liabilities hereby assumed by the parties shall be: (a) supported by insurance; (b) without contractual limitation except as expressly provided herein; and (c) without regard to the cause or causes thereof, including, but not limited to, preexisting conditions (whether such conditions be patent or latent); breach of representation or warranty (express or implied); breach of contract; breach of duty (statutory, contractual, common law or otherwise); strict liability; condition of ruin or defective premises, equipment, facilities, or appurtenances of any party under any code, law (whether or not said condition is preexisting and/or latent, patent or otherwise); the loading or unloading of persons or cargo; tort; or the negligence or fault of any party (as defined at the beginning of this Section 13; or any other theory of legal liability. 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. Notwithstanding the above, to the extent, and only to the extent, that the Texas Oilfield Anti-Indemnity Act (TOAIA) applies to these Terms and Conditions and would render void, unenforceable, or void any obligations hereunder, including those set forth in this Section 13, BUYER and SELLER agree to carry supporting insurance in equal amounts of the types and in the minimum amounts required by the TOAIA. The Parties agree that this Agreement is supported by liability insurance in equal amounts not less than the minimum limits required under TOAIA for the applicable contract value. If either Party elects to self-insure any portion of the required coverage, such self-insurance shall be commercially reasonable and shall not relieve such Party of its indemnity obligations. 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 after an order is entered into by BUYER and SELLER. SELLER's total cumulative liability arising out of or relating to the Work shall not exceed twenty percent (20%) of the applicable purchase order price. Any liability in excess of such amount is expressly assumed by BUYER. The limitation of liability shall not apply to indemnities expressly assumed under Section 13, except where prohibited by applicable law. The limitation of liability set forth herein shall not apply to: (i) indemnities expressly assumed under Section 13(a); (ii) Repair services as provided in Section 13(e); (iii) Customer-Furnished Materials as provided in Section 6(a); or (iv) replacement value obligations under Annex A.

d. **BUYERS CUSTOMER INDEMNITIES:** Notwithstanding anything in these terms or the order to the contrary, in the event that BUYER is entitled to indemnity under any contract with its customers or suppliers with respect to the losses described in Section 13.a(iii)-(vii) and 13.b above in connection with Work performed under this Agreement, and such indemnity exceeds that granted by BUYER to SELLER, BUYER will provide SELLER Group with the benefit of such indemnity to the fullest extent possible under such contracts with BUYER's customers and suppliers to the extent permitted under BUYER's customer contracts and applicable law. BUYER shall use reasonable efforts to enforce and pass through such indemnity rights.

e. **LIMITATION OF LIABILITY FOR REPAIR SERVICES:** BUYER acknowledges that the Repair services provided generally consist of limited, low-dollar repair or maintenance Work performed on BUYER provided equipment that may have a value substantially in excess of the fees charged for such Repair services. To the fullest extent permitted by applicable law, SELLER's total cumulative liability arising out of or relating to the Repair services, whether in contract, tort (including negligence), strict liability, bailment, or otherwise, shall not exceed the lesser of (i) the total fees actually paid by BUYER for the specific Repair services giving rise to the claim, or (ii) \$25,000. Notwithstanding Section 13(c), the limitation of liability applicable to Repair services shall be governed exclusively by this Section 13(e).

BUYER further acknowledges and agrees that:

1. SELLER is not assuming responsibility for the overall condition, performance, or value of the equipment;
2. any risk of loss or damage to the equipment disproportionate to the Repair service fees charged is expressly allocated to BUYER; and
3. BUYER is responsible for maintaining adequate insurance coverage on BUYER's equipment, including while such equipment is in SELLER's care, custody, or control.

The limitations set forth in this section reflect a material allocation of risk between the parties and form an essential basis of the terms and conditions of the order. SELLER would not perform the Repair services without these limitations.

14. **INDEPENDENT CONTRACTOR:** BUYER and SELLER are independent contractors, and nothing contained herein shall be construed to constitute BUYER and SELLER as partners, joint venturers, co-owners or otherwise as participants in a joint or common undertaking.
15. **TENORM:** Any equipment used, whether it belongs to SELLER Group, BUYER Group, or a Third-Party, that is intended to be returned to SELLER's storage facility, base, service center or field site will be tested for Technically Enhanced Naturally Occurring Radioactive Material ("TENORM") prior to backloading from the site. This shall be done irrespective of ownership of the equipment and regardless of whether SELLER Group, BUYER Group, or a Third-Party uninstalls the equipment. Any equipment found to be contaminated by TENORM shall be the responsibility of BUYER and shall be decontaminated by BUYER at its own expense. If disposable personal protective equipment ("PPE") is used for the handling of TENORM contaminated equipment at the site, for example, Tyvek coveralls, latex gloves, etc., such PPE shall be left at the site for disposal by BUYER and be provided for or reimbursed by BUYER. Once decontaminated, equipment shall be transported to SELLER's storage facility, base, service center or field site with appropriate documentation from BUYER's nominated waste management contractor verifying decontamination. All costs associated with decontamination, storage, transportation, and disposal of TENORM contaminated equipment and PPE shall be for BUYER's account. Moreover, if SELLER Group's equipment becomes contaminated by TENORM to a level where it is no longer economical to clean or decontaminate, BUYER shall take custody of such equipment and reimburse SELLER for the full new replacement cost, as reasonably determined in good faith by the SELLER, of such equipment.
16. **INSURANCE:** BUYER and SELLER agree to support their mutual indemnity obligations under Section 13 by obtaining and maintaining liability insurance coverage with contractual indemnity endorsements, which each Party shall, at its own expense, maintain for the benefit of the other Party and its associated Group as indemnitees, with an insurance company or companies with an A.M. Best's rating of A- or better, authorized to do business in the state and/or country where the Work is to be provided, and in coverages of the kinds and in the amounts as follows. The failure of either Party to maintain required insurance shall constitute a material breach. However, the liabilities of BUYER and SELLER shall not in any way be limited to the amounts of insurance required herein (except to the extent expressly mandated by applicable law). Moreover, the indemnity obligations each Party assumes under the terms under Section 13 are independent of the contractual insurance requirements set out below, and such indemnity obligations shall not be lessened or extinguished by reason of either Party's failure to obtain the required insurance coverage or by any defenses asserted by either Party's insurers.
 - a. Statutory Workers' Compensation Insurance and Employer's Liability, including maritime endorsement if applicable, in the amount of \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
 - b. 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 \$1,000,000 per occurrence and \$2,000,000 in the aggregate.

- c. Owned and Non-Owned Automobile Liability Insurance for bodily injury and property damage combined single limit in the amount of \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
- d. Full Form Protection and Indemnity Insurance, if applicable, in the amount of \$1,000,000 per occurrence and in the aggregate.
- e. Excess Liability Insurance in the amount of not less than \$5,000,000 per occurrence and in the aggregate.

Each Party agrees that, to the extent it assumes liability herein, it shall endorse the above insurance to name the indemnified Parties as additional insureds (except for Workers' Compensation), it shall waive its right of subrogation against the indemnified Parties and their insurers, and its insurance shall be primary to that carried by the indemnified Parties.

Each Party shall furnish insurance certificates to the other Party to evidence the insurance required herein, and such certificates shall contain an endorsement stating that the insurer will endeavor to provide thirty (30) days' written notice of material change or alteration to such coverage. All deductible amounts, premiums, franchise amounts, or other charges due with respect to each Party's required insurance shall be the sole obligation of the insured Party.

- 17. GOVERNING LAW, DISPUTES, MODIFICATION, RESCISSION WAIVER:** These terms and conditions represent the entire agreement between the Parties and supersede all previous agreements, representations, understandings, and commitments whatsoever whether they are verbal or written. These terms and conditions may not be modified or rescinded nor any of its provisions waived unless such modification, rescission, or waiver is mutually agreed in a written contract between the parties. Failure of SELLER to insist in any one or more instances upon the performance of any of the terms and conditions of the contract or the failure of SELLER to exercise any of its rights hereunder shall not be construed as a waiver or relinquishment of any such term, condition, or right hereunder and shall not affect SELLER's right to insist upon strict performance and compliance with regard to any unexecuted portions of this contract or future performance of these terms and conditions. All orders must be accepted by an authorized employee of SELLER. The rights and duties of the parties and construction and effect of all provisions hereof shall be governed by and construed in accordance with the laws of (A) the state of Texas (USA) for orders entered into in the United States (B) the Province of Alberta (Canada) for orders entered into in Canada and (C) England (UK) for any orders entered into outside the United States or Canada. All disputes arising out of or relating to the order or these Terms and Conditions that are not resolved through negotiation shall be finally resolved by binding arbitration as follows:

- a. United States orders: For orders entered into in the United States, Arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association (AAA). Seat (legal place) of arbitration: Houston, Texas, USA. Venue of hearings: Houston, Texas, USA (unless the parties agree otherwise in writing). Language of arbitration: English. The arbitration award shall be final and binding and may be entered in any court of competent jurisdiction.
- b. Canada orders: For orders entered into in Canada, Arbitration shall be conducted in accordance with the national arbitration rules of the ADR Institute of Canada, Inc., Seat (legal place) of arbitration: Calgary, Alberta, Canada. Venue of hearings: Calgary, Alberta, Canada (unless the parties agree otherwise in writing). Language of arbitration: English. The award shall be final and binding and enforceable in any court of competent jurisdiction.
- c. International orders (Outside U.S. or Canada), For orders entered into outside the United States or Canada, Arbitration shall be conducted in accordance with the Rules of Arbitration of the International Chamber of Commerce (ICC). Seat (legal place) of arbitration: Dubai, United Arab Emirates. The substantive governing law of the order shall be as set forth above, without regard to conflict of law principles. Venue of hearings: Dubai, United Arab Emirates, unless otherwise agreed in writing by the Parties or directed by the arbitral tribunal. The arbitration shall be governed procedurally by the law of the seat. Language of arbitration: English. The arbitral tribunal shall consist of one (1) arbitrator unless the amount in dispute exceeds USD \$5,000,000, in which case the tribunal shall consist of three (3) arbitrators. The arbitration award shall be final and binding upon the Parties and judgment upon the award may be entered in any court of competent jurisdiction. The arbitration award may be enforced in any jurisdiction under the New York Convention.

The arbitration, including all pleadings, documents, and awards, shall remain confidential except as required for enforcement or by applicable law. Nothing in this Section shall prevent either Party from seeking interim or conservatory measures from any court of competent jurisdiction.

- 18. INTELLECTUAL PROPERTY:** While performing Work for BUYER, SELLER may utilize SELLER's intellectual property and/or develop additional expertise, know-how, inventions, ideas, designs, methods, or processes which are SELLER's exclusive property and which SELLER may freely utilize in providing goods and services for itself and/or its other customers. Except where expressly and specifically indicated in writing in a separate development agreement executed by the Parties, and in exchange for appropriate payment, SELLER does not develop any intellectual property (including, without limitation, copyrights, patents, expertise, know-how, inventions, ideas, designs, methods, and/or processes) for ownership by BUYER, and SELLER retains sole ownership of any such intellectual property created during the course of Work hereunder, and BUYER shall not reverse engineer or cause any SELLER property or Work Product to be reverse engineered without SELLER's express written consent.

Notwithstanding the foregoing, BUYER shall own any inventions, ideas, or designs (whether patentable or not) solely developed by BUYER, its personnel, or contractors. BUYER shall also own any well or reservoir data acquired by SELLER arising out of the Work and any reports or interpretations or characterizations thereof provided to BUYER by SELLER. Subject to any confidentiality obligations, SELLER may use such data internally to develop, refine or improve its products, services and computer models.

SELLER AGREES TO RELEASE, PROTECT, DEFEND, INDEMNIFY, AND HOLD HARMLESS BUYER FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION OF EVERY KIND AND CHARACTER, LIABILITIES, COSTS OR EXPENSES WHICH MAY BE INCURRED BY OR BROUGHT OR ASSERTED AGAINST BUYER FOR ANY LOSS OR CLAIM FOR INFRINGEMENT OF ANY U.S. PATENT, LICENSE, TRADE SECRET, COPYRIGHT, AND/OR ANY OTHER SUCH INTELLECTUAL PROPERTY ARISING OUT OF THE NORMAL USE OF SELLER'S WORK PROVIDED TO BUYER FOR ANY WORK PERFORMED AND GOVERNED BY THIS SECTION 18.

NOTWITHSTANDING THE FOREGOING, SELLER SHALL NOT OWE AN INDEMNITY AND WILL NOT BE LIABLE FOR INTELLECTUAL PROPERTY INFRINGEMENT THAT ARISES: (I) WHEN SELLER'S WORK HAS BEEN SPECIALLY MODIFIED, DESIGNED AND/OR MANUFACTURED TO MEET BUYER'S SPECIFICATIONS; (II) OUT OF UNAUTHORIZED ADDITIONS OR MODIFICATIONS TO SELLER'S WORK; (III) WHEN BUYER'S USE OF SELLER'S WORK DOES NOT CORRESPOND TO SELLER'S PUBLISHED STANDARDS OR SPECIFICATIONS; (IV) OUT OF BUYER'S USE OF SELLER'S WORK IN COMBINATION WITH WORK NOT PROVIDED BY SELLER; (V) AFTER EIGHTEEN (18) MONTHS HAVE PASSED SINCE SELLER'S WORK HAS BEEN DELIVERED TO BUYER; OR (VI) IF BUYER DOES NOT PROVIDE WRITTEN NOTICE TO SELLER WITHIN TEN (10) DAYS OF RECEIVING SERVICE OF PROCESS OR OTHER NOTICE OF AN IMPENDING INFRINGEMENT CLAIM. BUYER SHALL RELEASE, PROTECT, DEFEND, INDEMNIFY, AND HOLD HARMLESS SELLER GROUP AGAINST ANY CLAIM, EXPENSE, JUDGMENT OR LOSS FOR ALLEGED INFRINGEMENT OF ANY PATENT, COPYRIGHT, OR OTHER PROPRIETARY RIGHT WHICH RESULTS FROM A CLAIM BASED UPON (I), (II), (III), AND/OR (IV) HEREIN.

Notwithstanding anything to the contrary herein, SELLER's total cumulative liability for any and all intellectual property infringement Claims arising under this Section 18 shall be subject to the limitation of liability set forth in Section 13(c) of these Terms and Conditions. For the avoidance of doubt, intellectual property indemnity obligations are not excluded from the limitation of liability set forth in Section 13(c).

SELLER shall have sole control of the defense and settlement of any such Claim; provided that SELLER shall not settle any Claim in a manner that imposes liability or an admission of fault upon BUYER without BUYER's prior written consent, which shall not be unreasonably withheld.

BUYER shall provide reasonable cooperation in the defense of such Claim, including access to relevant personnel, documents, and information, at SELLER's expense, and shall not admit liability, settle, or compromise any such Claim without SELLER's prior written consent.

In the event of any Claim alleging that the Work infringes a third party's intellectual property rights, SELLER may, at its option and expense: (i) procure for BUYER the right to continue using the Work; (ii) replace or modify the Work to make it non-infringing; or (iii) accept return of the Work and refund the purchase price paid for the allegedly infringing Work, less reasonable depreciation. BUYER shall cease use of the allegedly infringing Work upon SELLER's written request pending resolution. This Section states BUYER's sole and exclusive remedy for any intellectual property infringement Claim.

19. **CONFIDENTIALITY:** BUYER acknowledges that all commercial and technical information, including but not limited to quoted prices and lead times and technical specifications, requirements, drawings, and data provided by SELLER in the contemplation or performance of the purchase order is confidential and proprietary to SELLER. BUYER agrees to treat such information as secret and confidential and to not, at any time disclose, distribute, publish, copy, reproduce, sell, lend, manipulate, or otherwise make use of or permit use to be made of any confidential information, except with SELLER's prior written consent.
20. **SEVERABILITY:** Any provision herein which in any way contravenes applicable laws or regulations shall be deemed severable to the extent of such contravention, and the legality, validity or enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby. The parties shall promptly negotiate to restore the provisions hereof as near as possible to their original intent and economic effect.
21. **NOTICES:** All instructions, notices, agreements, authorizations, approvals, and acknowledgements shall be given in writing in the English language, and shall be deemed to have been received upon delivery when made in writing and (A) delivered personally; (B) sent by way of registered post; or (C) upon sending electronically by Email (confirmation of delivery requested) to an authorized Representative or office of the Party for whom it is intended.

ANNEX A – TERMS AND CONDITIONS OF RENTAL

This Terms and Conditions of Rental Annex A (the "Rental Annex") is incorporated into and forms part of the primary Terms and Conditions of Sale and Rental (the "Sale Terms"). The provisions of this Rental Annex apply solely to the rental of equipment, goods, or other property (the "Rental Equipment") by Lessor (SELLER) to Lessee (BUYER) and are intended to supplement the Sale Terms. Except as expressly modified herein, all Sale Terms remain in full force and effect. In the event of any conflict between this Rental Annex and the Sale Terms, the provisions of this Rental Annex shall govern with respect to the rental transactions and subject matter addressed herein.

- a. **RENTAL AGREEMENT:** No contract, purchase order, call-off order, or agreement otherwise for SELLER to provide Rental Equipment to BUYER shall become binding upon SELLER until an order acceptance, mutually signed lease agreement, or order acknowledgement is issued by the SELLER to BUYER. Oral orders or arrangements otherwise shall not commit SELLER to provide Rental Equipment to BUYER. SELLER reserves the right to reallocate, without liability to BUYER, Rental Equipment for which BUYER has not accepted delivery by the specified delivery date, and any rental equipment which may be available at the time a quotation is made is subject to prior rental. SELLER'S ACCEPTANCE OF THE ORDER IS EXPRESSLY CONDITIONED ON BUYER'S ASSENT TO THE TERMS AND CONDITIONS CONTAINED HEREIN. The terms and conditions of SELLER's proposal (if any) and acknowledgement shall prevail over any conflicting or different terms in BUYER's order unless BUYER notifies SELLER in writing of its objections thereto within ten (10) calendar days from time of order placement or of any SELLER's acknowledgement, and the parties mutually agree upon such terms. BUYER's standard terms of purchase will not be considered a counteroffer to the terms and conditions contained herein. The failure of SELLER to object to any provision in conflict herewith, whether contained on BUYER's order or otherwise, shall not be construed as a waiver of the provisions hereof nor as an acceptance thereof.
- b. **TITLE AND NO TRANSFER OF OWNERSHIP:** Title to the Rental Equipment shall at all times remain with the SELLER, and BUYER shall at all times protect and defend, at its sole cost and expense, the title and interest of SELLER from and against all claims, liens and legal processes of creditors of the BUYER and keep all rental equipment, and BUYER's interest therein, free and clear from all such claims, liens and processes. BUYER shall not encumber, pledge, hypothecate, or subject the Rental Equipment to any form of lien. BUYER shall give SELLER immediate notice of any such attachment or other judicial process affecting any of the Rental Equipment. Without SELLER's written permission, BUYER shall not attempt to or actually pledge, lend, create a security interest in, sublet, exchange, trade, assign, swap, use for an allowance or credit or otherwise, any item of the Rental Equipment.
- c. **RENTAL PRICE SHEET VALIDITY:** Unless otherwise agreed or stated otherwise in an offer or quotation provided by SELLER to BUYER, SELLER reserves the right without prior notice to update published Rental Equipment pricing every ninety (90) calendar days.
- d. **RENTAL TERM:** BUYER must designate the Rental Equipment rate elected, daily or monthly, at the beginning of the rental period, and as specified and acknowledged upon in the applicable order, if BUYER is electing for daily or monthly rental. Monthly rental must be for a minimum of three (3) consecutive months. Any changes in the rate elected, daily or monthly, must be mutually agreed by the Parties, and the rental agreement or order must be updated accordingly and acknowledged by SELLER.
 - i. Daily rental charges of any Rental Equipment called out or released into BUYER care will be billed for a MINIMUM of five (5) days of the daily rental rate regardless of return date, unless agreed otherwise in the Rental Equipment agreement or order. Daily Rental charges will be assessed based on the greater of a five (5) day minimum or days counted, whichever is greater, using calendar days dispatch to return, unless agreed otherwise in the Rental Equipment agreement or order.
- e. **DELIVERY AND FREIGHT COSTS:** The agreed upon delivery dates, if any, are based on the SELLER's projected lead time, current inventory, commitments and BUYER's advice/need date(s). All shipment and delivery dates are estimates only. All shipments shall be EXW Incoterms 2020, SELLER's specified facility unless otherwise specified in writing on the Lease Agreement, order, or any other document, agreement or instrument executed pursuant hereto or in connection herewith. The method and route of shipment shall be at SELLER's discretion, unless BUYER supplies explicit reasonable instructions in writing at least two (2) days prior to shipment. Risk of loss shall pass to BUYER EXW SELLER's named place when the Rental Equipment is loaded onto BUYER's transport. SELLER is not responsible for any installation of Rental Equipment. SELLER shall not be liable to BUYER for any damages, losses or expenses if BUYER fails to meet the estimated delivery date. SELLER may deliver the Rental Equipment in installments. Claims for shortages must be made in writing within two (2) days of BUYER's receipt of shipment, or BUYER is deemed to have waived such claims. BUYER shall have a period of two (2) business days after delivery of the Rental Equipment to inspect the Equipment and notify SELLER in writing if any of such Rental Equipment is unacceptable, provided the Rental Equipment has not been placed into service prior to expiration of such period. BUYER agrees that unless it delivers such specific written notice within such two business day period, (i) it shall be deemed that BUYER has fully inspected the Rental Equipment, (ii) it shall be deemed that BUYER has accepted the Rental Equipment and that such Rental Equipment is in good condition and repair, and (iii) BUYER waives any right to subsequently claim that the Rental Equipment is defective or were not in good condition and repair. If BUYER provides such notice to SELLER within such two (2) business day period, SELLER shall have the right, as determined in its sole reasonable discretion, to replace such Rental Equipment or terminate the order with regards to such unacceptable Rental Equipment. Unless otherwise provided for by SELLER in a Lease Agreement, order, or any other document, agreement or instrument executed pursuant hereto or in connection herewith, all transportation charges upon the Rental Equipment for delivery to BUYER's designated location are to be paid by BUYER.
- f. **TAXES:** Except for ad valorem or other property taxes, any tax or other charges imposed by law on the rental of Rental Equipment shall be paid by the BUYER, unless the law specifically provides that such payment must be made by SELLER, in which case BUYER shall reimburse SELLER for such payment as part of the rental charge.

- g. **RENTAL TERMS OF PAYMENT:** Rental Equipment rates are subject to change without prior notice to BUYER upon expiry of any agreed minimum rental period and any individual Rental Equipment not returned to SELLER after expiry of an agreed rental period will continue to be charged at its applicable rental rate per day until its return. Any minimum rental period for Rental Equipment shall be invoiced in advance at delivery and the rental charge for any other thirty (30) day period of rental (or part thereof) together with all other agreed charges shall be invoiced on a monthly basis at the end of each thirty (30) day rental period. SELLER's Rental Equipment rates and charges do not include services of make-up or break-out of casing, tubulars, or drill pipe free issued by BUYER or subsequent pressure testing of assemblies. If BUYER requires any generic Rental Equipment to be modified by changing fit, form, or function, all costs and expenses (including but not limited to engineering and termination charges) incurred by SELLER in making such modifications shall be borne by BUYER. SELLER reserves the right to impose a minimum billing charge on all rentals of Rental Equipment. Any such minimum billing charge shall be invoiced by SELLER at the time of delivery of the related Rental Equipment. Rental and other applicable charges will be invoiced to BUYER's account on a monthly basis. All invoices to be paid by BUYER to SELLER after BUYER's authorized representative has signed the bill of lading (or other similar document) shall be made to SELLER without requiring SELLER to obtain any additional signature(s) from BUYER before such payments can be made, so long as BUYER continues to be in possession of the Rental Equipment. Terms of payment are thirty (30) days from date of invoice unless otherwise stated in the quotation or acknowledged Rental Equipment Agreement or order. Notwithstanding any circumstances or change in conditions which may prevent or delay the use of the Rental Equipment by BUYER, BUYER shall not be relieved of its responsibility to make any payment that is due to SELLER hereunder, including but not limited to payment of the minimum billing charge (if any) and rental and other applicable charges. SELLER reserves the right to place a service charge on any past due accounts at the highest interest rate permitted by applicable law. SELLER does not assume any responsibility for freight, rail, air, drayage or any other charges. All such charges shall be borne solely by BUYER. For the avoidance of doubt, all tools requested by BUYER and shipped on rental will be invoiced at 100% of the rental rate regardless of use.
- h. **QUIET POSSESSION AND INSPECTION:** SELLER hereby covenants with BUYER that BUYER shall quietly possess the Rental Equipment subject to and in accordance with the provisions hereof so long as BUYER is not in default hereunder; provided, however, that SELLER or its designated agent may, at any and all reasonable times during business hours, enter BUYER's premises for the purposes of inspecting the Rental Equipment and the manner in which it is being used.
- i. **CARE OF RENTAL EQUIPMENT, USE, RISK OF LOSS, RETURN TO SELLER:** BUYER assumes and shall solely bear the risk of loss for the Rental Equipment, for injury, damage (including damage to third parties and their property), loss, destruction, theft, expropriation or requisition (as to either title or use). BUYER agrees at BUYER's expense, to maintain the Rental Equipment in the same condition as received, reasonable wear and tear excepted, and to make all repairs and replacements necessary to maintain, preserve, and keep the Rental Equipment in good order and condition. BUYER is responsible for any damage of any nature whatsoever to any Rental Equipment that occurs while the Rental Equipment is in the BUYER's custody or control. Upon the expiration of the Rental Equipment Lease Term for any item of Rental Equipment, BUYER shall return the Rental Equipment to SELLER in the same condition as received, reasonable wear and tear excepted. If any Rental Equipment is returned to SELLER damaged, but capable of repair as reasonably determined by SELLER in good faith, BUYER shall pay the cost of repair. If BUYER fails to return any Rental Equipment or returns any damaged Rental Equipment that are incapable of being repaired as reasonably determined by SELLER in good faith, BUYER shall pay to SELLER the current replacement cost of such Rental Equipment as reasonably determined by SELLER in good faith.
- j. **RETURN OF RENTAL EQUIPMENT:** BUYER is responsible for post rental inspection charges and machining repairs to bring Rental Equipment back to fit for purpose condition. Rates will be based on the current version of the NTS AMEGA Master Rental Pricelist, unless specified and agreed upon by the Parties otherwise.
- k. **BACKUP TOOLS:** All tools requested by BUYER and shipped on rental will be invoiced at 100% of the rental rate regardless of use, unless specified and agreed upon by the Parties otherwise.
- l. **PREMIUM / HIGH TORQUE CONNECTIONS:** When premium or high torque connections are required a one-time charge at the current price book rate per connection per tool will apply. This applies to new connections at BUYER request, unless specified and agreed upon by the Parties otherwise.
- m. **PREMIUM MATERIAL:** Prices for tools with SCF19 material are increased by 200% of the standard tool rate, unless specified and agreed upon by the Parties otherwise.
- n. **HARD BANDING:** BUYER will be charged for hard banding on collars at rates provided in the latest revision of the NTS AMEGA Master Pricelist, unless specified and agreed upon by the Parties otherwise.
- o. **TOOL WEAR:** Upon return, Rental Equipment will be inspected by SELLER. Charges for loss of material due to downhole wear will be assessed. Outside diameter wear charges will apply to Rental Equipment where excessive wear is identified. Stabilizer redress charges will apply for Rental Equipment gauging 1/8" below nominal blade size.
- p. **RING GAGES:** Will be provided on a complimentary basis based on availability as determined by SELLER. Failure of BUYER to return ring gauges with Rental Equipment will be invoiced as purchased by the BUYER.
- q. **LOSS AND DAMAGE:** BUYER shall add the Rental Equipment to BUYER's existing insurance policy pursuant to Section r herein and assume and bear the risk of loss, theft and damage (including any governmental requisition, condemnation or confiscation) to the Rental Equipment and all component parts thereof from any and every cause whatsoever, whether covered by insurance. No loss of or damage to the Rental Equipment or any component thereof shall impair BUYER's obligations under any Lease Agreement, Order, or these Terms and Conditions. Rental charges continue until the Rental Equipment is returned or replacement value paid. Such obligations shall continue in full force and effect except as expressly provided therein. BUYER shall repair or cause to be repaired all damage to the Rental Equipment. In the event that all or part of the Rental Equipment shall, as a result of any cause whatsoever, become lost, stolen, destroyed or otherwise rendered irreparably unusable or damaged (collectively, the "Loss") then BUYER shall, within ten (10) days after the Loss, fully inform SELLER in writing of such Loss and shall pay to SELLER the Lost-in-Hole charge for the Rental Equipment set forth in the applicable Lease Schedule, Agreement, or order as applicable. If no Lost-in-Hole charge is specified, BUYER shall pay the full replacement value as reasonably determined by SELLER in good faith without deduction for depreciation. In the event Rental Equipment on daily rental are not returned from BUYER after 45 calendar days from the original calendar date of rental, the BUYER will be notified by SELLER to provide status of the Rental Equipment. Upon notification, failure of BUYER to provide an update to SELLER of Rental Equipment status within 15 days of notification, BUYER will be billed per the Lost In Hole / Damaged Beyond Repair rates plus all rental rates incurred up until the day the BUYER notifies SELLER that equipment is lost. Replacement value shall not be subject to any limitation of liability contained in Section 13(c).
- r. **INSURANCE:** Until the Rental Equipment is returned to SELLER or as otherwise herein provided, whether the Lease Agreement or order has terminated as to the Rental Equipment, BUYER, at its expense, shall maintain property and casualty insurance insuring the Rental Equipment for its casualty loss value naming SELLER and its assigns as additional loss payees. The insurance shall cover the interest of both BUYER and SELLER in the Rental Equipment, or as the case may be, shall protect both the SELLER and BUYER in respect to all risks arising out of the condition, delivery, installation, maintenance, use or operation of the Rental Equipment. The proceeds of any loss or damage insurance shall be payable to SELLER. It is understood and agreed that any payments made by BUYER or its insurance carrier for loss or damage of any kind whatsoever to the Rental Equipment are not rental payments or adjustments of rental but are made solely as indemnity to SELLER for loss or damage of its Rental Equipment.
- s. **WARRANTY:** Notwithstanding Section 6 of the Terms and Conditions of Sale, the warranty applicable to Rental Equipment shall be exclusively as set forth in this Section.
 - i. If within two (2) business days after the Rental Equipment is placed in operation by BUYER, SELLER receives notice from BUYER of any alleged defect in or non-conformance of any Rental Equipment and if in the SELLER's sole reasonable judgment the Rental Equipment does not conform or is found to be defective in material or workmanship, then, BUYER shall, at SELLER's request, return the part or Rental Equipment F.O.B. to SELLER's designated plant or service location. SELLER, at its option and

expense, shall repair or replace the defective part or Rental Equipment. SELLER's sole liability and BUYER's exclusive remedy for any Claims for breach of warranty for Rental Equipment provided as set forth in this Section are expressly limited to, at SELLER's sole reasonable discretion: (i) the replacement of the affected portion of the Rental Equipment or (ii) a proportionate refund or credit to BUYER of the paid Rental price of the defective portion of the Rental Equipment. Any Claim pursuant to SELLER's warranty for Rental Equipment shall be notified to SELLER in writing during the first two (2) days of the Rental period, otherwise such warranty Claim is waived. A new warranty period shall not be established for any Rental Equipment repaired or replaced under warranty, and such repaired or replaced Rental shall remain under warranty only for the remainder of the original warranty period of the Rental.

- ii. BUYER agrees that SELLER shall not be liable to BUYER for with respect to, any claim from a third party for any liability, claim, loss, damage or expense of any kind or nature, whether based upon a theory of strict liability or otherwise, caused, directly or indirectly, by: (i) the inadequacy of any item of Rental Equipment for any purpose; (ii) any deficiency or any latent or other defects in any Rental Equipment whether or not detectable by BUYER; (iii) the selection, manufacture, rejection, ownership, lease, possession, maintenance, operation, use or performance of any item of Rental Equipment; (iv) any interruption or loss of service, use or performance of any item of Rental Equipment; (v) patent, trademark or copyright infringement; or (vi) any loss of business or other special, incidental or consequential damages whether or not resulting from any of the foregoing.
- iii. THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING THE WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. BUYER ACKNOWLEDGES THAT IT IS NOT RELYING ON SELLER'S SKILL OR JUDGMENT TO SELECT OR FURNISH GOODS SUITABLE FOR ANY PARTICULAR PURPOSE AND THAT THERE ARE NO WARRANTIES PROVIDED FOR UNDER ANY ORDER(S) AS IT RELATES TO RENTAL EQUIPMENT.

t. DEFAULT AND REMEDIES:

The occurrence of any of the following events shall constitute an Event of Default under the Lease Agreement, order and/or any Lease Schedule:

- i. the nonpayment by BUYER of any Lease Charges or any other sum required hereunder to be paid by BUYER which non-payment continues for a period of thirty (30) days from the due date;
- ii. the failure of BUYER to perform any other term, covenant or condition of the Lease Agreement, order, or any other document, agreement or instrument executed pursuant hereto or in connection herewith, which is not cured within thirty (30) days after notice from SELLER;
- iii. BUYER attempts to or does remove, transfer, sell, swap, assign, sublease, trade, exchange, encumber, receive an allowance or credit for, or part with possession of, any item of the Rental Equipment; or
- iv. BUYER ceases doing business as a going concern, is insolvent, makes an assignment for the benefit of creditors, fails to pay its debts as they become due, offers a settlement to creditors or calls a meeting of creditors for any such purpose, files voluntary petition in bankruptcy, is subject to an involuntary petition in bankruptcy, is adjudicated bankrupt or insolvent, files or has filed against it a petition seeking any reorganization, arrangement or composition, under any present or future statute, law or regulation.

Should any event of default occur and be continuing, SELLER may, in order to protect its rights, pursue and enforce, alternatively, successively and/or concurrently, any one or more of the following remedies:

- v. recover from BUYER all accrued and unpaid Lease Charges and other amounts due and owing on the date of the default;
- vi. retake possession of the Rental Equipment;
- vii. require BUYER to deliver the Rental Equipment to a location designated by SELLER;
- viii. proceed by court action to enforce performance by BUYER of its obligations associated with the Lease Agreement, order, or any other document, agreement or instrument executed pursuant hereto or in connection herewith;
- ix. terminate the applicable Lease Schedule(s) and/or terminate the Lease Agreement, order, or any other document, agreement or instrument executed pursuant hereto or in connection herewith; and/or
- x. pursue any other remedy SELLER may otherwise have, at law, equity or under any statute, and recover damages and expenses (including attorneys' fees) incurred by SELLER by reason of the Event of Default.

SELLER's pursuit and enforcement of any one or more remedies shall not be deemed an election or waiver by SELLER of any other remedy.

SELLER's pursuit and enforcement of any one or more remedies shall not be deemed an election or waiver by SELLER of any other remedy.

SELLER shall not be obligated to sell or re-lease the Rental Equipment. Any sale or re-lease may be held at such place or places as are selected by SELLER, with or without having the Rental Equipment present. Any such sale or re-lease, may be at wholesale or retail, in bulk or in parcels.

The limitation of liability set forth in Section 13(c) shall not apply to BUYER's payment obligations, lost equipment charges, replacement cost obligations, or enforcement costs under this Rental Annex.

COSTS AND ATTORNEY'S FEES:

In the event SELLER is required to enforce its rights under this Rental Annex, BUYER shall reimburse SELLER for all reasonable costs of collection and enforcement, including arbitration costs, expert fees, attorney's fees, and court costs, whether incurred before or after commencement of arbitration or litigation, including on appeal.

BUYER'S PERFORMANCE OPTION:

Should BUYER fail to make any payment or to do any act as provided by this Lease Agreement, or any other document, agreement or instrument executed pursuant hereto or in connection herewith then SELLER shall have the right (but not the obligation), without notice to BUYER of its intention to do so and without releasing BUYER from any obligation hereunder to make or to do the same, to make advances to preserve the Rental Equipment or SELLER's title thereto, and to pay, purchase, contest or compromise any insurance premium, encumbrance, charge, tax, lien or other sum which in the judgment of SELLER appears to affect the Rental Equipment, and in exercising any such rights, SELLER may incur any liability and expend whatever amounts in its absolute discretion it may deem necessary therefor. All sums so incurred or expended by SELLER shall be due and payable by BUYER within thirty (30) days of notice thereof.

u. ASSIGNMENT:

This Lease Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns. BUYER, however, shall not assign this Lease Agreement or sublet any of the Rental Equipment to any third party without first obtaining the prior written consent of SELLER. Any such attempted assignment shall be void without SELLER's prior written consent.