

U. S. STEEL TUBULAR PRODUCTS STANDARD TERMS AND CONDITIONS FOR SERVICES

Governing Services Provided by U. S. Steel Tubular Products, LLC and U. S. Steel Oilwell Services, LLC

NOTICE: The supply of Services is expressly conditioned on Buyer's assent to these Terms and Conditions. To the extent Seller performs storage services or goods are sold in connection with the supply of Services, the terms of the U. S. Steel Tubular Standard Terms and Conditions of Sale and U. S. Steel Tubular Standard Terms and Conditions for Storage Services, as applicable, shall apply to the performance of such storage services or sale of such goods.

The following definitions shall be applicable, unless Seller otherwise agrees:

"Buyer" means the entity to which Seller is providing Services under the Contract.

"Contract" means the documents that comprise the agreement between Buyer and Seller for the supply of Services, including these Terms and Conditions and any other documents incorporated herein by reference, such as, the final quotation, Seller's order acknowledgement, and invoice.

"Seller" means the entity providing Services hereunder, including, without limitation, any division of such entity.

"Services" means all services Seller performs hereunder, other than storage services.

"Site" means the premises where Services are performed.

"Terms and Conditions" means these U. S. Steel Tubular Products Standard Terms and Conditions for Services.

1. **Payments.** Payments shall be made at par in legal tender of the United States of America, and directed to the payment address, lockbox, or other means specified in Seller's invoice or EDI payment instructions. Buyer shall make such arrangements for payment as Seller shall from time to time reasonably require and Seller may suspend scheduling or the performance of Services until such arrangements are made. If Seller reasonably believes that Buyer is or may become unable to perform its obligations hereunder, Seller may require that Buyer provide Seller with security for, or other assurance of performance, in either case acceptable to Seller. If Buyer fails to do so or fails to make payment in full within the time set forth on the invoice or expressly agreed upon in writing by the parties, such failure will constitute a material breach of contract by Buyer permitting Seller to suspend all or a portion of the Services under the Contract or any other contract between Buyer and Seller. Buyer shall pay to Seller interest on any unpaid amount at the rate of 18% per annum or the maximum rate permitted by law, whichever is less. In addition to all other remedies available to Seller by law, equity, or the Contract (which Seller does not waive by the exercise of any rights hereunder), Seller shall be entitled to suspend the performance of any Services if Buyer fails to pay any amounts when due hereunder. If Seller takes legal action to collect any amount due hereunder, Buyer shall pay all dispute resolution costs, including court costs plus reasonable legal fees incurred by Seller in bringing such legal action. Seller shall have the right to set off against any monies due Seller hereunder any obligations of Seller or its affiliates to Buyer. Buyer shall not withhold payment of any amounts due and payable by reason of any set off of any claim or dispute with Seller.

2. **Taxes.** To the extent legally permissible, all present and future taxes imposed by any federal, state, or local authority of any country which Seller may be required to pay or collect, upon or with reference to the sale, purchase, or use of Services, including taxes upon or measured by the receipts therefrom (except net income and equity franchise taxes) shall be for the account of Buyer. The purchase is subject to state or local use tax, unless it is specifically exempt from taxation. The purchase is not exempt merely because Seller was not required to collect sales tax or made by remote means. Buyer assumes responsibility for correctly assessing and remitting any use tax due to the proper jurisdiction(s).

3. **Risk of Loss; Transportation; Delivery; Quantity; Performance of Services.**

(a) Buyer shall bear the sole risk of loss (including by reason of damage or delays) for Buyer's goods and materials during the term of the Contract, whether at the Site, Seller's facility, or in transit from Seller's facility. If inspection services are to be performed on Buyer's goods and materials at Seller's facility, Buyer shall be responsible for transporting the goods and materials to and from Seller's facility. Buyer shall reimburse Seller at Seller's then current storage rate if Buyer's goods and materials remain at Seller's facility beyond 10 days after notification that Services have been completed.

(b) If any goods or materials of Buyer cannot be shipped to or received by Buyer when ready due to any cause not attributable to Seller, Seller will notify Buyer and then may ship such goods and materials to a storage facility, including a facility within the place of manufacture or to an agreed freight forwarder. If Seller places such goods and materials in storage or if goods or materials are detained at any port, the following conditions shall apply: (i) amounts otherwise payable to Seller upon delivery or shipment shall be payable upon presentation of Seller's invoices; (ii) all expenses and charges incurred by Seller, such as for preparation for and placement into storage, handling, inspection, preservation, insurance, storage, demurrage, removal, and any taxes shall be payable by Buyer upon submission of Seller's invoices; and (iii) when conditions permit and upon payment of all amounts due hereunder, Seller shall resume delivery of Buyer's goods and materials to the originally agreed point of delivery.

(c) The quantity of any installment of Buyer's goods as recorded by Seller on dispatch from Seller's place of business is conclusive evidence of the quantity received by Buyer on delivery unless Buyer can provide conclusive evidence proving the contrary. Seller shall not be liable for any non-delivery of Buyer's goods (even if caused by Seller's negligence) unless Buyer gives written notice to Seller of the nondelivery within two

days of the date when such goods would in the ordinary course of events have been received. Any liability of Seller for non-delivery of the Buyer's goods shall be limited to replacing such goods within a reasonable time or adjusting the invoice respecting such goods to reflect the actual quantity delivered.

(d) With respect to Services, Buyer shall (i) cooperate with Seller in all matters relating to such Services, (ii) respond promptly to any Seller request to provide direction, information, approvals, authorizations, or decisions that are reasonably necessary for Seller to perform such Services in accordance with the requirements of the Contract, and (iii) provide such customer materials or information as Seller may reasonably request to carry out such Services in a timely manner and ensure that such customer materials or information are complete and accurate in all material respects.

4. **Specifications, Codes, and Standards; Buyer's Acts or Omissions.**

(a) Except in the particulars specified by Buyer and expressly agreed to in writing signed by Seller, Services shall be provided in accordance with Seller's standard practices.

(b) The Contract price, delivery and performance dates, and any warranties or guarantees will be equitably adjusted to reflect additional costs or obligations incurred by Seller resulting from a change in industry specifications, codes, standards, or applicable laws or regulations.

(c) If Seller's performance of its obligations under the Contract is prevented or delayed by any act or omission of Buyer or its agents, subcontractors, consultants, or employees, Seller shall not be deemed in breach of its obligations under the Contract or otherwise liable for any costs, charges, or losses sustained or incurred by Buyer, in each case, to the extent arising directly or indirectly from such prevention or delay.

5. **Force Majeure.** Seller shall not be liable nor in breach or default of its obligations under the Contract to the extent performance of such obligations is delayed, prevented, or made impossible or commercially impracticable, directly or indirectly, due to causes including, but not limited to, acts of God, fire, earthquake, explosion, war, invasion, hostilities (whether war is declared or not), terrorism, riot, epidemic, civil unrest, national emergency, strike or other differences with workers, shortage of energy sources, facility, material, or labor, delay in or lack of transportation, temporary or permanent plant shutdown, breakdown or accident, supplier non-performance, compliance with or other action taken to carry out the intent or purpose of any law, regulation, or other requirement of any governmental authority, or any cause beyond Seller's reasonable control (each, a "**force majeure event**"). Seller shall have such additional time in which to perform the Contract as may be reasonably necessary under the circumstances. However, the obligation of Buyer to pay for Services performed is never suspended or delayed.

6. **Patent Indemnity.**

(a) SELLER SHALL INDEMNIFY BUYER FOR (I) ALL DIRECT AND ACTUAL DAMAGES RECOVERED FROM BUYER BY A THIRD PARTY IN A LEGAL ACTION FOR INFRINGEMENT OF A U. S. PATENT CLAIM COVERING SERVICES FURNISHED HEREUNDER, ON CONDITION THAT BUYER PROMPTLY NOTIFIES SELLER OF THE ALLEGED INFRINGEMENT, AFFORDS SELLER THE OPPORTUNITY TO ASSUME DEFENSE THEREOF, AND COOPERATES WITH SELLER IN DEFENSE OF THE ACTION AND IN ANY FEASIBLE MITIGATION OF DAMAGES AND (II) BUYER'S DIRECTLY AND REASONABLY INCURRED EXPENSES IN DEFENDING SUCH LEGAL ACTION IF, AFTER SUCH NOTICE AND OPPORTUNITY GIVEN BY BUYER, SELLER ELECTS NOT TO ASSUME SUCH DEFENSE, PROVIDED THAT SUCH ELECTION BY SELLER SHALL NOT OTHERWISE AFFECT BUYER'S AFORESAID OBLIGATIONS. IN LIKE MANNER, BUYER SHALL INDEMNIFY SELLER, AND SELLER'S INDEMNITY OF BUYER HEREUNDER SHALL NOT APPLY, WITH RESPECT TO A CLAIM ARISING OUT OF SELLER'S COMPLIANCE WITH SPECIAL DESIGNS OR SPECIFICATIONS FURNISHED BY BUYER, NOW OR HEREAFTER FORMING A PART OF THE CONTRACT, OR WITH OTHER WRITTEN INSTRUCTIONS GIVEN BY BUYER FOR THE PURPOSE OF DIRECTING THE MANNER IN WHICH SELLER SHALL PERFORM THE CONTRACT. IN NO EVENT SHALL EITHER PARTY HAVE ANY LIABILITY HEREUNDER FOR INDIRECT OR CONSEQUENTIAL LOSSES OR DAMAGES SUFFERED, OR OTHER EXPENSES INCURRED, BY THE OTHER PARTY HERETO OR ANY THIRD PARTY BY REASON OF ANY PATENT INFRINGEMENT CLAIM.

(b) THIS PROVISION STATES SELLER'S ENTIRE LIABILITY FOR INDEMNIFICATION FOR PATENT, TRADEMARK, COPYRIGHT, AND TRADE SECRET INFRINGEMENT FOR SERVICES.

(c) Seller shall have all right, title, and interest in and to all statutory and non-statutory intellectual property rights worldwide, which are available to protect discoveries, ideas, designs, inventions, improvements, processes, works of authorship (including software), trade secrets and other intellectual property of any kind including, without limitation, patents, copyrights, and all other rights available to protect trade secrets and confidential information, based in whole or in part on inventions, developments or improvements created, conceived or reduced to practice by or on behalf of Seller in connection with any Services.

7. **Warranty; Disclaimers.**

(a) SELLER WARRANTS TO BUYER THAT SERVICES SHALL BE PERFORMED IN A COMPETENT, DILIGENT MANNER IN ACCORDANCE WITH ANY MUTUALLY AGREED SPECIFICATIONS, OR IN THE ABSENCE OF SUCH MUTUALLY AGREED SPECIFICATIONS, SPECIFICATIONS AS SELLER REASONABLY DETERMINES IS APPLICABLE. UNLESS SELLER EXPRESSLY AGREES OTHERWISE IN WRITING, ANY GOODS AND MATERIALS THAT ARE THE SUBJECT OF SERVICES SHALL CARRY ONLY THE WARRANTY THAT THE

ORIGINAL MANUFACTURERS PROVIDE, AND SELLER GIVES NO WARRANTY ON BEHALF OF THE MANUFACTURERS OF SUCH GOODS OR MATERIALS.

(b) UNLESS OTHERWISE STATED IN THE CONTRACT, THE WARRANTY PERIOD FOR SERVICES SHALL BE 90 DAYS FROM COMPLETION.

(c) IF SERVICES DO NOT MEET THE WARRANTY SET FORTH IN SECTION 7(A), BUYER SHALL PROMPTLY NOTIFY SELLER IN WRITING WITHIN THE WARRANTY PERIOD. SELLER SHALL THEREUPON, AT SELLER'S OPTION, RE-PERFORM THE DEFECTIVE SERVICES. IF IN SELLER'S REASONABLE JUDGMENT SUCH SERVICES CANNOT BE RE-PERFORMED, SELLER SHALL REFUND OR CREDIT MONIES PAID BY BUYER FOR THAT PORTION OF SERVICES THAT DO NOT MEET THE ABOVE WARRANTY. NO REPAIR, REPLACEMENT, OR REPERFORMANCE BY SELLER HEREUNDER SHALL EXTEND THE APPLICABLE WARRANTY PERIOD. THE PARTIES SHALL MUTUALLY AGREE ON THE SPECIFICATIONS OF ANY TEST TO DETERMINE THE PRESENCE OF A DEFECT.

(d) THIS ARTICLE PROVIDES THE EXCLUSIVE REMEDIES FOR ALL CLAIMS BASED ON FAILURE OF OR DEFECT IN SERVICES, WHENEVER THE FAILURE OR DEFECT ARISES AND WHETHER A CLAIM, HOWEVER DESCRIBED, IS BASED ON CONTRACT, WARRANTY, INDEMNITY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR OTHERWISE. THE WARRANTY PROVIDED IN THIS SECTION IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES AND GUARANTEES WHETHER WRITTEN, ORAL, IMPLIED, OR STATUTORY. NO IMPLIED STATUTORY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE APPLIES.

8. Limitation of Remedies.

(a) THE TOTAL LIABILITY OF SELLER FOR ALL CLAIMS ARISING OUT OF OR RELATING TO THE PERFORMANCE OR BREACH OF THE CONTRACT OR USE OF ANY SERVICES OR ANY ORDER SHALL NOT EXCEED (I) THE CONTRACT PRICE OR (II) IF THE CONTRACT IS A FRAME, BLANKET, OR MASTER AGREEMENT UNDER WHICH BUYER PLACES AN ORDER WITH SELLER FOR SERVICES TO BE PURCHASED, (A) THE FINAL PRICE OF THE PARTICULAR ORDER UNDER WHICH THE SPECIFIC SERVICES GIVING RISE TO THE CLAIM ARE SUPPLIED OR PERFORMED OR (B) US\$10,000 IF THE CLAIM IS NOT PART OF ANY PARTICULAR ORDER. SELLER'S LIABILITY SHALL TERMINATE UPON THE EXPIRATION OF THE APPLICABLE WARRANTY PERIOD.

(b) IN NO EVENT SHALL SELLER BE LIABLE FOR PERSONAL INJURY, PROPERTY DAMAGE, DELAY, OR ANY SPECIAL, EXEMPLARY, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOSS OF PROFIT OR REVENUE, LOSS OF PRODUCT, LOSS OF USE OF EQUIPMENT, INTERRUPTION OF BUSINESS, COST OF CAPITAL, COST OF COVER, DOWNTIME COSTS, INCREASED OPERATING COSTS, FAILURE TO DETECT ANY FLAW IN THE SUBJECT MATTER OF A TEST, LOSS OF GOODWILL, LOST OPPORTUNITIES, OR CLAIMS OF BUYER'S CUSTOMERS FOR DAMAGES, WHETHER ARISING FROM CONTRACT, BREACH OF CONTRACT, TORT, SELLER'S NEGLIGENCE, STRICT LIABILITY, OR ANY EXPRESS OR IMPLIED WARRANTY.

(c) NO CLAIMS OF ANY NATURE, WHETHER BASED IN CONTRACT OR OTHERWISE, MAY BE BROUGHT AGAINST SELLER MORE THAN 90 DAYS AFTER COMPLETION OF SERVICES.

(d) IF BUYER IS SUPPLYING SELLER'S SERVICES TO A THIRD PARTY, BUYER SHALL REQUIRE THE THIRD PARTY TO AGREE TO BE BOUND BY THIS SECTION. IF BUYER DOES NOT OBTAIN THE CONTRACT FOR SELLER'S BENEFIT, BUYER SHALL INDEMNIFY, DEFEND, AND HOLD SELLER HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS MADE BY THE THIRD PARTY IN EXCESS OF THE LIMITATIONS AND EXCLUSIONS OF THIS SECTION, AND SHALL PAY ALL COSTS AND EXPENSES ASSOCIATED THEREWITH, INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES.

(e) SELLER SHALL NOT BE LIABLE FOR ANY ADVICE OR ASSISTANCE NOT REQUIRED HEREUNDER.

(f) FOR THE PURPOSES OF THIS SECTION, THE TERM "SELLER" SHALL MEAN SELLER, ITS DIVISIONS, AFFILIATES, SUBCONTRACTORS, AND SUPPLIERS OF ANY TIER, AND THEIR AGENTS AND EMPLOYEES, INDIVIDUALLY OR COLLECTIVELY.

(g) THE LIMITATIONS AND EXCLUSIONS IN THIS SECTION SHALL APPLY REGARDLESS OF WHETHER A CLAIM IS BASED IN CONTRACT, WARRANTY, INDEMNITY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR OTHERWISE.

(h) BUYER'S AND SELLER'S RIGHTS, OBLIGATIONS, AND REMEDIES ARISING OUT OF OR RELATING TO SERVICES ARE LIMITED TO THOSE RIGHTS, OBLIGATIONS, AND REMEDIES DESCRIBED HEREIN. THIS SECTION SHALL PREVAIL OVER ANY

CONFLICTING OR INCONSISTENT TERMS IN THE CONTRACT, EXCEPT TO THE EXTENT THAT SUCH TERMS FURTHER RESTRICT SELLER'S LIABILITY.

9. Site Access.

(a) Buyer shall provide Seller safe access to Buyer's site and any other facilities free of charge as necessary for Seller's performance of the Contract.

(b) EXCEPT WITH RESPECT TO CLAIMS COVERED BY THE REMEDIES PROVIDED TO BUYER BY SELLER UNDER SECTION 7, BUYER AGREES TO DEFEND, INDEMNIFY, AND HOLD SELLER HARMLESS FROM AND AGAINST ALL CLAIMS, DEMANDS, CAUSES OF ACTION, JUDGMENTS, DAMAGES, LOSSES, LIABILITIES, AND EXPENSES OF ANY NATURE ARISING OUT OF OR RELATING TO SERVICES PROVIDED BY SELLER ON BUYER'S SITE AND ANY OTHER FACILITIES NECESSARY FOR SELLER'S PERFORMANCE OF THE CONTRACT AND REGARDLESS OF WHETHER SUCH CLAIMS, DEMANDS, CAUSES OF ACTION, JUDGMENTS, DAMAGES, LOSSES, LIABILITIES, AND EXPENSES WERE CAUSED IN WHOLE OR IN PART BY A PRE-EXISTING DEFECT, SELLER'S NEGLIGENCE OR STRICT LIABILITY, OR OTHER LEGAL FAULT OF SELLER, WHETHER SOLE, JOINT, OR CONCURRENT.

10. Inspection. The quality control exercised by Seller in its supply of Services shall be in accordance with Seller's normal quality control policies, procedures, and practices. Seller shall attempt to accommodate Buyer's requests to witness Seller's Services, if such witnessing can be arranged without delaying the work. Such access shall be limited to areas directly concerned with Services to be performed for Buyer and shall not include restricted areas where development work or work of a proprietary nature is being conducted. Buyer agrees to defend, indemnify, and hold Seller harmless from and against all claims, demands, causes of action, judgments, damages, losses, liabilities, and expenses of any nature whatsoever, including those asserted by employees of Buyer, arising out of or relating to Buyer's or Buyer's agent's, servant's, affiliate's, or representative's presence on Seller's site to witness Services or for any other reason.

11. Conditions Incorporated by Reference. Any clause required to be included in a contract of this type by any applicable law or regulation shall be deemed to be incorporated herein. Without limiting the generality of the foregoing, to the extent applicable, **Buyer shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a), and 60-741.5(a).** These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status, or disability.

12. Governing Law. The Contract shall be governed by the laws of Texas, U.S.A., exclusive of its conflicts of laws rules. Seller and Buyer each irrevocably agrees that any legal proceeding seeking the enforcement or interpretation of the Contract shall be brought in the state or federal courts located in Houston, Texas, U.S.A. Each Party hereby irrevocably submits itself to the jurisdiction of any such courts, and waives any objection it may now or hereafter have to the placing of venue in any such courts and any right to remove any such action or proceeding to another court.

13. Compliance with Laws.

(a) General Compliance. Buyer shall obtain and maintain all necessary licenses, permissions, authorizations, consents, and permits required for Services before the date on which such Services start and comply with all applicable laws, regulations, and ordinances in relation to such Services.

(b) Anti-Corruption Compliance. Buyer hereby represents and warrants that Buyer is aware of and familiar with the provisions of the U.S. Foreign Corrupt Practices Act, as amended (the "FCPA"), and its purposes and any other anti-corruption laws applicable in a jurisdiction in which Buyer may have conducted or will conduct business and that neither Buyer nor any of its agents or intermediaries engaged in connection with the Contract has violated any applicable anti-corruption law. Buyer represents and warrants that it, and each of its directors, officers, and employees, as well as any subcontractors, agents, representatives, vendors, and any other intermediaries or third parties engaged in connection with the Contract, will comply in full with the FCPA and any other applicable anti-corruption laws at all times in connection with the Contract.

(c) Economic Sanctions Compliance.

(i) Buyer represents and warrants that, with respect to its obligations under the Contract and any other agreement with Seller, it is currently in compliance with, and shall remain in compliance with applicable economic sanctions, including the laws, regulations, and Executive Orders administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") and any other applicable economic sanctions, which prohibit, among other things, engaging in transactions with, and providing services to, certain countries, territories, entities, and individuals. Buyer represents and warrants that neither Buyer nor any person that controls or has a beneficial interest in Buyer is (A) a person whose name appears on the list of Specially Designated Nationals and Blocked Persons published by OFAC or any other list of sanctioned parties (a "Listed Person") or (B) a department, agency, or instrumentality of, or is otherwise directly or indirectly controlled by or acting on behalf of, any Listed Person

or the government of a country subject to comprehensive U.S. economic sanctions administered by OFAC (currently Iran, Sudan, Cuba, Syria, and North Korea) (each Listed Person and each other entity and country described in clause (B), a "Blocked Person").

(ii) Buyer further represents and warrants that none of the transactions undertaken pursuant to the Contract nor the Services, including any goods or information provided as part of such Services, will involve, require interaction with, concern, or relate to, in whole or in part, any Blocked Person or their assets or products.

(iii) Buyer hereby acknowledges and agrees that Buyer's breach of any of the terms of this Section at any time shall be a material breach of the Contract.

(iv) Buyer hereby agrees to indemnify, defend, and hold harmless Seller and its officers, directors, and employees from and against any and all claims, demands, damages, costs, penalties, and fines arising in connection with any alleged breach by Buyer or its agents of this representation and warranty. Seller may reject, suspend, or cancel any transaction involving a Blocked Person without penalty or payment for the rejected, suspended, or cancelled goods or services, and/or cancel or terminate the Contract or any other applicable agreement with Seller, in whole or in part, if it has a good faith basis for believing that Buyer or its agent has violated or intends to violate the above representations and warranties. Buyer will pay all penalties and damages incurred as a result of its breach of the terms of this Section.

14. Confidentiality.

(a) In connection with the Contract, Seller and Buyer (as to information disclosed, the "Disclosing Party") may each provide the other party (as to information received, the "Receiving Party") with Confidential Information. "Confidential Information" means: (i) all pricing for Services; (ii) all terms of the Contract; (iii) all information that is designated in writing as "confidential" or "proprietary" by the Disclosing Party at the time of written disclosure; and (iv) all information that is orally designated as "confidential" or "proprietary" by the Disclosing Party at the time of oral disclosure and is confirmed to be "confidential" or "proprietary" in writing within 10 days after oral disclosure. The obligations of this Section shall not apply as to any portion of the Confidential Information that: (A) is or becomes generally available to the public other than from disclosure by the Receiving Party, its representatives or its affiliates; (B) is or becomes available to the Receiving Party or its representatives or affiliates on a non-confidential basis from a source other than the Disclosing Party when the source is not, to the best of the Receiving Party's knowledge, subject to a confidentiality obligation to the Disclosing Party; (C) is independently developed by the Receiving Party, its representatives or affiliates, without reference to the Confidential Information; (D) is required to be disclosed by law, a valid legal process or a government agency; or (E) is approved for disclosure in writing by an authorized representative of the Disclosing Party.

(b) The Receiving Party agrees: (i) to use the Confidential Information only in connection with the Contract and permitted use(s) and Services, (ii) to take reasonable measures to prevent disclosure of the Confidential Information, except to its employees, agents, or financing parties who have a need to know for the Receiving Party to perform its obligations under the Contract or to use Services, and (iii) not to disclose the Confidential Information to a competitor of the Disclosing Party. Confidential Information shall not be reproduced without the Disclosing Party's written consent, and the Receiving Party shall return all copies of Confidential Information to the Disclosing Party upon request, except to the extent that the Contract entitles the Receiving Party to retain the Confidential Information. Seller may also retain one copy of Buyer's Confidential Information until all its potential liability under the Contract terminates.

(c) If the Receiving Party or any of its affiliates or representatives is required by law, legal process, or a government agency to disclose any Confidential Information, the Receiving Party agrees to provide the Disclosing Party with prompt written notice to permit the Disclosing Party to seek an appropriate protective order or agency decision or to waive compliance by the Receiving Party with the provisions of this Section. In the event that efforts to secure confidential treatment are unsuccessful, the Disclosing Party may lawfully revise the Confidential Information to make it nonproprietary or to minimize the loss of its proprietary value.

(d) Nothing in this Section grants the Receiving Party any license under any invention, patent, trademark, or copyright now or later owned or controlled by the Disclosing Party.

(e) Buyer shall not disclose Confidential Information to Seller unless it is required to do so to enable Seller to perform Services under the Contract. If Buyer does disclose Confidential Information, Buyer warrants that it has the right to disclose such Confidential Information, and Buyer shall indemnify and hold Seller harmless against any claims or damages resulting from improper disclosure by Buyer.

(f) As to any individual item of Confidential Information, the restrictions of this Section shall expire the earlier of five years after the date of disclosure or three years after termination or expiration of the Contract.

(g) This Section does not supersede any separate confidentiality or nondisclosure agreement signed by the parties.

15. Waiver. No waiver by Seller of any of the provisions of the Contract is effective unless explicitly set forth in writing and signed by Seller. Waiver by Seller of any breach of these provisions shall not be construed as a waiver of any other breach.

16. Assignment. Buyer shall not assign its rights or obligations under the Contract without the prior written consent of Seller, which consent shall not be unreasonably withheld or delayed. Any attempted assignment in contravention of the foregoing shall be void.

17. **Construction.** No provision of the Contract may be construed against Seller as the drafting party. The term "including" means "including without limitation." The term "days" means calendar days unless otherwise expressly stated.

18. **Termination and Suspension.**

(a) In addition to any other remedies available to Seller at law or under the Contract, Seller may terminate all or any portion of any contract with the Buyer in the event that:

(i) Buyer fails to perform its obligations under or otherwise breaches any provisions of the Contract or any other contract between the Buyer and Seller or any of Seller's affiliates or subsidiaries;

(ii) Buyer ceases to carry on its business substantially as such business is conducted on the date of the Contract between the Buyer and Seller and such change in circumstances modifies Seller's obligations or impairs either party's ability to discharge its obligations under the Contract;

(iii) Buyer institutes or suffers the institution against it of bankruptcy, reorganization, liquidation receivership, or similar proceedings;

(iv) Buyer generally becomes unable to pay its debts as they become due;

(v) any term, condition, or provision of the Contract or any other contract between the Buyer and Seller becomes invalid or illegal under any applicable law, rule or regulation; or

(vi) a force majeure event continues for a period of more than 30 days.

(b) If the Contract (or any portion thereof) is terminated for any reason other than those set forth above, Buyer shall pay Seller all portions of the contract price allocated to Services completed or partially completed before the effective date of termination, plus a cancellation charge equal to 20% of the contract price allocable to uncompleted Services. The following shall apply when determining the amount due from Buyer for Services performed before the date of termination: (i) for Services performed under time and material pricing, Buyer shall pay for all hours performed at Seller's then-current standard time and material rates and (ii) for Services performed under a firm fixed price, Buyer shall pay (A) the applicable price for all milestones achieved and (B) for any milestone not yet achieved, all hours performed in connection with the unachieved milestone(s) at Seller's then-current standard time, and material rates.

(c) Buyer shall pay any reasonable expenses incurred by Seller in connection with suspension or termination, including those for repossession, fee collection, demobilization/remobilization, and storage costs during suspension. Performance of Seller's obligations shall be extended for a period of time reasonably necessary to overcome the effects of any suspension.

19. **Changes.** Each party may at any time propose changes in the schedule or scope of Services in the form of a draft change order. Some changes requested by Buyer may require analytical or investigative work to evaluate the change, and this evaluation work may be charged to Buyer at prevailing rates. The parties may mutually agree on the length of time within which a decision shall be made regarding the change. If mutually agreed, the changes will be documented in a written document signed by authorized representatives of each party, along with any equitable adjustments in the contract price or schedule. Seller is not obligated to proceed with the changed schedule or scope until both parties agree in writing. Changes in applicable laws, rules, and regulations shall be treated as a change within the meaning, and subject to the requirements, of this Section. Unless otherwise agreed by the parties, pricing for additional work arising from changes in laws, rules, and regulations shall be at time and material rates.

20. **Exclusive Terms and Conditions; Acceptance; Modification.** These Terms and Conditions constitute the complete, exclusive, and fully integrated statement of terms and conditions between Buyer and Seller with regard to the matters contained herein. No terms or conditions (whether consistent or inconsistent) other than those stated herein and no agreement or understanding, oral or written, in any way purporting to modify these Terms and Conditions shall be binding on Seller unless expressly agreed upon in writing by authorized representatives of both Seller and Buyer. In the event of a conflict between these Terms and Conditions and any service order (or other document expressly made a part of the Contract) signed by both parties, the terms of the signed document shall prevail. Buyer's placement of an order or release for, or taking delivery of, any Services of Seller that are the subject of the Contract shall constitute acceptance of the Seller's offer under these Terms and Conditions. Unless otherwise specified in the Contract, any quotation by Seller shall expire 30 days from its date and may be modified or withdrawn by Seller before receipt of Buyer's acceptance. All proposals, quotes, request for quotes, service orders, negotiations, representations, and other communications, if any, made prior and with reference hereto are merged herein.

21. **Insurance.** During the term of the Contract, Buyer shall, at its own expense, maintain and carry insurance in full force and effect which includes, but is not limited to, commercial general liability (including product liability and covering specifically property damage arising from blowout and cratering, explosion, collapse, and underground damage) in a sum no less than \$1,000,000 with financially sound and reputable insurers. Upon Seller's request, Buyer shall provide Seller with a certificate of insurance from Buyer's insurer evidencing the insurance coverage specified in these Terms and Conditions. The certificate of insurance shall name Seller as an additional insured. Buyer shall provide Seller with 15 days' advance written

notice in the event of a cancellation or material change in Buyer's insurance policy. Except where prohibited by law, Buyer shall require its insurer to waive all rights of subrogation against Seller's insurers and Seller.

22. **Change in Control.** Buyer shall notify Seller immediately upon any change in the ownership of more than 50% of Buyer's voting rights or in Buyer's controlling interest. If Buyer fails to do so or Seller objects to the change, Seller may (a) terminate the Contract, (b) require Buyer to provide adequate assurance of performance (including but not limited to payment), or (c) put in place special controls regarding Seller's Confidential Information.

23. **Cancellation by Buyer.** Buyer may not cancel an order once placed with Seller.

24. **Severability.** If any provision of the Contract is found to be void or unenforceable, the remainder of the Contract shall not be affected. The parties will replace any such void or unenforceable provision with a new provision that achieves substantially the same practical or economic effect and is valid and enforceable.

25. **Third Party Rights.** Other than rights of Seller's affiliates under the Contract, no third parties will have any rights under the Contract.

26. **Survival.** Sections 13, 14, 20, and 25 shall survive the termination or cancellation of the Contract.

27. **Relationship of the Parties.** The relationship between the parties is that of independent contractors. Nothing contained in the Contract shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise or employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.