



TERMS AND CONDITIONS

1. Terms and Conditions Shall Control – These terms and conditions will apply to all goods, labor, and/or services (collectively the “Goods”) furnished by Energy Tubulars, Inc. (“ETI”) to the buyer of such Goods (“Customer”). Customer and ETI will collectively be referred to as the “Parties.” In addition, these terms and conditions will control in the event of a conflict between these terms and conditions and any terms and conditions contained in any purchase order, master service agreement, or any other agreement or document between Customer and ETI.
2. Acceptance and Termination of Order – Acceptance of any order is subject to ETI’s approval of Customer’s credit and Customer’s acceptance of these terms and conditions. If Customer’s credit becomes unsatisfactory to ETI at any time, ETI may, in its sole discretion, terminate an order of Customer or require Customer to pay COD. If Customer terminates an order, Customer will be responsible for the price and cost of all goods ordered (whether delivered or not) and all labor and/or services provided by ETI up until the time the order is terminated.
3. Special Cancellable and Returnable Orders - Notwithstanding the foregoing, prior to sale, ETI and Customer may agree that certain orders are cancellable or returnable. The sole and exclusive way the Parties may agree to a cancellable or returnable order is by ETI issuing a written order quotation expressly stating the order is “cancellable” or “returnable”, using those exact words, on the face of the quotation. The responsive order must be confirmed with a written order confirmation from ETI expressly stating the order is “cancellable” or “returnable”, using those exact words. Notwithstanding any “cancellable” or “returnable” notation, manufactured accessories, including, but not limited to pups, markers and crossovers, shall never be cancellable or returnable. Nothing herein shall obligate ETI to offer or accept cancellable or returnable orders, and ETI may decline to do so in its sole and absolute discretion. Returnable orders may only be returned for credit with ETI, and in no event will Customer be entitled to a refund of the purchase price for a returnable order. Cancellable and returnable orders shall remain cancellable or returnable for thirty (30) calendar days from ETI’s original shipment to Customer, calculated from the date on which the Goods leave the shipping point, regardless of when Customer receives such Goods. Thereafter, no Goods shall be cancellable or returnable for any reason. In the event Customer wishes to cancel an order and/or return Goods ordered pursuant to a returnable order, Customer shall notify ETI in writing of such cancellation or return request. Upon ETI’s receipt of a valid, timely written cancellation notice or return request, ETI will promptly notify Customer of the return location for the Goods, which ETI may select in its sole and absolute discretion, and which, in all cases, must be an ETI-approved storage yard, and issue a return reference number to Customer. In no event will Customer be entitled to a refund until the subject Goods are returned to the storage yard selected by ETI and inspection of subject Goods has been completed and the Goods found to be in their original condition. No Goods shall be returned pursuant to any cancellable or returnable orders without a return reference number from ETI. Customer shall be solely responsible for all costs and expenses associated with returning cancellable and returnable Goods, including, but not limited to, inspection charges, trucking charges, loading charges, unloading charges, restocking fees, detention or waiting time charges. For avoidance of

doubt, in no event will ETI ever be responsible for any costs and expenses associated with returning Goods. All returned Goods will be inspected at the Buyer's expense. Buyer is responsible for all restocking fees incurred in connection with any returned or cancelled Goods. Unless authorized by ETI in a signed writing, Buyer may not deduct a credit from a payable invoice, unless a credit memo has been issued by ETI.

4. Price and Shipment – Unless otherwise stated in the order and agreed to by ETI in writing, prices shall be those in effect at the time of shipment, which shall be made F.O.B. shipping point, prepaid, and billed to Customer, and payment shall be due thirty days from the invoice date. All payments by Customer to ETI shall be made by check or wire transfer, in immediately available funds, to the bank account designated by ETI in the invoice. CUSTOMER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS ETI AND ITS PAST, PRESENT AND FUTURE OFFICERS, DIRECTORS, STOCKHOLDERS, MEMBERS, MANAGERS, ATTORNEYS, AGENTS, SERVANTS, REPRESENTATIVES, EMPLOYEES, SUBSIDIARIES, PARENTS, AFFILIATES, PARTNERS AND PREDECESSORS AND SUCCESSORS IN INTEREST AND ASSIGNS FROM ALL FINES, COSTS, PENALTIES, LIABILITIES AND CLAIMS OF EVERY KIND, INCLUDING ATTORNEYS' FEES, COSTS OF SUIT, SETTLEMENTS, JUDGMENTS, AND OTHER EXPENSES TO WHICH ETI MAY BE SUBJECT ARISING OUT OF THE SHIPMENT OF GOODS TO CUSTOMER. Customer's obligation to defend, indemnify and hold ETI harmless shall not in any manner be limited by any limitation on the amount or types of damages, compensation or benefits payable by ETI, its agents or subcontractors under applicable worker's compensation acts, disability benefit acts or other employee benefit acts, and Customer specifically waives any immunity it may have under such acts.
5. Taxes – Prices shown may not include sales or other taxes imposed on the sale of the goods, labor, and/or services. Taxes now or hereafter imposed upon such sales or shipments will be added to the purchase price, and Customer will be invoiced for such taxes. Customer agrees to reimburse ETI for such taxes or provide ETI with an acceptable tax exemption certificate.
6. Force Majeure – If performance by ETI is prevented or made more difficult or less profitable or desirable to ETI due to circumstances arising out of earthquakes, floods, hurricanes, named tropical storms, lightning strikes, ice storms, blizzards, icebergs, air and sea disasters, piracy, explosions, fire, epidemics, pandemics, public health emergencies, acts of God or public enemy, war, terrorism, national emergency, invasions, insurrections, riots, strikes, theft, lockouts, blockades, any laws, rules, regulations, orders, directives of, or interference by any government or government agency, failure of its suppliers to ship or deliver on time, or any other circumstance beyond ETI's reasonable control, ETI shall be relieved of its obligations under any agreement between ETI and Customer.
7. LIMITED WARRANTIES – ETI WARRANTS ITS GOODS SHALL CONFORM TO THE CUSTOMER'S ORDER. ETI DISCLAIMS AND MAKES NO OTHER EXPRESS OR IMPLIED WARRANTIES REGARDING ANY GOODS, LABOR, AND/OR SERVICES FURNISHED BY ETI, AND ETI SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND AGAINST DEFECTS. Customer shall inspect all Goods for damage or other non-conformities, including non-conformities with respect to quantity, and to the extent of any such damage or non-conformity, provide ETI with written notice of the same, reasonably describing such damage or non-conformity within fifteen (15) days

of delivery of such Goods or five (5) days from Customer's discovery of such damages or non-conformities, whichever is earlier. Any notices of allegedly damaged Goods must be accompanied by photographs of the same. If ETI does not actually receive this written notice within the time provided herein, any and all claims Customer may have with respect to such damaged or non-conforming Goods are irrevocably waived.

8. LIMITATIONS OF LIABILITY – ETI'S LIABILITY SHALL BE LIMITED TO EITHER THE REPAIR OR REPLACEMENT OF THE NONCONFORMING GOODS, LABOR, AND/OR SERVICES FURNISHED OR A REFUND OF THE PRICE THEREOF. IN THE EVENT SOME, BUT NOT ALL, OF THE GOODS DELIVERED ARE DAMAGED OR NON-CONFORMING, CUSTOMER SHALL REMAIN LIABLE FOR PAYMENT FOR ALL UNDAMAGED AND CONFORMING GOODS AND SHALL HAVE NO RIGHT TO REJECT THE UNDAMAGED AND CONFORMING GOODS. ETI SHALL NOT BE LIABLE FOR AND CUSTOMER WAIVES ALL CLAIMS FOR ANY INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES. ETI'S MAXIMUM CUMULATIVE LIABILITY TO CUSTOMER FOR ANY AND ALL CLAIMS OR SERIES OF CLAIMS IN THE AGGREGATE ARISING OUT OF OR IN CONNECTION WITH ANY GOODS, LABOR, AND/OR SERVICES FURNISHED BY ETI SHALL NOT EXCEED 100% OF THE PRICE OF SUCH GOODS, LABOR, AND/OR SERVICES. THE LIMITATIONS OF LIABILITY DESCRIBED HEREIN SHALL APPLY TO ANY AND ALL CLAIMS (WHETHER ARISING IN TORT, INCLUDING NEGLIGENCE OR GROSS NEGLIGENCE, CONTRACT, OR OTHERWISE) EVEN IF CAUSED BY THE SOLE, JOINT, OR CONCURRENT NEGLIGENCE OR FAULT OF THE ETI GROUP (AS DEFINED IN SECTION 9).

9. INDEMNITY AND INSURANCE

9.1 CUSTOMER'S PEOPLE AND PROPERTY – CUSTOMER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS ETI AND ETI'S PARENT COMPANY, SUBSIDIARIES, AFFILIATES, CONTRACTORS (of any tier), SUCCESSORS OR ASSIGNS, AND SUCH PARTIES' RESPECTIVE DIRECTORS, OFFICERS, MEMBERS, SHAREHOLDERS, AND EMPLOYEES (COLLECTIVELY, THE "ETI GROUP") AGAINST ANY AND ALL LOSS, INJURY, DEATH, DAMAGE, LIABILITY, CLAIM, DEFICIENCY, ACTION, JUDGMENT, INTEREST, AWARD, PENALTY, FINE, COST OR EXPENSE, INCLUDING REASONABLE ATTORNEY AND PROFESSIONAL FEES (COLLECTIVELY, "LOSSES") RELATED TO THE GOODS AND ARISING OUT OF OR RELATED TO ANY ILLNESS, BODILY INJURY OR DEATH OR ANY PROPERTY LOSS OR DAMAGE (INCLUDING PROPERTY OWNED, LEASED, HIRED OR CHARTERED) SUFFERED BY CUSTOMER, CUSTOMER'S PARENT COMPANY, SUBSIDIARIES, AFFILIATES, CONTRACTORS (OF ANY TIER), SUCCESSORS OR ASSIGNS, AND SUCH PARTIES' RESPECTIVE DIRECTORS, OFFICERS, MEMBERS, SHAREHOLDERS, AND EMPLOYEES (COLLECTIVELY, THE "CUSTOMER GROUP") EVEN IF CAUSED BY THE SOLE, JOINT, OR CONCURRENT NEGLIGENCE OR FAULT OF THE ETI GROUP.

9.2 ETI'S PEOPLE AND PROPERTY – TO THE EXTENT THE INDEMNITY OBLIGATIONS CONTAINED IN THIS AGREEMENT ARE GOVERNED BY CHAPTER 127, TEXAS CIVIL PRACTICE & REMEDIES CODE, KNOWN AS THE TEXAS OILFIELD ANTI-INDEMNITY ACT, ETI SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS THE CUSTOMER GROUP AGAINST ANY AND ALL LOSSES RELATED TO THE GOODS AND ARISING OUT OF OR RELATED TO ANY ILLNESS, BODILY INJURY OR DEATH OR ANY PROPERTY LOSS OR DAMAGE (INCLUDING PROPERTY OWNED, LEASED, HIRED OR CHARTERED) SUFFERED BY ANY MEMBER OF THE ETI GROUP EVEN IF CAUSED BY THE SOLE, JOINT, OR CONCURRENT NEGLIGENCE OR FAULT OF THE CUSTOMER GROUP.

9.3 INSURANCE – TO THE EXTENT THE INDEMNITY OBLIGATIONS CONTAINED IN THIS AGREEMENT ARE GOVERNED BY CHAPTER 127, TEXAS CIVIL PRACTICE & REMEDIES CODE, KNOWN AS THE TEXAS OILFIELD ANTI-INDEMNITY ACT, THE PARTIES SHALL EACH SUPPORT THEIR RESPECTIVE MUTUAL INDEMNITY OBLIGATIONS IN SECTIONS 9.1 AND 9.2 BY FURNISHING LIABILITY INSURANCE COVERAGE OF LIKE KIND AND IN EQUAL AMOUNTS OBTAINED BY EACH PARTY FOR THE BENEFIT OF THE OTHER PARTY AND ITS GROUP, RESPECTIVELY, AS INDEMNITEES. CUSTOMER SHALL OBTAIN COMMERCIAL GENERAL LIABILITY INSURANCE WITH A LIMIT OF NOT LESS THAN \$1,000,000 PER OCCURRENCE INCLUDING, BUT NOT LIMITED TO, COVERAGE FOR PUBLIC LIABILITY INCLUDING BODILY INJURY AND PROPERTY DAMAGE LIABILITY, PERSONAL/ADVERTISING INJURY, CONTRACTUAL LIABILITY FOR ALL LIABILITIES ASSUMED BY CUSTOMER HEREIN (INCLUDING THE INDEMNITIES CONTAINED HEREIN), CROSS LIABILITY AND SEVERABILITY OF INTEREST, POLLUTION, PRODUCTS AND COMPLETED OPERATIONS. ETI SHALL BE NAMED AS AN ADDITIONAL INSURED UNDER SUCH INSURANCE POLICY.

9.4 THIRD PARTIES – TO THE EXTENT ALLOWED BY APPLICABLE LAW, CUSTOMER SHALL RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS THE ETI GROUP AGAINST ALL LOSSES RELATED TO THE GOODS AND ARISING OUT OF OR RELATED TO ILLNESS, BODILY INJURY, DEATH, AND PROPERTY LOSS OR DAMAGE SUFFERED BY THIRD PARTIES EVEN IF CAUSED BY THE SOLE, JOINT, OR CONCURRENT NEGLIGENCE OR FAULT OF THE ETI GROUP.

10. Interest and Attorney Fees – Interest shall accrue on amounts past due at a monthly rate of 1.5% or the maximum rate permitted by law. In the event that customer breaches these terms and conditions, or a legal action is otherwise required to collect money due from Customer for goods, labor, and/or services, Customer shall pay all reasonable costs, including without limitation, collection agency costs, attorneys' fees and court costs incurred by ETI in connection with such action.
11. Liens – ETI expressly reserves all lien and bond rights. Customer agrees to provide ETI, upon request, information relevant to ETI's lien and bond claims or the perfection thereof.
12. Assignment – Customer shall not assign its rights or delegate its duties hereunder, or any interest herein, without the prior written consent of ETI. Any such assignment will be void.
13. Waiver – The failure of ETI to insist upon the performance of any of these terms or conditions, or to exercise any right hereunder, shall not be deemed a waiver of such terms, conditions, or rights in the future, nor shall it be deemed to be a waiver of any other term, condition, or right hereunder.
14. Severability – If any provision herein is partially or completely void or unenforceable pursuant to applicable law, then such provision shall be deemed amended to the extent necessary to make it enforceable. If such an amendment is not possible, then such provision shall be deemed deleted. If any provision is so deleted, the remaining terms and conditions will remain in full force and effect.
15. Entire Agreement and Amendment – These terms and conditions constitute the entire understanding between the Parties and replace any previous oral or written agreements, representations, or statements. No modification or amendment to these terms and conditions will be effective unless it is in writing and signed by an authorized representative of both Parties.

Any proposed modifications or additional terms are specifically rejected and deemed a material alteration hereof. If this document shall be deemed an acceptance of a prior offer by Customer, such acceptance is expressly conditional upon Customer's assent and agreement to any additional or different terms set forth herein.

16. Disclaimer of Reliance – Customer acknowledges that it agrees to these terms and conditions by its own free choice and without any inducement offered in any way other than the express terms and conditions contained herein. Customer warrants and represents that no promise, agreement, representation, inducement or condition not set forth in these terms and conditions or on the face of the quotation or order confirmation has been made or relied upon by Customer in agreeing to purchase Goods from ETI. Customer is relying solely upon its own judgment in agreeing to these terms and conditions and in purchasing Goods from ETI.

17. Law / Forum / Arbitration – These terms and conditions and the relations between the Parties shall be governed by the procedural and substantive laws of the state of Texas, irrespective of conflict of laws rules which would direct the application of the substantive or procedural law of another jurisdiction. ALL CLAIMS WHICH ARISE BETWEEN THE PARTIES SHALL BE SUBMITTED TO BINDING ARBITRATION BEFORE A SINGLE ARBITRATOR UNDER THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION. THE PARTIES ARE BOTH REQUIRED TO PARTICIPATE IN MANDATORY, BINDING ARBITRATION AS THEIR SOLE REMEDY, AND BOTH WILL GIVE UP THEIR RIGHT OF A TRIAL BY JURY OF ANY LEGAL CLAIM THAT EITHER MAY HAVE AGAINST THE OTHER—EXCEPT AS EXPRESSLY PROVIDED HEREIN. The parties agree that ETI's business involves interstate commerce. The Parties disclaim application of state arbitration law and desire this Section be governed by the Federal Arbitration Act and ask that: (a) this Section be read to the greatest extent possible in favor of arbitration; and (b) that the agreement be reformed if necessary to the greatest extent possible provide for arbitration. The Parties agree that this Section does not excuse a party from complying with and exhausting any administrative remedy or process through the EEOC or equivalent state agency. The arbitration shall be conducted in Houston, Texas. The Parties further agree that the selected arbitrator shall have full authority to determine: (a) the enforceability and validity of this Section and this Agreement (including, but not limited to, whether the agreement to arbitrate fails for lack of consideration, whether the agreement is subject to a state law defense, whether an oral agreement affects the validity of this agreement to arbitrate, and whether a valid agreement to arbitrate was formed between the Parties); (b) whether a particular claim or controversy between the Parties is covered by this Section; and (c) procedural questions concerning whether a claim should go forward in arbitration, including, but not limited to, compliance with notice, time limits, and other prerequisites. The Parties hereby agree that the arbitration award may be appealed pursuant to the AAA's Optional Appellate Arbitration Rules ("Appellate Rules"); that the award rendered by the arbitrator shall, at a minimum, be a reasoned award; and that the award shall not be considered final until after the time for filing the notice of appeal pursuant to the Appellate Rules has expired. Appeals must be initiated within thirty (30) calendar days of receipt of an award, as defined by Rule A-3 of the Appellate Rules, by filing a Notice of Appeal with any AAA office. Following the appeal process the decision rendered by the appeal tribunal may be entered in any court having competent jurisdiction.

18. CUSTOMER ACKNOWLEDGMENT – CUSTOMER HAS READ ALL OF THESE TERMS AND CONDITIONS. CUSTOMER HAS HAD THE OPPORTUNITY TO ASK ANY QUESTIONS CONCERNING

THE TERMS AND CONDITIONS BEFORE AGREEING TO THEM. CUSTOMER FURTHER STATES THAT IT HAS BEEN ADVISED BY AN ATTORNEY OF ITS CHOICE AND SELECTION, OR HAS HAD THE OPPORTUNITY TO CONSULT WITH SUCH ATTORNEY REGARDING THE BENEFITS AND DETRIMENTS OF AGREEING TO THESE TERMS AND CONDITIONS. CUSTOMER HAS READ AND UNDERSTANDS THE TERMS AND CONDITIONS. CUSTOMER HAS BEEN ADVISED TO KEEP A COPY OF THE TERMS AND CONDITIONS.

19. Notwithstanding anything to the contrary, all orders placed with ETI by Customer are subject to immediate cancellation at ETI's sole discretion in the event of any finding or recommendation by the U.S. Department of Commerce pursuant to Section 232(B) of the Trade Expansion Act of 1962 that the country of origin of or the import of the materials to be furnished by ETI to Customer threatens to impair U.S. national security, whether such finding or opinion is issued prior to or after Customer's acceptance of the material. This includes any agreement or action by the U.S. Government, including but not limited to the imposition of any tariff(s) or quotas applicable to the order and any action by the U.S. Government against unfairly traded products, regardless of whether such recommendation, agreement or action is proactively or retroactively enforced. Additionally, in the event the U.S. Government makes a recommendation or takes any action referenced herein, ETI may demand specific performance of the order and Customer shall pay ETI for any additional tariffs, taxes or fees imposed upon any materials furnished by ETI to Customer within thirty (30) days of delivery of an invoice for such amounts to Customer from ETI.