



## COMMERCIAL TERMS & CONDITIONS AS OF 01/01/2023

- Acknowledgement.** Sale or lease of any goods or equipment (collectively "Products") or the performance of services is expressly conditioned on Buyer's acceptance of these Terms and Conditions ("Terms and Conditions"). Any additional or different terms proposed by Buyer in any document will not be binding upon Seller **unless agreed to in writing by Seller**. No modifications to this Agreement shall be effective unless such modification is made in writing and signed by an authorized representative of Seller.
- Prices and Quotations.** All prices charged will be the prices provided in a valid quote and confirmed via order confirmation at the time of order. Except as provided herein or otherwise agreed to by the Parties in writing, prices include packing for Products destined within continental limits of the United States, Canada, and Mexico. Additional charges may be required for crating and for export packing and crating. Price quotations by Seller will not be binding **unless otherwise agreed upon in writing**. The submission of a quotation by Seller in response to the Buyer's request does not constitute an expression of acceptance of any term or condition which may have been set forth in purchaser's request.
- Payment.** Unless otherwise agreed in writing and specified on the order confirmation, payment is due within thirty (30) days of the **date of invoice** to those with an established credit standing with Seller. Seller is not required to accept sales on an open account and may request cash on delivery terms prior to acceptance of any order. Payment shall be made to the address provided with the invoice; and shall not be considered paid until Seller receives United States Legal Tender at the address listed therein.  
Seller shall have the right to suspend the fulfillment of any current, incomplete or future orders until Buyer has paid all past due amounts. If unpaid amounts are collected through legal proceedings or through an attorney, Buyer shall pay reasonable costs and attorneys' fees associated with such collection procedures or efforts.
- Cancellation.** Orders cannot be suspended or cancelled by Buyer under any circumstances without Seller's written consent after the date of the order confirmation. Buyer agrees to pay a minimum charge of 25% of the order amount on standard items. Special cancellation terms may be agreed in writing at the time of the order confirmation.
- Taxes.** Any sales, use or other similar type taxes imposed on this sale or on this transaction are not included in the price. Buyer shall pay any federal, state, local, sales, use, excise or similar taxes, duties, fees or other charges, which Seller may be required to pay or collect, under any existing or future law upon or applicable to the sale, purchase, lease, furnishing, manufacture, processing, transportation, delivery, storage, use or consumption of Seller's product or services. Such taxes shall be billed separately to the Buyer.  
Seller will accept a valid exemption certificate from the Buyer if applicable; however, if an exemption certificate previously accepted is not recognized by the governmental taxing authority involved and the Seller is required to pay the tax covered by such exemption certificate, Buyer agrees to promptly reimburse Seller for the taxes paid.
- Delivery/Risk of Loss/Title.** All sales are either "Ex Works" or FOB point of shipment, at Seller's sole discretion, whether or not Seller pays freight. This means Seller fulfills its obligation of delivery when it has made the Products available at either (i) its premises; or (ii) upon delivery to the common carrier and shall constitute full and final delivery as provided in INCOTERMS, **unless otherwise agreed in a writing signed by Seller and Buyer**. Title and risk of loss shall pass

to Buyer upon delivery. Notwithstanding the foregoing, in case of Products sold hereunder, Seller retains title, for security purposes only, to all Products until paid for in full, and Seller may, at Seller's option, repossess the same, upon Buyer's default in payment hereunder, and charge Buyer with any deficiency. If Buyer fails to take delivery, or otherwise delays delivery when Seller tenders delivery, Seller reserves the right to immediately place such goods in storage and charge Buyer storage fees at a rate of \$100.00 per day. Buyer accepts the risk, including loss, and the title of the Products purchased and built to Seller's specifications during the storage time.

7. **Shipping/Delay.** Shipping dates and schedules are subject to prior orders received, availability of adequate labor and equipment and to other unavoidable contingencies as set forth in Section 11. Dates of delivery are estimates only and are dependent upon prompt receipt by Seller of materials and information necessary, in Seller's sole discretion, to proceed with the work. **The Seller and Buyer may establish terms for delayed delivery in writing at the time of order confirmation.** Partial shipments of the orders may be made unless the Buyer specifically prohibits partial delivery in the conditions of the request for quotation and the final purchase order.
8. **Acceptance.** Upon delivery, Buyer shall immediately inspect the products for conformity and visible defects. All Products and parts thereof purchased or rented hereunder shall be finally inspected and accepted within ten (10) days after receipt at point of delivery. All claims whatsoever by Buyer (including claims for shortages), **excepting only those provided under the Section 10 herein**, must be asserted in writing by Buyer within said ten (10) day period if they are waived. If this Agreement involves partial performances, all such claims must be asserted within said ten (10) day period for each partial performance.

9. **Return of Products.**

*Non-Defective Products*

Products may not be returned without prior written agreement of Seller and after passing an inspection by Seller to determine if the Products are returnable. As a condition to return all returns must be requested within thirty (30) days of delivery and be undamaged, appropriate for re-sale, and in new condition. In the event Seller agrees to a return, Seller may require a restocking charge of twenty-five percent (25%) of the invoice amount. Higher return fees may apply. If Seller agrees to the return, a credit for the unused Products will be issued to Buyer.

*Rejected Products*

If the Products are rejected on inspection by Buyer, Seller must be notified in writing within ten (10) days from the receipt of the Products. Seller shall then have the option of re-inspection at the Buyer's plant or its own before allowing or disallowing Buyer's claim. No Products shall be returned to Seller (whether due to cancellation of a purchase order or for any other reason not the fault of Seller) without prior written authorization from Seller. Rejection may be only for defects substantially impairing the value of Products or parts thereof, and Buyer's remedy for lesser defects shall be those provided for under Section 10 herein.

*Shipping*

For non-defective Products, freight and handling charges on accepted returns shall be at the Buyer's expense to Seller's location. Buyer shall be responsible for any loss or damage to Seller's Products.

For rejected products, freight and handling charges on accepted returns shall be at the Seller's expense to the Seller's location. Seller shall be responsible for any loss or damage to Seller's Products.

10. **Limited Warranty.**

- a. Subject to the limitations set forth in this Agreement, Seller warrants: (i) all goods are sold new and shall be free from defects in workmanship or material for twelve (12) months from delivery ("Standard Warranty"); (ii) its elastomer goods sold new shall be free from defects in workmanship or material for six (6) months from delivery; (iii) leased goods will be in

- good condition upon delivery; and (iv) repairs on equipment to be free from defects in workmanship or material for six (6) months from delivery (but only as to the material or component repaired by Seller), or the remaining initial warranty period, whichever expires later. Seller's sole and exclusive liability for breach of this warranty is expressly limited to, at Seller's sole option, the repair or replacement of the good which proves to be defective during the warranty period, or a refund of the consideration paid for the defective good. Buyer shall pay for repairs due to damage to equipment caused by Buyer.
- b. *Conditions* These warranties and remedies are conditioned upon: (i) the proper storage, installation, operation, and maintenance of the product, in accordance with the manuals and information provided by or available from Seller or its suppliers or vendors; (ii) Buyer keeping accurate records of the operation and maintenance of the product during the warranty period and providing such records to Seller on request if buyer maintains such records in the normal course of their business; (iii) modification or repair of any product only as authorized by Seller, (iv) Buyer promptly notifying the Seller of any defect in writing within ten (10) days of Buyer's discovery of any defects during the warranty period.
  - c. *Exceptions* These warranties shall not apply (i) if the product had been subject to misuse, negligence, modification, or use other than as specified by Seller, (ii) if failure is a result of Buyer's use of components which are not manufactured or approved by Seller, (iii) if requires replacement due to normal wear and tear.
  - d. *Disclaimer* As Seller has no control over the methods of use, installation and environments that its Products will be used in, in supplying services or Products, Seller MAKES NO REPRESENTATIONS, WARRANTIES, OR GUARANTEES, EXPRESS OR IMPLIED. Under no circumstances shall Seller be responsible or liable in any way for any damage to any reservoir or productive formations, downhole damage or other underground damage, damage to any rig or platform, or consequential or incidental loss, damage or injury including but not limited to , that resulting from direct or indirect water, air, land or other pollution, blowout, cratering, explosion, fire or productive formations or other underground or aboveground damage.
  - e. *Exclusive Warranty* THIS SECTION PROVIDES THE EXCLUSIVE REMEDY FOR ALL CLAIMS BASED UPON A FAILURE OF OR DEFECTS IN PRODUCTS OR SERVICES, WHETHER THE FAILURE OR DEFECT OCCURS DURING THE WARRANTY PERIOD, AND WHETHER A CLAIM IS BASED UPON CONTRACT, WARRANTY, INDEMNITY, TORT, EXTRA-CONTRACTUAL LIABILITY (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR OTHERWISE.
  - f. *Limitation on Action* Any action for breach of the Limited Warranty provided herein must be commenced within one (1) year after the cause of action has accrued.
11. **Force Majeure.** Seller shall not be liable for any delay, inability to accept delivery or other failure of performance, or any loss or damage, where such delay, failure of performance, loss or damage results from any cause beyond Seller, its suppliers, or contractor's control, including, but not limited to, the elements, weather, lack of or inability to obtain materials, fuel, transportation or supplies, acts of Buyer, acts of civil or military authorities, acts of terrorism, insurrection, or war, pandemic, government orders, or other shutdowns, Acts of God, power or utility failures, breakdown of equipment, machinery, tools, or production facilities, differences with workmen, strikes, boycotts, fire, flood, or other casualty, labor shortages, government regulations or requirements, whether similar or dissimilar to those enumerated, and whether or not foreseeable.
12. **Limitation of Liability.** The total liability of Seller for any loss or of any kind to Buyer, Buyer's property, or any other person or person's property, from Seller's product or services' failure to conform to any specification, breach of warranty, negligence or other failure to conform to any standard of care, strict liability, or patent infringement, shall not exceed the amount received by Seller from Buyer for such Products and services. If Seller uses goods and/ or equipment of other manufacturers or suppliers in Seller's Products, and such goods and/or equipment are

defective, Seller's liability shall exist only to the extent that Seller is able to recover from such manufacturer or suppliers for such defects.

13. **Safety Requirements.** The Buyer assumes all liability for the installation and operations of such Products and should provide suitable guarding, employee training and otherwise comply with all applicable safety codes.
14. **Liens.** Buyer grants Seller a purchase money security interest in the Products for any portion of the purchase price not paid at delivery and Seller shall retain this interest until Seller has been paid in full.
15. **Choice of Law and Jurisdiction.** This Agreement (including all schedules, exhibits, attachments and Purchase Orders), and all matters arising out of or relating to this Agreement, whether sounding in contract, tort, or statute, are governed by and construed in accordance with, the laws of the State of Texas (including its statute of limitations), excluding any choice of law rules or principles which would refer the matter to the laws of another jurisdiction, and shall be performable in Harris County Texas. The Parties agree that the United Nations Convention on Contracts for the International Sale of Goods does not apply to this Agreement. IN CONNECTION WITH ANY MATTER ARISING OUT OF OR RELATING TO THIS AGREEMENT (INCLUDING ALL SCHEDULES, EXHIBITS, ATTACHMENTS OR PURCHASE ORDERS), WHETHER SOUNDING IN CONTRACT, TORT, OR STATUTE, EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF— AND AGREES TO BRING ANY ACTION, LITIGATION, OR PROCEEDING ONLY IN—THE COURTS OF THE STATE OF TEXAS IN HARRIS COUNTY, TEXAS AND THE FEDERAL COURTS IN AND FOR THE SOUTHERN DISTRICT OF TEXAS SITTING IN HOUSTON, TEXAS.
16. **Export Laws.** It is the Buyer's responsibility to comply with applicable export control regulations and comply with any restrictions in the Seller's export license for Products shipped from and to the United States and/or United Kingdom. The Buyer shall be responsible for and shall save, indemnify, defend and hold harmless the Seller from and against all Claims in connection with any failure by the Buyer to comply with applicable export control regulations or the Seller's export license arising from, relating to or in connection with this Agreement.
17. **General Clauses.**
  - a. *Independent Contractor.* Seller is an independent contractor and not an employee, agent, joint venturer, or partner of Buyer.
  - b. *Assignment.* These Terms and Conditions and applicable work order shall not be assigned by Buyer without the prior written consent of Seller.
  - c. *Notices.* Any notices required by this Agreement shall be considered given when received by the other party.
  - d. *Waiver.* Any delay or failure to enforce any of these Terms and Conditions shall not bar any subsequent enforcement of the Terms and Conditions or be deemed a waiver of any subsequent breach.
  - e. *Severability.* All parts of these Terms and Conditions are severable. The invalidity of any part shall not affect the validity of any other part. If any Section is determined to be unenforceable, the remaining Terms and Conditions shall be enforced to the maximum extent permissible.
  - f. *Entire Agreement.* This is the entire Agreement of the parties and supersedes all prior oral or written agreements. Buyer acknowledges that it has not relied on any representations other than those in this Agreement. This document, **together with any additional writings signed by Seller and Buyer**, represents a final, complete and exclusive statement of the Agreement between the parties and may not be modified, supplemented, explained or waived by parole evidence, Buyer's purchase order, a course of dealing, Seller's performance or delivery or in any other way except in writing signed by an authorized representative of Seller.