



Steelhead Tubular, LLC - Terms and Conditions of Sale

1. Applicable Terms and Conditions

(a) These terms and conditions of sale establish the rights, obligations, and remedies of Buyer and Steelhead Tubular, LLC ("Seller") that apply to any order from Buyer for the purchase of products and/or services ("Products") from Seller. No additional or different terms or conditions, whether contained in Buyer's purchase order form or in any other document or communication pertaining to Buyer's order, will be binding on Seller unless accepted in writing by an authorized representative of Seller. Seller expressly objects to and rejects any additional or different terms and conditions, which shall be ineffective.

(b) If Seller's order confirmation, quote, invoice, other document, or electronic transmittal including or attaching these terms and conditions is found to be an acceptance of an offer, acceptance is expressly made conditional upon Buyer's assent solely to these terms and conditions, and acceptance of any part of Products delivered by Seller shall be deemed to constitute such assent by Buyer. If Seller's order confirmation, quote, invoice, other document, or electronic transmittal including or attaching these terms and conditions constitutes an offer, Buyer's acceptance of the offer is hereby limited to the terms of the offer.

2. Price, Payment Terms, and Title

(a) All prices represent those in effect at the time of quotation and are subject to change without notice. Unless prices are bid or quoted as "firm," Seller reserves the right to invoice at prices in effect at the date of shipment, regardless of any prior bid and whether notice was received by Buyer. Prices are stated in United States dollars unless otherwise indicated, are exclusive of shipping, handling, shipping insurance, duties, and sales, use, excise, or similar taxes. Export packaging or any other special handling requested by Buyer will be at Buyer's expense.

(b) Buyer acknowledges that the pricing of the Products has been set based on the agreed allocation of risks contained in these terms and conditions. If, notwithstanding the provisions of these terms and conditions, a court of competent jurisdiction determines that Buyer's terms and conditions apply to an order, then Seller shall have the right to either (i) modify the prices (including retroactively) according to the additional level of risk and responsibility that Buyer's terms and conditions require Seller to undertake; or (ii) cancel the order any time after such a determination without liability for the termination other than for the Products already delivered on these terms and conditions.

(c) Unless different credit terms have been extended to Buyer in writing by Seller, payment terms are net 30 days after delivery or date of invoice, whichever first occurs, in the currency invoiced. Seller reserves the right to modify or withdraw credit terms at any time without notice. If Buyer fails to fulfill the terms of payment, Seller may defer further shipments to Buyer or, at its option, cancel the unshipped portions of Buyer's orders. Buyer agrees to pay interest on all past due invoices at the lesser of 18% per annum, compounded monthly, or the highest rate allowable under applicable law.

(d) Until full payment of all obligations of the Buyer for an order, Seller reserves the title (but not the risk of loss) to all Products furnished under that order. If the Buyer defaults in payment or performance or becomes subject to insolvency, receivership or bankruptcy proceedings or makes an assignment for the benefit of creditors, or without the consent of Seller voluntarily or involuntarily sells, transfers, leases or permits any lien or attachment on the Products, Seller may treat all amounts then or thereafter owing by Buyer to be immediately due and payable and Seller at its election may repossess Products for which Buyer has not paid in full. In the event of repossession of Products under this section, Buyer agrees that Seller may enter the premises where the Products may be located and remove them without notice and without being liable to Buyer for such repossession. Buyer will not set off invoiced amounts or any portion thereof against sums that are due or may become due from Seller, its parents, affiliates, or subsidiaries. Buyer grants Seller a security interest in all Products for which title has passed (including all after-acquired Products) that Seller sells Buyer and all proceeds of Products (including but not limited to all products in which Products are incorporated and any funds and products that Buyer receives in exchange for Products). Buyer consents to Seller's execution of any documents to evidence and perfect this security interest and agrees to execute the same if requested by Seller.

3. Delivery and Risk of Loss

(a) Unless otherwise agreed in writing, all deliveries of Products will be FCA, Seller's designated facility (Incoterms 2020) Seller's facility. Charges for shipping may not reflect net transportation costs paid by Seller. Buyer shall reimburse Seller for all costs of storage and handling incurred by Seller after the date that Seller communicates that it is prepared to deliver Products.

(b) Delivery and shipping dates are approximate and represent Seller's best estimate of the time required to make delivery or shipment. Time is not of the essence with respect to the transactions covered by these terms and conditions, except with respect to Buyer's obligation to make payments. Seller's obligations under these terms and conditions will be dependent upon Seller's ability to obtain necessary products. Seller shall have the right to make partial deliveries and to ship up to forty (40) days in advance of shipping date.

4. Acceptance

Acceptance shall occur, if not before, when Buyer fails to reject Products within ten (10) days after delivery of Products. Buyer may rightfully reject only when a reasonable inspection shows that Products fail to conform substantially to the specifications for Products. Buyer waives any right to revoke acceptance. Buyer's remedies for any nonconformity detected after acceptance are limited to those expressly provided in these terms and conditions for breach of warranty.

5. Limited Warranty

Seller warrants title to Products. Seller hereby transfers and assigns to Buyer any and all transferable warranties made to Seller by each manufacturer of the Products and any intellectual property indemnity from the manufacturers of such Products, and Seller makes no warranty other than the warranty of title beyond those manufacturer warranties provided through such transfer and assignment. Buyer's sole and exclusive remedy for any alleged defect, failure, inadequacy, or breach of any warranty related to Products shall be limited to those warranties and remedies provided by the manufacturers of those Products, all of which are here by assigned by Seller to Buyer.

EXCEPT FOR THE EXPRESS WARRANTY SET FORTH ABOVE, SELLER PROVIDES PRODUCTS AS-IS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, REGARDING THE PRODUCTS, THEIR FITNESS FOR ANY PARTICULAR PURPOSE, THEIR MERCHANTABILITY, THEIR QUALITY, THEIR NONINFRINGEMENT, OR OTHERWISE. IN NO EVENT SHALL SELLER BE LIABLE FOR THE COST OF PROCUREMENT OR INSTALLATION OF SUBSTITUTE GOODS.

6. LIMITATION OF LIABILITY

IN NO EVENT WILL SELLER BE LIABLE FOR ANY SPECIAL DAMAGES, CONSEQUENTIAL DAMAGES, INDIRECT DAMAGES, INCIDENTAL DAMAGES, STATUTORY DAMAGES,

EXEMPLARY OR PUNITIVE DAMAGES, LOSS OF PROFITS, LOSS OF REVENUE, LIQUIDATED DAMAGES, OR LOSS OF USE, EVEN IF INFORMED OF THE POSSIBILITY OF SUCH DAMAGES. SELLER'S LIABILITY FOR DAMAGES ARISING OUT OF OR RELATED TO A PRODUCT SHALL IN NO CASE EXCEED THE PURCHASE PRICE OF THE PRODUCT FROM WHICH THE CLAIM ARISES. TO THE EXTENT PERMITTED BY APPLICABLE LAW, THESE LIMITATIONS AND EXCLUSIONS WILL APPLY WHETHER SELLER'S LIABILITY ARISES OR RESULTS FROM SELLER'S BREACH OF CONTRACT, BREACH OF WARRANTY, TORT (INCLUDING BUT NOT LIMITED TO NEGLIGENCE, GROSS NEGLIGENCE, MALICE, OR INTENTIONAL CONDUCT), STRICT LIABILITY, BY OPERATION OF LAW, OR OTHERWISE.

7. Cancellation and Return of Products

Orders shall not be subject to cancellation or modification either in whole or in part without Seller's written consent and then only with terms that will reimburse Seller for all applicable costs incurred by virtue of the sale, including costs of purchased materials, engineering costs, and a reasonable allowance for profit. Seller's written consent must be given in advance of Buyer's return of Products for credit. Seller reserves the right to cancel any sale of Products without liability to Buyer (except for refund of monies already paid), if the manufacture or sale of the goods is or becomes technically or economically impractical.

8. Force Majeure

Seller shall not be liable for any failure to perform or delay in performing its obligations resulting directly or indirectly from or contributed to by any acts of God, acts of Buyer or those under Buyer's control, acts of government or other civil or military authorities, priorities, strikes, or other labor disputes, fires, accidents, floods, epidemics, war, riot, embargoes, delays in transportation, lack of or inability to obtain products, raw materials, components, labor, fuel or supplies, or other circumstances beyond Seller's reasonable control ("Force Majeure Event"). If Seller elects, the time for performance shall be extended by a period of time equal to the time lost because of any delays caused by reasons of a Force Majeure Event. Should Seller be prevented from completing Buyer's order or any part thereof because of any Force Majeure Event, then Buyer agrees promptly upon request and upon receipt of invoice therefor, to pay Seller for any Product or Products then completed.

9. Work Product

"Work Product" shall include, without limitation, all designs, discoveries, creations, works, devices, masks, models, work in progress, service deliverables, inventions, products, special tooling, computer programs, procedures, improvements, developments, drawings, notes, documents, business processes, information and materials made, conceived or developed by Seller alone or with others that result from or relate to the Products. All Work Product shall at all times be and remain the sole and exclusive property of Seller. Buyer hereby agrees to irrevocably assign and transfer to Seller and does hereby assign and transfer to Seller all of its worldwide right, title and interest in and to the Work Product including all associated intellectual property rights. Buyer hereby waives any and all moral and other rights in any Work Product or any other intellectual property created, developed, or acquired in respect of the Products. Seller will have the sole right to determine the treatment of any Work Product, including the right to keep it as trade secret, execute and file patent applications on it, to use and disclose it without prior patent application, to file registrations for copyright or trademark in its own name or to follow any other procedure that Seller deems appropriate. All tools and equipment supplied by Buyer to Seller shall remain the sole property of Seller.

10. Changes in Product Design or Manufacture

Seller shall have the right to change, discontinue or modify the design and construction of any of its products and to substitute material equal to or superior to that originally specified.

11. Compliance with Laws

Buyer shall comply with all laws and regulations applicable to Products, including but not limited to all applicable import and export laws and regulations. Buyer and Buyer's agent shall provide all information requested by Seller relating to Seller's voluntary or mandatory compliance with any law or regulation, and Buyer shall indemnify Seller for any losses incurred by Seller arising from Buyer's or Buyer's agent's failure to provide the information requested by Seller.

12. Waiver

No waiver of any provision of these terms and conditions (or any right or default hereunder) shall be effective unless in writing and signed by an authorized representative Seller. Any such waiver shall be effective only for the instance given and shall not operate as a waiver with respect to any other rights or obligations under these terms and conditions or applicable law in connection with any other instances or circumstances.

13. Choice of Law and Dispute Resolution

This agreement shall be governed by and construed in accordance with the laws of the State of Texas, without reference to its choice of law rules. Any claim or litigation arising out of or relating to Products must be brought exclusively in a state or federal court in Harris County, Texas. If Buyer is incorporated outside of the United States, any dispute must be resolved by arbitration in Houston, Texas, by three arbitrators and under the International Chamber of Commerce Rules of Arbitration. The language of the arbitration will be English. In all cases, Buyer and Seller expressly exclude from application the United Nations Convention on Contracts for the International Sale of Goods. The prevailing party in any suit will be entitled to recover its reasonable and necessary attorney fees and other litigation costs.

14. Assignment

Buyer may not assign, transfer or subcontract the performance of its services, or any of its rights and/or obligations hereunder, without Seller's prior written consent.

15. Severability

If any provision of these terms and conditions is determined to be illegal, invalid, or unenforceable, the validity and enforceability of the remaining provisions of these terms and conditions will not be affected and, in lieu of such illegal, invalid, or unenforceable provision, there will be added, as part of these terms and conditions, one or more provisions as similar in terms as may be legal, valid, and enforceable under applicable law.