



## WEATHERFORD TERMS AND CONDITIONS FOR PURCHASE ORDERS

**1. CONTROLLING TERMS.** Supplier agrees to sell and Weatherford agrees to buy the Work specified in the Purchase Order, to which these terms are attached and/or are expressly incorporated by reference, in accordance with, and subject to, the following terms and conditions (“**Terms and Conditions**”). No other, additional or different terms in any written or oral communication with respect to a transaction for Work will vary or amend these Terms and Conditions. Weatherford hereby objects to all additions, exceptions, or changes to these Terms and Conditions, which may be found in any printed form issued by Supplier, on Supplier’s internet site, attached to an invoice, quote, proposal, order acknowledgement, delivery ticket or similar document, all of which are null and void.

**2. ACCEPTANCE.** Supplier shall acknowledge, in writing, its acceptance or rejection of the Purchase Order within two calendar days of its receipt thereof. If Supplier rejects the Purchase Order, or refuse to fulfill same in accordance with these Terms and Conditions, Weatherford shall be entitled to cancel such Purchase Order without any liability. These Terms and Conditions will be deemed irrevocably accepted by Supplier upon the earlier of (1) Supplier’s acceptance or acknowledgement of the Purchase Order in writing (including emails), or (2) Supplier’s commencement of the Work specified in the Purchase Order, in any manner.

**3. DEFINITIONS.** In addition to terms defined elsewhere in these Terms and Conditions, the following terms shall have the following meanings:

“**Affiliate**” or “**Affiliates**” means any Person directly or indirectly controlled by, controlling, or under common control with either Party, including any of the foregoing which becomes an Affiliate after the date of the Purchase Order. For the purposes of the immediate preceding sentence, “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “controlled” have correlative meanings. For avoidance of doubts, Weatherford joint ventures companies shall be considered as Weatherford’s Affiliate for the purpose of this definition.

“**Applicable Law**” means those laws (common or statutory), rules, regulations, codes, administrative and judicial orders and directives, rulings, interpretations, permit conditions and restrictions or similar requirements or actions of any federal, state, provincial, or local government, or any agency or executive or administrative body of any of the foregoing, in each case that govern or pertain, as of the date of the Purchase Order, to (1) the Parties’ respective obligations under these Terms and Conditions or the Purchase Order, (2) Supplier’s performance or Weatherford’s use of the Work, and (3) the health, safety and welfare of individuals working at or visiting any Weatherford Facility or Work Site.

“**Claims**” means all claims, demands, damages, losses, liabilities (including contractual liabilities), government imposed fines and/or penalties, obligations, costs, judgments and awards arising out of, or in any way relating to this Purchase Order.

“**Consequential Damages**” means (1) any and all indirect, incidental, special, punitive, exemplary, or consequential damages or losses of any nature whatsoever (whether or not foreseeable), and (2) damages or losses, whether direct or indirect, for lost product or production, lost profit or revenue, loss of data, reservoir loss or damage, lost business, loss of or inability to use property and equipment, and losses from business interruptions.

“**Deliverables**” means any data (including interpretations thereof), reports, analysis, compilations, summaries, ideas, plans, applications, designs, processes, material compositions, schematics, assembly drawings, equipment specifications, and/or manufacturing techniques developed or created first and specifically for Weatherford by Supplier in the course of performing its obligations under the Purchase Order, including all software, firmware, computer programs (and source code), manuals, artistic elements, and other materials developed, written or prepared by Supplier in the course of

performing (or as part of) the Work.

“**Improvement**” means any development, enhancement, adaptation, modification, or derivative of a Party’s goods or products, or of the processes and procedures associated with the manufacture of such goods or products or their use in any application (including any Intellectual Property associated with the foregoing), arising from or relating to the performance of Work under the Purchase Order, which would make the item to which it relates less expensive to manufacture, more effective or efficient, more useful, or more valuable, or would in any other way render the item preferable in commerce.

“**Indemnify**” or “**Indemnification**” means to release, indemnify, defend and hold harmless, including indemnification for reasonable attorneys’ fees and other costs and expenses incurred by a Party in enforcing its rights to indemnification or defending against any Claims with respect to which it is entitled to Indemnification.

“**Intellectual Property**” means all copyrights, patents, trade secrets, proprietary software or firmware or other intellectual property rights associated with or incorporated in any ideas, concepts, know-how, techniques, processes, reports, or works of authorship owned, developed or created by any Person.

“**Person**” means any legal or governmental entity and any natural person.

“**Personal Data**” means any information relating to an identified or identifiable individual.

“**Price**” means the amounts to be paid by Weatherford to Supplier as consideration for Supplier’s performance of Work, as stated in the Purchase Order.

“**Products**” means one or more goods, equipment, materials, or other tangible items furnished pursuant to the Purchase Order. The term “Products” does not include Services or Rental Equipment.

“**Purchase Order**” means one or more written purchase orders, statement of work or documentation in any other mutually agreed forms, issued by Weatherford and accepted by Supplier for the performance of Work.

“**Rental Equipment**” means one or more non-Supplier operated tools, equipment, machinery or other devices rented to Weatherford by Supplier pursuant to a Purchase Order.

“**Services**” means any duties or labors or activities furnished by Supplier to Weatherford pursuant to a Purchase Order. The term “Services” does not include Products or Rental Equipment.

“**Specifications**” means, the current version of manufacturing drawings, diagrams, templates, schemata, and blueprints for the Products existing as of the date of the Order and any other requirements mutually agreed by the Parties. With respect to Services, “Specifications” means any specific instructions and / or other requirements expressly identified by Weatherford to Supplier in the Purchase Order or any other written communication with respect to the performance of Work. With respect to Rental Equipment, “Specifications” means specifications for and descriptions of the Rental Equipment (and/or those of the Rental Equipment’s manufacturer) and any Rental Equipment requirements expressly identified by Weatherford in the Order with respect thereto.

“**Supplier**” means any Person from whom Weatherford requests Work pursuant to a Purchase Order.

“**Supplier Group**” means, individually or in any combination, Supplier, its’ Affiliates, and each of their respective officers, directors, employees, subcontractors (of any tier), contractors, consultants, vendors, licensees, agents, representatives, invitees, heirs, successors and/or assigns.

“**Taxes**” mean all fees or charges imposed, assessed or levied by any governmental department, agency, or other taxing authority and will include property taxes, sales and use taxes, value added taxes, goods and services taxes

and excise taxes or other charges of a similar nature, customs or other duties, harbor and port dues, demurrage, wharfage, pilotage, stevedoring, customs agent fees and other such charges and fees.

**"Third Party"** means any Person other than Supplier Group or Weatherford Group.

**"Weatherford"** means the Weatherford entity requesting Work from Supplier as stated in a Purchase Order.

**"Weatherford Facility"** means the Weatherford facility or location specified in the Purchase Order to which Supplier will deliver the Products or Rental Equipment and/or at which Supplier will perform Services.

**"Weatherford Group"** means, individually or in any combination, Weatherford, its' Affiliates, and each of their respective officers, directors, employees, contractors, subcontractors (other than any members of Supplier Group), agents, clients, invitees, heirs, successors and/or assigns.

**"Work"** means Products sold, Services rendered, and Rental Equipment provided by Supplier to Weatherford pursuant to a Purchase Order.

**"Work Site"** means the facility, site or location specified in the Purchase Order to which Supplier will deliver Products or Rental Equipment and/or at which Supplier will perform Services (if other than the Weatherford Facility).

**General Terms.** As used in these Terms and Conditions, unless expressly stated otherwise, references to (1) "including" or any derivation thereof, means "including, without limitation" or "including, but not limited to", (2) "and/or" means "either or both", (3) the singular includes the plural and vice versa, (4) references to gender include all genders, (5) references to "days" shall mean calendar days, (6) a "party" or "Party" mean Weatherford or the Supplier and the "parties" or "Parties" mean Weatherford and the Supplier, and (7) "Dollars" or "\$" means United States dollars.

#### **4. ORDERS; CHANGE ORDERS; CANCELLATION**

**4.1 Orders.** Supplier shall perform Work for Weatherford as specified in the Purchase Order. Unless the Parties have entered into a separate written master services agreement, supply agreement, or other contract which governs the Work, these Terms and Conditions shall control and govern all transactions between the Parties with respect to Work provided by Supplier, whether or not these Terms and Conditions are referred to in the Purchase Order. In the event of a conflict between the provisions of these Terms and Conditions and the terms in the Purchase Order, the provisions of these Terms and Conditions shall control, unless the Purchase Order (1) makes specific reference and identification (by section and/or subsection number) to the provisions of these Terms and Conditions to be modified, (2) explicitly states the intention of the Parties to effect the modification thereof, and (3) is executed on behalf of each Party by an authorized representative. Each Purchase Order shall constitute a separate agreement between the Parties.

**4.2 Change Orders.** Weatherford may, at any time, request changes to the Purchase Order. Requests for such changes will be given in the form of a written change order ("Change Order"). If any such changes affect either the Firm Delivery Date or Price of the Work, an equitable adjustment will be negotiated in good faith by the Parties and reflected in the Change Order. Any claim by Supplier for an adjustment must be asserted by Supplier, in writing, within fifteen days after its receipt of a Change Order or will be deemed waived. Supplier's claim for an adjustment will only include reasonable and documented costs that will necessarily be incurred by Supplier as a direct result of a Change Order, if any.

**4.3 Cancellation of Purchase Orders for convenience.** Weatherford has the right, at any time, without cause and for any or no reason, to terminate any Purchase Order, in whole or in part, by written Notice to Supplier, as follows:

(a) With respect to the cancellation for convenience of Purchase Orders for Products of standard manufacture, no payment will be due to Supplier if termination occurs prior to Supplier's delivery of the Products. If termination occurs after delivery or partial delivery of such Products, Weatherford shall, at Weatherford's sole discretion, pay Supplier either (i) a mutually agreed

upon cancellation charge, not to exceed ten percent (10%) of the Price of the Products delivered prior to cancellation, which shall be returned to Supplier at Weatherford's expense or (ii) in full for Products delivered prior to the date of termination if Weatherford decides to keep the Products already delivered, plus any reasonable and documented costs incurred by Supplier as a direct result of the termination for Products not already delivered, not to exceed ten percent (10%) of the Price of the terminated Products. Aside from such payment, Weatherford shall have no obligation to pay Supplier any other fees or compensation for termination, including storage fees, restocking fees or loss profit payments.

(b) With respect to the cancellation for convenience of Purchase Orders for Specialty Products, no payment will be due to Supplier if cancellation occurs prior to Supplier's purchase of non-cancellable raw materials or component parts for the manufacture of such Specialty Products. If cancellation occurs after Supplier's purchase of non-cancellable raw materials or component parts, Supplier shall be paid a mutually agreed upon cancellation charge reflecting (1) the Price of all conforming Specialty Products delivered prior to the date of cancellation, and (2) Supplier's actual, documented cost to secure any raw materials or component parts for such Specialty Products, which Supplier shall deliver to Weatherford, at Weatherford's expense, upon Weatherford's payment therefore. Aside from such payments, Weatherford shall have no obligation to pay Supplier any other fees or compensation for cancellation, including storage fees, restocking fees or loss profit payments. Upon receipt of a termination notice of for Specialty Products, Supplier shall use commercially reasonable efforts to return or re-utilize any raw materials or component parts and mitigate damages. For the purposes of these Terms and Conditions, "Specialty Products" means any Products manufactured or modified by Supplier in accordance with proprietary Weatherford's designs or Specifications, which Supplier may sell exclusively to Weatherford.

(c) With respect to the cancellation for convenience of Purchase Orders for Services, if cancellation occurs after Supplier's partial performance of the Services, Supplier shall be paid (1) for all Services properly performed prior to the date of cancellation, and (2) a mutually agreed upon cancellation charge, not to exceed ten percent (10%) of the Price of the cancelled Services. Upon receipt of a termination notice, Supplier shall provide to Weatherford reasonable cooperation and assistance with the goal of allowing the Services to continue without interruption or adverse effect and to facilitate the orderly transition and migration of the Services to Weatherford or its designee.

(d) With respect to the cancellation for convenience of Purchase Orders for Rental Equipment, Supplier shall be paid (1) for all Rental Equipment charges from the date of delivery and until the Rental Equipment is returned at the Supplier's Designated Facility, and (2) the actual, reasonable, and documented costs incurred by Supplier as a direct result of the cancellation, if any, not to exceed twenty percent (20%) of the balance of the rental Price remaining to be paid for the Rental Equipment for the unexpired portion of the term of the Purchase Order.

**4.4 Cancellation of Purchase Orders for Cause.** Weatherford has the right to immediately terminate any Purchase Order for cause, in whole or in part, without any liability, by written notice to Supplier, if Supplier fails to (1) comply with the provisions of these Terms and Conditions and it does not cure such failure within seven days after receipt of a notice of default from Weatherford, (2) comply with the Specifications set out in an Purchase Order, including failure to timely deliver or perform the Work, whether said failure occurred or was announced by Supplier, or (3) if Supplier becomes insolvent, files or has filed against it a proceeding in bankruptcy, or has its business or assets placed in the hands of a receiver, trustee or other assignee, or undergoes or becomes subject to any action or proceeding analogous to any of the foregoing. In the event of such termination, Supplier will be liable to and will immediately reimburse Weatherford for (1) any costs or damages incurred by or assessed against Weatherford under the terms of a Client contract, and (2) all costs incurred by Weatherford, in excess of the sums it would have paid Supplier therefore, to have the Work covered by the terminated Order completed by Weatherford or a Third Party.

**4.5 Procedures upon Cancellation.** Upon receipt of a cancellation notice, (1) Supplier shall not commence any new Work nor cause Weatherford to incur additional costs related to the Work, except as otherwise directed by Weatherford in the cancellation notice, (2) transfer title to, and deliver to Weatherford, in the manner, time, and extent directed by Weatherford, any completed Products, or such partially completed Products, and (3) immediately cease the use of any Weatherford's Confidential Information or Intellectual Property.

**4.6 Access to Weatherford facilities; QHSSE.** Supplier represents and warrants that all Work provided under these Terms and Conditions shall be conducted in full compliance with Applicable Law and rules or policies provided by Weatherford.

**4.7 Subcontractors.** Supplier shall not subcontract or otherwise delegate any portion of the Work to a Third Party without the prior written consent of Weatherford. Supplier shall remain fully responsible for: (a) any part of the Work performed by its subcontractors, (b) any acts, omissions, defaults or negligence of its subcontractors, (c) all costs and expenses due to subcontracting or arising therefrom and for any delays, and (d) all payments due to its subcontractors including, without limitation, any remuneration, commission, discount or other forms of allowance that may be paid to a subcontractor.

**4.8 Permits and Licenses.** Supplier has the duty to obtain and maintain, at its sole cost and expense, such permits, licenses, and any other governmental authorizations as may be necessary in connection with the performance of Work under these Terms and Conditions.

**4.9 Supplier Approval.** Supplier may be included in Weatherford's Approved Supplier List ("ASL"). Inclusion in the ASL requires Weatherford's approval and qualification of Supplier's personnel, quality management system, procedures, processes and/or equipment. Such approval and qualification shall be assessed based on an audit or survey conducted by Weatherford.

## **5. PRODUCT IDENTIFICATION; PACKAGING; DELIVERY**

**5.1 Product Identification; Packaging; Supporting Documents.** To the extent that Products are sold by Supplier to Weatherford under these Terms and Conditions:

(a) Upon Weatherford's request, all Products (and any components therein) will be stamped or marked by Supplier prior to delivery to include marks or identification and specified in the Purchase Order (the "Weatherford Marks"). Supplier's right to use Weatherford Marks shall be limited to the marking of Products sold to Weatherford or otherwise as agreed to in writing with Weatherford.

(b) All Products shall be packaged, crated, and secured for shipment by Supplier in accordance with the Specifications furnished by Weatherford and in a manner suitable for transportation to the Weatherford Facility or Work Site, so that the Products reach the delivery destination in an undamaged condition. All Product(s) shipped shall be clean and free of debris with all threads and openings covered or sealed. Supplier shall provide Weatherford with the dimension and weight of any packaged Product(s) (and any other information related to the package requested by Weatherford) at the time such packaged Product(s) is available for shipment. If the Products are deemed to be dangerous or hazardous under Applicable Laws, Supplier shall ensure all legally required documentation is prepared and submitted to Weatherford with copy to the designated carrier.

(c) A packaging slip or note referencing the applicable Purchase Order must accompany each Product delivery. Supplier shall provide Weatherford such information, certifications, material safety data sheets, certificates of origin and/or similar documentation regarding any Products (or the components used by Supplier in the manufacture and assembly thereof) in accordance with Applicable Law or as requested by Weatherford acting reasonably.

### **5.2 Delivery Date; Late Delivery Fees.**

(a) Unless otherwise specified in the Purchase Order, all Products shall be delivered FCA (Named Place), Incoterms 2020. For the purposes of this Section, "Named Place" means the Supplier's facility specified in a Purchase

Order. Supplier shall employ Weatherford's preferred carrier and method of shipment. If no shipping instructions are specified in a Purchase Order, Supplier shall obtain same from Weatherford to ensure the lowest possible transportation cost. Supplier shall be liable for any freight charges or damage to Products from any failure by Supplier to comply with this provision.

No transportation or delivery charges of any kind including packing, boxing or storage charges shall be paid by Weatherford or reimbursed to Supplier, unless otherwise specified in a Purchase Order.

Where applicable, Supplier will provide to Weatherford the applicable export control classification codes, harmonized tariff codes or numbers, and country of origin of each Product sold to Weatherford under these Terms and Conditions. Supplier shall be liable for any additional transportation charges and other damages incurred by Weatherford resulting from Supplier's errors or omissions or failure on its part to provide the foregoing information.

Weatherford may implement a logistics and transportation management web-based system for shipment of Products through automated processes (the "Transportation Management System"). Supplier shall use reasonable efforts to comply with the requirements of the Transportation Management System as instructed by Weatherford in writing, including providing timely notification when Products are ready for shipment.

(b) Weatherford shall specify in the Purchase Order the date by which performance of the Work is required. If Supplier fails to timely notify Weatherford of a need to defer performance of Work beyond the date specified in the Purchase Order, Supplier shall be deemed to have accepted the date specified therein. The date specified in the Purchase Order for performance of the Work, or, if applicable, the alternative date agreed to by the Parties, is hereinafter referred to as the "**Firm Delivery Date**". In no event shall Weatherford be required to accept performance of Work prior to or after the Firm Delivery Date.

(c) Supplier acknowledges that the deadlines for delivery or performance of Work specified in the Purchase Order are critical and time is of the essence of these Terms and Conditions. All Work must be provided by the Firm Delivery Date. Subject only to delays caused by a Force Majeure Event, Supplier shall be liable for (1) a late delivery fee equal to zero point five percent (0.5%) of the invoice value of the delayed Work for each day (or portion thereof) that is delayed, up to a maximum late delivery fee equal to twenty percent (20%) of the invoice value of the delayed Work, and Any reasonable and documented costs incurred by or assessed against Weatherford under the terms of a Weatherford's client contract as a result of late delivery or performance of Work, by faster methods.

(d) Supplier agrees that the fees and costs stated above are reasonable pre-estimate of the damage that Weatherford will suffer as a result of any late performance of Work and such fees and costs are to be assessed as liquidated damages and not as a penalty.

**5.3 Storage and Storage costs.** Supplier shall assume all costs and risk of loss associated with storing Products prior to delivery. For any such Product(s) (i) stored prior to delivery or (ii) otherwise stored on behalf of Weatherford, Supplier shall ensure that all uncoated surfaces of the Products are preserved in accordance with all storage instructions and requirements provided by Weatherford, including but not limited to the following Weatherford standards, as applicable:

- WC-492, Corrosion Protection for Outdoor Storage
- WC-493, Corrosion Protection for Outdoor Storage
- WC-494, Vapor Phase Inhibitors for Corrosion Protection

The above referenced standards shall be provided with an applicable Purchase Order.

**5.4 Inspection and Acceptance.** Prior to the delivery of Products, Supplier, at its sole expense, shall perform all tests and inspections required by the Purchase Order, Applicable Law, standard industry practices, and any inspection instructions included in the Specifications. Notwithstanding prior payment or inspection at Supplier's facility, all Products will be subject to final inspection and acceptance by Weatherford at the delivery point specified in the Purchase Order. Acceptance of Products will not alter or affect the warranties set forth

herein. If the Products fail to conform to the Specifications or are otherwise defective, Weatherford has the right to reject the same, and require prompt replacement or rectification thereof by Supplier, at Supplier's sole expense and risk, as well as claim for any additional damages available under these Terms and Conditions or at law.

## **6. PRICES; INVOICING; PASSAGE OF TITLE; TAXES**

**6.1 Prices.** The Price payable by Weatherford for all Work provided by Supplier shall be the Price stated in the Purchase Order. Once Price is established in the Purchase Order, those Prices shall remain fixed for all Work provided under that Purchase Order. Unless otherwise stated in the Purchase Order, all cost related to Supplier's performance of Work are included in the Price thereof.

**6.2 Invoicing; Payment.** Unless otherwise specified in the Purchase Order:

(a) Supplier shall invoice Weatherford for all Work provided under the Purchase Order within thirty days of its performance of the Work. Weatherford shall not be obligated to pay any invoice received from Supplier more than ninety (90) days after completion of the Work covered thereby.

(b) Unless otherwise specified in an Order, Weatherford shall pay the amounts stated in each invoice submitted by Supplier, in the currency specified in the Purchase Order, upon the later of (i) receipt of Work conforming to the Purchase Order or (ii) within ninety (90) days of Weatherford's receipt of a properly documented invoice. All invoices must include supporting documentation for all Expenses for which Supplier seeks reimbursement (in the form of copies of the original invoice or receipt therefore). Supplier shall not mark up any Third-Party costs for which it seeks reimbursement. Costs shall be reimbursed only if they were (1) included in the Purchase Order, (2) approved in advance by Weatherford, and (3) incurred in accordance with Weatherford policies applicable thereto. For all invoicing submission requirements from Weatherford, please see: <https://www.weatherford.com/en/documents/supplier-invoicing-documents/wft-supplier-invoice-requirements-kit/>

(c) If Weatherford disputes an invoice or part thereof, it will notify Supplier thereof, specifying the invoice date and number, the amount of the disputed items or charges, and the Products, Services and/or Rental Equipment involved. Weatherford has the right to withhold payment of the disputed invoice until the Parties have resolved the disputed amounts. The Parties shall work in good faith to promptly resolve disputed amounts and use all reasonable efforts for such disputes to be resolved within thirty (30) days from the date when the dispute was raised. Upon resolution of the disputed amounts, Supplier shall promptly issue a corrected invoice or credit memo, as applicable. In no event will Weatherford be required to pay interests, fines, or any monetary adjustment as a result of disputing an invoice. Supplier, in its sole discretion, may elect to submit an invoice for the undisputed amounts which must be paid by Weatherford in accordance with the payment terms above while the Parties resolve the disputed amount.

**6.3 Set-Off.** Weatherford is entitled, at all times, to set off any undisputed amounts which Supplier may owe Weatherford or its Affiliates. Weatherford's payment of an invoice will not be construed as a waiver of Weatherford's rights under these Terms and Conditions or the Purchase Order.

**6.4 Passage of Title.** Title to any and all right or interest in and to Work provided by Supplier under these Terms and Conditions will pass to Weatherford on the earlier of (1) delivery to or Weatherford's representative per the terms of this Purchase Order, or (2) payment in whole or part. Irrespective of the earlier passage of title, risk of loss for Products sold to Weatherford under these Terms and Conditions will pass to Weatherford upon delivery of the Products as specified in Section 5.2.a. above.

## **6.5 Taxes and Duties.**

(a) Weatherford and Supplier are responsible for all Taxes imposed upon their respective businesses, including Taxes imposed upon their respective income, personnel or property. Such Taxes are for Weatherford's and Supplier's account, as applicable, and each Party shall Indemnify the other Party from any liability with respect thereto.

(b) Unless otherwise stated in the Purchase Order, the Price quoted by Supplier (and other charges payable by Weatherford) includes all Taxes and

duties, except for value added, sales and use, goods and services Taxes, as applicable. Any such Taxes must be added to Supplier's invoice and separately identified in accordance with Applicable Law. If not included in the Price, Taxes and duties shall be shown as a separate line item on the Purchase Order and on all invoices submitted by Supplier, and shall be for Weatherford's account, provided same (1) do not exceed the amount specified in the Purchase Order, and (2) are supported by adequate documentation of their payment by Supplier.

(c) Supplier agrees that Weatherford shall have the sole and exclusive right to make claims for the recovery of any duty, tax, surcharge, and/or fee drawbacks available under Applicable Law with respect to Products sold to Weatherford under these Terms and Conditions ("**Drawback Rights**"). Supplier hereby expressly disclaims any and all Drawback Rights associated with Products it sells to Weatherford, and agrees that it has not and will not assign to any Third Party such Drawback Rights. Supplier will maintain and will provide to Weatherford, upon request, all documents required by customs and excise tax laws and regulations to support the filing of drawback claims as stated in section 7.1 below.

## **7. AUDIT**

**7.1 Financial and Performance Audit.** Supplier will maintain, and will ensure that any member of Supplier Group performing Work hereunder maintains, complete and accurate records, books and documents, in such manner and detail as to permit verification of (1) invoiced charges and proper invoicing, (2) compliance with Applicable Law, (3) the performance of any other Supplier's obligations under these Terms and Conditions, and (4) the quality of the Work provided hereunder (collectively "**Records**"). Such Records will be retained by Supplier for ten (10) years after completion of the Work (and for so long thereafter as any dispute may exist between the Parties or as required by Applicable Law) and will be subject at reasonable times and upon reasonable prior notice to examination, inspection, copying, or audit by personnel authorized by Weatherford and/or any Third Party auditor designated by Weatherford. Supplier shall cooperate fully with such audits, including providing reasonable access to Supplier's facilities where Records are stored.

**7.2 Overcharges.** If as a result of an audit conducted by Weatherford it is determined that any amount previously paid to Supplier was an overcharge on Supplier's part, the amount of such overcharge will, at Weatherford's option, either be (1) credited back to Weatherford, for application against any amounts due Supplier, or (2) refunded to Weatherford within thirty days after the audit is settled. If the audit reveals overcharges that exceed, in the aggregate, ten percent (10%) of the total amounts invoiced for Work during the audited period, Supplier must reimburse Weatherford, on demand, for any reasonable costs incurred by Weatherford in conducting the audit.

## **8. PERFORMANCE AND QUALITY OF THE WORK; WARRANTIES**

**8.1 Supplier Obligations and Responsibilities.** Unless otherwise stated in the Purchase Order, Supplier covenants and warrants to Weatherford that in the performance of all Work, Supplier shall:

(a) furnish, place in service and maintain, at its sole cost and expense, all tools, equipment, materials and supplies (including all consumables) necessary to provide all Work covered by the Purchase Order;

(b) provide, at its sole cost, all personnel and supervision required for the performance of the Work. Once assigned to perform Work under the Purchase Order, Supplier's designated personnel shall not be changed or substituted without Weatherford's prior approval, which approval shall not be unreasonably withheld, conditioned or delayed. Supplier Group's personnel at a Weatherford Facility or Work Site, shall comply with the facility rules and any instructions furnished by Weatherford. In the event Weatherford, based on non-discriminatory grounds or at the request of Weatherford's client, requires the replacement or substitution of any of Supplier's Work Site personnel, Supplier shall as soon as reasonably possible comply with such request and will replace or substitute the personnel, without cost or liability to Weatherford or its client;

(c) pay all wages earned by its employees (together with all Taxes, withholdings and contributions relating thereto) and all sums due to subcontractors of any tier engaged by Supplier engaged in the performance of the Work. Supplier shall not cause any liens to be filed by its subcontractors upon any property of Weatherford or its client. In the event any lien shall be

filed, Supplier shall promptly remove such lien or post a bond against such lien;

(d) exercise due diligence in the care, use and salvage of any materials furnished by Weatherford or its client for the performance of the Work;

(e) leave the Work Site in essentially the same condition as when entered, except for changes necessary and unavoidable in the performance of the Work; and

(f) promptly notify Weatherford of any condition or situation which Supplier is not equipped to remedy or which may result in damage to property owned by Weatherford Group or any Third Party.

**8.2 Product Warranties.** To the extent that Products are sold by Supplier to Weatherford under these Terms and Conditions, Supplier warrants that all Products shall:

(a) be new (unless specified in the Purchase Order) and conform in all respects to the Specifications and samples furnished by Supplier;

(b) meet or exceed the current American Petroleum Institute standards or any other manufacturing or quality control standards or requirements as may be specified by Weatherford or otherwise applicable to the Products;

(c) be of merchantable quality and fit for their intended purpose;

(d) be and remain free from defects in design, materials, performance, operation and workmanship for a period of eighteen (18) months from the date of delivery or twelve (12) months from the date when the Products are put into operation, whichever is later;

(e) be free and clear of any and all liens, restrictions, reservations, security interest, encumbrances and claims of Third Parties; and

(f) comply in all respects with Applicable Law.

**8.3 Remedies for Breach of Product Warranties.** Supplier shall, at its sole cost and expense, repair or replace any Products not conforming to the Product warranties specified ("**Nonconforming Products**") or, at Weatherford's option, issue to Weatherford a refund for the full amount paid for the Nonconforming Products (including any shipping, reimbursed costs, or Taxes and duties); provided Weatherford has notified Supplier of the non-conformity within the warranty period stated in section 8.2 (d) above. Supplier's responsibility to repair or replace Nonconforming Products shall include any ancillary costs or expenses relating thereto, including costs of removing and returning the Nonconforming Products and the subsequent shipping and installation of replacement Products. All replacement Products shall be warranted to the same extent, and for the same warranty period, as the Nonconforming Products they replace. If Supplier fails after reasonable notice to promptly proceed with the repair or replacement of the Nonconforming Products as instructed by Weatherford, Weatherford may itself or contract with a Third Party to repair or replace the Nonconforming Products and charge all related costs to Supplier without voiding the warranties herein, and without Weatherford waiving any other rights or remedies it may have under these Terms and Conditions. Such costs will be payable by Supplier upon demand. Supplier shall also be liable for, and shall upon demand reimburse Weatherford for, any damages suffered or incurred by Weatherford as a result of any Nonconforming Products.

**8.4 Third Party Products.** If Supplier is not the manufacturer of the Products, Supplier must obtain assignable warranties for the Products from its vendors, which it will pass-through or assign to Weatherford, and Supplier will cooperate with Weatherford in the enforcement of such warranties. If no pass-through or assignment is made, Supplier will assume the responsibility of the warranty.

**8.5 Service Warranties.** To the extent that Services are provided by Supplier to Weatherford under these Terms and Conditions, Supplier warrants that all Services shall:

(a) be performed in a safe, good and workmanlike manner, with reasonable diligence, using skilled, competent, knowledgeable and experienced workmen and supervisors;

(b) be performed in accordance with the Specifications and any other

requirements of the Purchase Order or otherwise provided by Weatherford to the Supplier; and

(c) comply in all respects with Applicable Law.

**8.6 Remedies for Breach of Service Warranties.** Supplier shall, at its sole cost and expense, promptly re-perform any Services (or portion thereof) not conforming to the Service warranties specified above ("**Nonconforming Services**"); provided Weatherford has notified Supplier of the non-conformity within twelve months from the date of the completion of the Services with respect to which the warranty claim is made. If Weatherford determines, in its sole discretion, that Supplier's re- performance cannot or will not provide a commercially viable remedy, Supplier shall, at Weatherford's option, either refund or credit in full the Price paid by Weatherford for the Nonconforming Services. If Supplier cannot or does not promptly re-perform the Nonconforming Services, Weatherford may re-perform same itself or contract with a Third Party for the performance thereof, and all costs and expenses relating thereto shall be for the account of Supplier and reimbursed to Weatherford upon demand. Supplier shall also be liable for, and shall upon demand reimburse Weatherford for, any damages suffered or incurred by Weatherford as a result of Supplier's performance of Nonconforming Services.

**8.7 Rental Equipment Warranties.** To the extent that Rental Equipment is provided by Supplier to Weatherford under these Terms and Conditions, Supplier warrants that all Rental Equipment shall:

(a) be fully tested and inspected prior to its delivery;

(b) be of merchantable quality and fit for its intended purpose, and conform to the Specifications therefore;

(c) be clean and in proper operating and good working condition (including all required safety shields, guards and devices); and

(d) be accompanied by all operating guides, manuals and instructions necessary for the operation and maintenance thereof, if requested by Weatherford.

**8.8 Remedies for Breach of Rental Equipment Warranties.** Supplier shall, at its sole cost and expense, promptly repair or replace with equipment of like or comparable quality and capacity any Rental Equipment not conforming to the Rental Equipment warranties specified above, or which fails or becomes inoperable during the rental period. If the Rental Equipment fails or becomes inoperable solely due to Weatherford's negligent or improper use thereof, Weatherford will pay or reimburse Supplier for the lesser of (1) the reasonable and documented cost of repairing same, or (2) the reasonable and documented cost of replacing same with equipment of like age, capacity and condition. All rental payments shall be waived by Supplier during any time period that the Rental Equipment fails to meet the warranties in section 8.7 above, operate properly, or is otherwise inoperable through no fault of Weatherford. Supplier shall also be liable for, and shall upon demand reimburse Weatherford for, any damages suffered or incurred by Weatherford as a result of any non-conforming Rental Equipment.

**8.9 Rental Equipment Maintenance.** During the rental term, Weatherford will maintain the Rental Equipment (ordinary wear and tear excepted) in compliance with normal maintenance procedures for the Rental Equipment and will bear the expense of normal maintenance costs, including fuel, lubricant, and coolant. Servicing beyond routine maintenance will be performed by the Supplier at its sole expense. If the Rental Equipment has any servicing, maintenance or lubrication requirements beyond normal requirements for daily servicing, such special requirements will be communicated by Supplier to Weatherford, in writing, prior to delivery of the Rental Equipment.

**8.10 Return of Rental Equipment.** At the end of the rental term, Weatherford shall return the Rental Equipment to Supplier at the agreed point of return and in the same condition as received (ordinary wear and tear excepted). Supplier agrees to inspect all Rental Equipment as soon as reasonably practicable after the return thereof to Supplier. Supplier's failure to notify Weatherford of any damages of the Rental Equipment within 48 hours of receipt shall be conclusively deemed as acknowledgment that all Rental Equipment has been returned to Supplier in the same condition as received by Weatherford (ordinary wear and tear excepted). Weatherford may, but not obligated to, request that its representative will jointly perform the inspection of the

returned Rental Equipment with the Supplier's representative.

If the Rental Equipment is damaged or otherwise not returned in the same condition as received by Weatherford (ordinary wear and tear excepted), Weatherford shall pay Supplier the lesser of (i) all costs incurred by Supplier to restore the same to such condition, or (ii) its replacement price. Rental Equipment parts or components replaced shall be charged to Weatherford at the price listed in Supplier's price book or at the manufacturer's current price list, as applicable and as communicated to Weatherford prior to proceeding with such replacement. In no event shall Weatherford be liable to Supplier for any indirect, incidental, special, punitive, exemplary, or consequential damages or losses of any nature arising from or relating to any damaged Rental Equipment.

**8.11 General Warranty Statement. THE FOREGOING WARRANTIES AND REMEDIES SHALL APPLY TO THE BENEFIT OF WEATHERFORD GROUP AND SHALL NOT BE AFFECTED BY DELIVERY TO, INSPECTION, ACCEPTANCE OR PAYMENT BY WEATHERFORD.**

**9. CONFIDENTIAL INFORMATION**

**9.1 Weatherford Confidential Information.** Supplier acknowledges and agrees that any data or information furnished or disclosed to Supplier Group by (or obtained from) Weatherford Group that describes, pertains or relates to the Work or the performance thereof (including any information with respect to any Weatherford tools, equipment, processes or technologies for or in conjunction with which Products are supplied or Services are performed), as well as data and information pertaining to purchase volumes, order patterns, delivery destinations (and relative volumes of Product delivered to and/or maintained in inventory at those destinations) and methods and details of Product shipment, packaging, and labeling (collectively "**Confidential Information**"), shall be deemed confidential and proprietary to Weatherford. Without limiting the generality of the foregoing, Weatherford Confidential Information shall mean and include the terms of any Purchase Order, and all information regarding, detailing or describing the Work (including information with respect to the Work performed for any client, the date upon which the Work was performed, or the Work Site at which the Work was performed).

**9.2 Non-disclosure.** Subject to the exceptions set forth in section 9.3 below, Supplier agrees that:

(a) it shall maintain and safeguard the confidentiality of all Weatherford Confidential Information received by it from Weatherford Group, handling and treating same with at least the same degree of care (and affording it the same protections) that Supplier observes and provides for its own confidential, proprietary and trade secret information, and in all events with at least a reasonable standard of care;

(b) it shall share Weatherford Confidential Information internally only with those of its employees who need to know same for the purposes of performing the Work, all of whom shall be advised of and must agree to be bound by the confidentiality provisions of these Terms and Conditions;

(c) it shall not, without the written consent of Weatherford, use, copy or duplicate by any means, in whole or in part, any Weatherford Confidential Information for any purposes other than performing the Work and its obligations under these Terms and Conditions; and

(d) it shall not, without the written consent of Weatherford, disclose or provide access to any Weatherford Confidential Information to any Third Party.

**9.3 Exclusions.** The foregoing obligations do not apply to any Confidential Information that:

(a) is or becomes generally available to the public through no wrongful act of Supplier Group;

(b) was in Supplier's possession prior to being provided it by Weatherford and was not acquired directly or indirectly from Weatherford or from others under an obligation to maintain the confidentiality thereof;

(c) is made available to Supplier as a matter of right by a Third Party without obligations of secrecy, provided such Third Party did not acquire such Confidential Information directly or indirectly from Weatherford;

(d) is independently developed by Supplier, without reliance upon or reference to any Weatherford Confidential Information or Intellectual Property (as hereinafter defined); or

(e) is required to be disclosed by operation of law, judicial or administrative procedure, decree or order, or in a dispute resolution in a court of competent jurisdiction or an arbitration proceeding before a recognized arbitration Tribunal.

Confidential Information will not be deemed to be generally available to the public or in Supplier's possession merely because they or combinations thereof are embraced by general disclosures generally available to the public or in Supplier's possession.

**9.4 Non-disclosure of Source.** Even if Supplier is relieved of its obligations by the exceptions listed in section 9.3 above, Supplier shall not make known, or cause to be made known, that the Confidential Information was acquired from Weatherford, or that there may be any similarity between such Confidential Information and other information available from any other source.

**9.5 Compelled Disclosures.** If Supplier receives a request to disclose all or any part of Weatherford's Confidential Information under the terms of a discovery request, subpoena, decree or order issued by a court or tribunal of competent jurisdiction, or by a governmental or regulatory body or agency (a "**Disclosure Request**"), Supplier hereby agrees (and agrees to cause its Affiliates) promptly to notify Weatherford, in writing, of the existence, terms and circumstances surrounding the Disclosure Request. If Weatherford seeks a protective order, Supplier agrees to cooperate fully with respect thereto. If, in the written opinion of Supplier's legal counsel, disclosure of Weatherford Confidential Information (or any portion thereof) is required in order for Supplier to avoid sanction or penalty in connection with the Disclosure Request, said counsel shall exercise reasonable efforts, with the cooperation of Weatherford if necessary, to obtain an order or other reliable assurance that confidential treatment will be accorded to the disclosed Weatherford Confidential Information.

**9.6 Ownership of Confidential Information.** All Weatherford Confidential Information shall be and remain the sole property of Weatherford, and Supplier shall either destroy (and confirm such destruction to Weatherford, in writing) or return to Weatherford any Confidential Information received by Supplier (and all copies, notes, extracts and summaries thereof) within seven days from the date of a written request by Weatherford. Supplier may, with written notification to Weatherford, retain a copy of Weatherford Confidential Information with Supplier's legal office for archival purposes only.

**9.7 No Warranties.** All Weatherford Confidential Information disclosed under or in connection with these Terms and Conditions is provided "as is," without warranty of any kind other than the warranty of title. Without limiting the generality of the foregoing, Weatherford hereby specifically disclaims with respect to its Confidential Information all other warranties, express or implied (including the implied warranties of fitness for a particular purpose and merchantability), or any warranty that its Confidential Information is correct or complete, and Supplier recognizes and acknowledges that the Weatherford Confidential Information disclosed to it may have errors or omissions.

**9.8 Remedies.** Supplier acknowledges and agrees that the use or disclosure of Weatherford's Confidential Information in violation of this Section 9 would cause serious and irreparable harm to Weatherford, for which money damages would not be adequate compensation. Consequently, if Supplier breaches or threatens a breach of this article 9, Weatherford shall, in addition to all other remedies available to it at law or in equity, be entitled to a temporary or permanent injunction or a decree for specific performance, without showing any actual damage or that monetary damages would not provide an adequate remedy, and without any bond or other security being required.

**9.9 Publicity.** Supplier shall not use the name, logo, trademarks, photographs or any reference to Weatherford or its Affiliates in advertising, marketing, public relations or similar publications without the prior written authorization of Weatherford.

**10. INTELLECTUAL PROPERTY RIGHTS**

**10.1 Intellectual Property Rights.**

(a) All Supplier Intellectual Property shall be and remain the exclusive

property of Supplier, but to the extent any Supplier Intellectual Property is incorporated into any Product (or any Improvement relating thereto) or Deliverables sold or furnished to Weatherford, Supplier hereby grants Weatherford a non-exclusive, non-assignable, irrevocable, royalty-free, worldwide, perpetual, right and license to use Supplier Intellectual Property for the purpose of using same in connection with the Work (including use of the Deliverables and/or its use or re-sale of the Supplier Products using or incorporating same).

(b) All Weatherford Intellectual Property shall be and remain the exclusive property of Weatherford and/or its Affiliates, but to the extent any Weatherford Intellectual Property is used by Supplier in performing Work, such Intellectual Property (and any Improvement relating thereto) shall remain the property of Weatherford, and Supplier shall have only a non-exclusive, non-assignable, revocable right and license to use same for the limited purpose of performing Work. Such license will run concurrent with and terminate with the Purchase Order.

(c) Except as expressly stated above, neither Supplier nor Weatherford shall have any right or license to use, whether directly or indirectly, any of the other's Intellectual Property.

**10.2 Product Improvements.** Supplier shall disclose to Weatherford the details of any Improvement which Supplier has developed or conceived and proposes to incorporate into any Product sold to Weatherford, but shall not include same in any Product without the prior written approval of Weatherford. Supplier shall, upon request, incorporate into any customized Products any Improvement developed or conceived by Weatherford as specified in the Purchase Order.

**10.3 Deliverables.** Supplier acknowledges and agrees that all Deliverables, whether made or conceived by Supplier alone or jointly with Weatherford, will be Weatherford's exclusive property, and Supplier hereby assigns to Weatherford all right, title and interest in the Deliverables, including all patents, copyrights, trademarks and trade secrets. Supplier will promptly execute and deliver to Weatherford such instruments, documents, and agreements which, in Weatherford's opinion, are necessary or desirable to document the transfer or assignment of such Deliverables to Weatherford or to evidence Weatherford's ownership thereof. Upon request, Supplier will assist Weatherford in filing and prosecuting (at Weatherford's expense) applications for and to acquire, maintain and enforce any and all patents, trademark registrations or copyrights (under United States or foreign law) with respect to any Deliverable. Notwithstanding the foregoing, the decision of Weatherford not to seek patent, trademark or copyright protection for any Deliverable will not diminish Weatherford's exclusive and proprietary interest therein.

**10.4 Intellectual Property Indemnification.** The following provisions shall apply to any Claim of a Third Party that any Product, Deliverable or Rental Equipment sold or furnished by Supplier under the Purchase Order, or any Intellectual Property used by Supplier in the performance of Services, infringes on any patent, trademark, copyright, trade secret or other proprietary right of a Third Party (an "Infringement Claim").

(a) Supplier shall Indemnify Weatherford Group from and against any and all Infringement Claims with respect to any Product, Deliverable or Rental Equipment furnished or Services performed by Supplier; *provided* that Weatherford notifies Supplier, in writing, promptly upon its receipt of notice of any such Infringement Claim and gives Supplier information and reasonable assistance in settling and defending the Infringement Claim, at Supplier's sole cost and expense. To the extent an Infringement Claim is brought against Weatherford based on an allegation that a Product or Rental Equipment or the use thereof infringes on any patent, trade secret or other proprietary right of a Third Party, Supplier shall, at Supplier's discretion, either (1) settle or defend the Infringement Claim and pay any damages awarded against any Weatherford Group Member, (2) procure for Weatherford a royalty-free right to continue using such Product or Rental Equipment, (3) replace or modify the Product or Rental Equipment so it becomes non-infringing, or (4) replace the Products or Rental Equipment with a non-infringing product or equipment that is of comparable quality and performance.

(b) Supplier's Indemnification obligations under subsection 10.4(a)

above shall not apply with respect to, and Weatherford shall Indemnify Supplier from and against, any Infringement Claim relating to (1) Supplier's manufacture of a Product in accordance with Specifications provided by Weatherford to the extent that the Infringement Claim is based on the Specifications furnished by Weatherford, (2) Supplier's incorporation into the Products of Improvements requested by Weatherford to the extent that the Infringement Claim is based on the Improvement requested by Weatherford, or (3) Weatherford's alteration or modification of a Product after delivery to the extent that the Infringement Claim is based on the modifications made by Weatherford.

## **11. PERSONAL DATA PROTECTION**

**11.1 Compliance with Data Protection Laws.** Supplier shall maintain adequate internal controls and procedures to comply with Applicable Law related to the collection and processing of Personal Data, including the European Union General Data Protection Regulation 2016/679, to the extent same is applicable.

**11.2 Processing of Personal Data Prohibited.** Notwithstanding anything to the contrary in the Purchase Order, Supplier is not authorized to and will not process Weatherford Group Personal Data, unless and until Supplier has first entered into a data privacy agreement as instructed by Weatherford. If Weatherford is required to pay any fine or penalty or is subject to any Claims as a result of Supplier's failure to comply with this explicit instruction, Supplier will Indemnify Weatherford Group for all Claims arising as a result thereof.

## **12. INDEPENDENT CONTRACTOR RELATIONSHIP**

**12.1 Independent Contractor.** Supplier is an independent contractor with respect to the Work performed by Supplier for Weatherford, and neither Supplier nor any member of Supplier Group will be considered to be an employee or agent of Weatherford for any purpose. Supplier is fully responsible for and will have exclusive direction and control of Supplier employees and will control the manner and method of carrying out the Work, Weatherford being interested only in the results obtained. Nothing in these Terms and Conditions is intended to constitute or create a partnership or a master and servant relationship between the Parties. Except to the extent agree in these Terms and Conditions, each Party may take actions hereunder that are for its own self-interest without any duty or, subject to the express terms of these Terms and Conditions, liability to the other Party.

**12.2 Agency Indemnification.** Supplier shall Indemnify Weatherford Group from and against any and all Claims arising from or in connection with any member of Supplier Group being considered an agent, servant, employee or subcontractor of Weatherford Group, including any and all Claims by or on behalf of any member of Supplier Group, related to (1) pensions, medical, unemployment, vacations and other benefits, and (2) Claims of retaliation, discrimination, breach of express or implied contracts for continued employment, negligent hiring, supervision or retention.

## **13. INSURANCE**

**13.1 Insurance in Support of Indemnities.** Supplier shall procure and maintain policies of insurance of the following types and in coverage amounts not less than the minimum limits specified below:

(a) Statutory Workers' Compensation Insurance as prescribed by Applicable Law and Employer's Liability Insurance covering all of Supplier's employees, with liability limits of \$1,000,000.00 per occurrence.

(b) Comprehensive or Commercial General Liability Insurance (including contractual liability for Supplier's obligations to Indemnify the other Party) with combined single limits of not less than \$1,000,000.00 per occurrence and in the aggregate, to include Bodily Injury and Property Damage, specifically including Supplier's Contractual Liability.

(c) Comprehensive or Commercial Automobile Liability Insurance covering all owned, non-owned, and hired automobiles used by it in connection with the Work, if any, with a combined minimum limit of \$1,000,000 each occurrence for Bodily Injury and Property Damage.

(d) Excess Liability Insurance over that required in subsections (a), (b), and (c) above, with minimum limits of \$4,000,000.00 per occurrence and in the aggregate, specifically including the Supplier's Contractual Liability.



The insurance coverage stated above, represent minimum requirements and are not to be construed to void or limit the indemnities contained herein.

**13.2 Additional Insured and Loss Payee Status; Waiver of Subrogation.** Supplier will arrange for all Weatherford Group to be named as additional insureds, on a primary and non-contributory basis, each of its policies (except for Workers' Compensation), and as an Additional Loss Payee to its Cargo Liability policy. All Supplier Policies will waive subrogation rights in favor of Weatherford Group and their insurers.

**13.3 Certificates of Insurance.** None of Supplier's policies of insurance shall be cancelled, or materially modified or amended, without advance written notice to Weatherford. Upon request, Supplier shall deliver to Weatherford certificates of insurance showing that the policies are in full force and effect. If Supplier neglects or refuses to provide any of the policies of insurance described in section 13.1 above, or should such policies be cancelled or terminated or substantially reduced, Weatherford shall have the right, but not the obligation, to procure the same and the cost thereof shall be deducted from any sums due or thereafter becoming due to the Supplier. In addition, Weatherford will be entitled to suspend or cancel any Purchase Order, without penalty or liability.

#### **14. FORCE MAJEURE**

**14.1 Force Majeure Event.** Neither Party will be liable for any delay or failure to perform its obligations under these Terms and Conditions or any Purchase Orders if the delay or failure results from an event of Force Majeure. For the purposes of the immediate preceding sentence, "Force Majeure" means the occurrence of an event or circumstance that is unforeseeable, beyond the reasonable control of the affected party, and the effects of which could not reasonably have been avoided or overcome by the affected Party, including, without limitation, acts of God, acts of civil or military authority, governmental orders, war, fire, explosion, labor unrest (except if limited to the affected Party), epidemic or pandemic. The affected Party shall be relieved from its obligations (or part thereof) to the extent the Force Majeure prevents and hinders the performance of said obligations (or part thereof), provided that the affected Party shall notify the other Party and make reasonable efforts to mitigate the effects of Force Majeure. If a Force Majeure event lasts, or is likely to last, more than fifteen calendar days, either Party may cancel the affected Purchase Order by written notice to the other Party, without any liability.

**14.2 Exclusions.** Notwithstanding anything to the contrary, the following shall not be a Force Majeure event (1) strikes, lockouts or other industrial concerted action by workers of Supplier or its subcontractors, (2) increased expense of completing the Work, (3) shortage of labor, materials, equipment, transportation or utilities, (4) failure of equipment that could have been prevented by normal maintenance, (5) late delivery of materials or goods caused by inefficiencies, or other similar occurrences, (6) non-performance of Supplier's subcontractors.

#### **15. INDEMNITIES**

**15.1 Supplier Release and Indemnity.** Supplier shall Indemnify Weatherford Group from and against any and all Claims arising out of, resulting from, or relating to (1) bodily injury or death suffered by any member of Supplier Group or damage to or loss of property suffered by any member of Supplier Group in connection with the Work provided by Supplier Group under these Terms and Conditions and the Purchase Order, (2) pollution or contamination which originates from Supplier's tools, vehicles and property of, or under the control, of Supplier Group, (3) any act or omission of Supplier Group arising out of or incidental to Supplier Group's performance of the Work under these Terms and Conditions, and (4) any Claims imposed on, incurred or asserted against Weatherford Group as a result of Supplier's breach of these Terms and Conditions and any Purchase Order, including as a result of defects in the Work provided by Supplier.

#### **15.2 Consequential Damages.**

Notwithstanding any provision of these Terms and Conditions to the contrary, neither Party shall be liable to the other Party (or any member of the other Party's Group) for, and each Party hereby waives and releases the

other Party from and against, any and all Claims for Consequential Damages.

Without negating the preceding general exclusion of Consequential Damages, the Parties expressly agree that Claims with respect to the following shall not be considered Consequential Damages and are recoverable between the Parties: (1) damages for breaches of a Party's obligations with respect to the Confidential Information or Intellectual Property; or (2) Third Party Claims with respect to which a Party is entitled to Indemnification under these Terms and Conditions.

**15.3 Express Negligence. SUBJECT ONLY TO LIMITATIONS IMPOSED BY APPLICABLE LAW OR PUBLIC POLICY, THE INDEMNITIES SET FORTH IN THESE TERMS AND CONDITIONS ARE INTENDED TO BE ENFORCEABLE AGAINST THE PARTIES IN ACCORDANCE WITH THE EXPRESS TERMS AND SCOPE THEREOF, NOTWITHSTANDING ANY STATUTE, RULE OR DIRECTIVE THAT WOULD PROHIBIT OR OTHERWISE LIMIT INDEMNITIES BECAUSE OF THE NEGLIGENCE OR OTHER FAULT OR STRICT LIABILITY OF ANY OF THE INDEMNIFIED PARTIES. EXCEPT WHERE EXPRESSLY STIPULATED TO THE CONTRARY IN THESE TERMS AND CONDITIONS, THE INDEMNITIES SET FORTH IN THESE TERMS AND CONDITIONS SHALL APPLY REGARDLESS OF WHETHER THE CLAIM OR LOSS IS CAUSED BY THE SOLE, JOINT, CONTRIBUTORY OR CONCURRENT NEGLIGENCE (IN ANY AMOUNT), GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, STRICT LIABILITY, PRODUCTS LIABILITY, BREACH OF WARRANTY, BREACH OF CONTRACT, BREACH OF STATUTE OR OTHER FAULT OR FORM OF LIABILITY OF ANY MEMBER OF SUPPLIER GROUP, WEATHERFORD GROUP, OR A THIRD PARTY, OR ANY PRE-EXISTING CONDITION.**

#### **16. COMPLIANCE WITH LAWS**

##### **16.1 Ethical Business Conduct.**

(a) Supplier shall comply and shall ensure that all members of Supplier Group comply with Applicable Law in the performance of Work under these Terms and Conditions.

(b) All Work performed hereunder will be conducted in a fair manner with honesty and integrity, observing high standards of personal and business ethics. Without limitation, Supplier shall adhere to the principles contained in the Weatherford Supplier Code of Conduct, copy of which is available at the following link:

<https://www.weatherford.com/en/documents/corporate-documents/supplier-code-of-conduct/supplier-code-of-conduct-english/>

(c) Supplier represents and warrants that neither Supplier nor any member of Supplier Group has made, offered or authorized, or will make, offer, or authorize any payment, gift, promise, or other advantage to or for the use or benefit of any government official, political party, family member or representative of a state-owned corporation, or any other Person, where that payment, gift, promise, or other advantage will (1) comprise a facilitation payment or any other illegal payment, or (2) violate any Applicable Law related to anti-corruption, anti-kickbacks, and anti-money laundering, including the United States Foreign Corrupt Practices Act of 1977 and the United Kingdom Bribery Act 2010.

(d) Supplier shall comply and shall ensure that all members of Supplier Group comply with (and maintain adequate internal controls and procedures, including due diligence procedures) Applicable Law related to anti-slavery and human trafficking, including the United Kingdom Modern Slavery Act 2015 and the United States California Transparency in Supply Chains Act of 2010.

(e) Supplier represents and warrants that except as disclosed by the Supplier in responses to Weatherford's Business Questionnaire neither Supplier nor any member of Supplier Group (1) has been convicted of any offence in connection with the provisions of this article 16, or (2) has been or is the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding any offence or alleged offence of or in connection with the provisions of this article 16.

##### **16.2 Trade Compliance.**

(a) Supplier shall comply and shall ensure that all members of Supplier Group comply with Applicable Law related to import, export, anti-boycott, and sanctions laws. Without limitation, Supplier shall not, directly or



indirectly, sell, provide, access, export, re-export, transfer, divert, loan, lease, consign, or otherwise dispose any Products, Services, Rental Equipment, software (including source code) or technology provided hereunder to any country, entity, or Person subject to sanctions, comprehensive or list based, or export controls applicable to Weatherford.

(b) Supplier shall prohibit the involvement in the Work provided hereunder of any entity known to be headquartered in, or directly or indirectly owned or controlled by (1) any Person national of, any comprehensively sanctioned country or region, or (2) any Person identified on an applicable denied or restricted party list as Specialty Designated Nationals (“SDN”) if ownership or control is at or exceeds 50%, or (3) any Person or entity owned by, or Affiliate to, a SDN. Without limitation, Supplier acknowledges that Weatherford will not accept any Products originating from or transported through such comprehensively sanctioned countries or regions. If Products are delivered to Weatherford against this explicit instruction, such Products will be immediately returned, at Supplier’s expense, and Supplier shall be liable for any Claims arising as a result thereof.

(c) Where applicable, Supplier shall provide Weatherford such information, import and export classifications, certificates of manufacture, and certificates of origin of the Products (or the component parts thereof) sold to Weatherford hereunder, including any documentation required by Weatherford to participate in any preferential tax or tariff agreements or regimes associated.

**16.3 Conflict Minerals.** Supplier represents and warrants that it does not use Conflict Minerals in any Products sold to Weatherford hereunder. If Products containing Conflicting Minerals are supplied to Weatherford, such Products will be immediately returned to Supplier, at Supplier’s risk and expense, without any liability to Weatherford. For the purposes of this provision, “Conflict Minerals” means columbite-tantalite (coltan), cassiterite, gold, wolframite, or their derivatives, which originate in any country the exploitation and trade of which is determined by the United States to be financing or benefiting groups that are responsible of human rights violations.

#### **16.4 General Provisions.**

(a) Supplier shall ensure that all contracts with its subcontractors of any tier performing Work hereunder contain compliance with laws provisions similar to those set forth in this article 16.

(b) Supplier has a continuing obligation to promptly notify Weatherford of any non-compliance with, breach, or potential breach, of any provisions of this article 16.

(c) If Weatherford reasonably determines that Supplier has breached any of the provisions of this article 16, or comprehensive sanctions are imposed on the Supplier Group, or the Supplier Group is designated as SDN, such breach will constitute cause for immediate of any Purchase Order, without penalty or liability.

(d) Supplier has the duty to Indemnify Weatherford Group from and against any Claims arising of, resulting from, or relating to Supplier Group’s failure to comply with Applicable Law.

**17. ASSIGNMENT AND SUBCONTRACTING.** Weatherford shall have the right to assign (in whole or in part), novate, or transfer to any Person any of its rights or obligations under these Terms and Conditions or the Purchase Order without the consent of the Supplier. Supplier may not assign its rights under these Terms and Conditions or the Purchase Order to, nor have its obligations hereunder or thereunder assumed by, any Person without the prior written consent of Weatherford, which consent will not be unreasonably withheld, conditioned or delayed. Subject to the preceding sentence, these Terms and Conditions shall be binding on and inure to the benefit of the Parties and their respective successors and assigns.

**18. SEVERABILITY.** If any provision of these Terms and Conditions are found to be inconsistent with or contrary to Applicable Law or public policy, same shall be deemed to be modified to the extent required to comply with Applicable Law or public policy (it being the intention of the Parties to enforce to the fullest extent all provisions of these Terms and Conditions) and as so modified, these Terms and Conditions shall continue in full force and effect. In the event such provision cannot be deemed modified automatically, the Parties shall attempt to reach agreement on a conforming modification to

such provision. If any such term or provision cannot be modified to comply with Applicable Law, then said term or provision shall be deemed to be deleted from these Terms and Conditions and the remaining provisions shall remain in full force and effect.

**19. ENTIRE AGREEMENT; HEADINGS.** These Terms and Conditions constitute the entire agreement between the Parties with respect to Work provided by Supplier for Weatherford, and neither of the Parties will be bound by any conditions, definitions, warranties, understandings, or representations with respect to such Work other than as expressly provided herein. The article and section headings contained in these Terms and Conditions are for reference purposes only and will not affect in any way the meaning or interpretation of these Terms and Conditions.

**20. WAIVER OF TERMS.** No waiver by either Party of any of the terms, provisions, or conditions of these Terms and Conditions or the Purchase Order will be effective unless said waiver will be in a writing signed by an authorized officer of such Party. Each Party’s failure to enforce any term, provision or condition of these Terms and Conditions will in no manner affect its right to enforce the same at a later time, and the waiver by either Party of any breach of any term, provision or condition of these Terms and Conditions or any Purchase Order will not be construed to be a waiver by either Party of any subsequent or succeeding breach.

**21. NOTICES.** All notices, notifications, requests, consents, directions, instructions, and other communications required or permitted to be given under these Terms and Conditions will be in writing and will be deemed to have been duly given if delivered (1) in person, by courier or by overnight delivery service, with independent proof of delivery, or (2) via confirmed email. Notices will be addressed to each Party to the Person and at the address specified in the Purchase Order, with a copy to the Legal Department (or to such other physical or email address and to the attention of such other Person as either Party may designate by notice given in accordance with the foregoing requirements).

#### **22. DISPUTE RESOLUTION; ATTORNEYS’ FEES**

**22.1 Governing Law and Venue.** Any dispute arising out of or in connection with these Terms and Conditions or the Purchase Order shall be resolved in accordance with the following:

(a) For Work performed, or to be performed, by Supplier in the United States, these Terms and Conditions and any Purchase Order shall be governed, construed and interpreted in accordance with the laws of the State of Texas, which shall apply without regard to any choice of laws or conflict of laws provisions which would direct the application of the laws of another jurisdiction. Venue for any such litigation filed shall be exclusive in the courts, state or federal, sitting in Houston, Harris County, Texas.

(b) For Work performed, or to be performed, by Supplier in Canada, these Terms and Conditions and any Purchase Order shall be governed, construed, and interpreted in accordance with the laws of the Province of Alberta, Canada, which shall apply without regard to any choice of laws or conflict of laws provisions which would direct the application of the laws of another jurisdiction. Venue for any litigation filed with respect to these Terms and Conditions or any Purchase Order (or the Work performed thereunder) shall be exclusive in the courts sitting in Calgary, Alberta.

(c) For Work performed, or to be performed, by Supplier in Central or South America, these Terms and Conditions and any Purchase Order shall be governed, construed, and interpreted in accordance with the laws of the principal country where the Work will be performed stated in the Purchase Order, which shall apply without regard to any choice of laws or conflict of laws provisions which would direct the application of the laws of another jurisdiction. In the event no governing law is specified in the Purchase Order, these Terms and Conditions shall be governed, construed, and interpreted in accordance with the laws of Texas. Any dispute, controversy or claim arising out of, in connection with, or relating to such Work or any Purchase Order governing such Work (other than the seeking of temporary, pre-judgment, equitable relief, which action(s) shall be conducted in a court of law) shall be exclusively resolved by binding arbitration, administered by the International Chamber of Commerce (“ICC”), conducted in accordance with the ICC Rules of Arbitration (the “ICC Rules”) in effect at the time that the arbitration is filed, provided that the provisions of this article 22 shall prevail in the event of any

conflict with the ICC Rules. The Emergency Arbitrator Provisions (or other similar rules or provisions pertaining to pre-judgment, equitable relief) shall not apply. Unless otherwise agreed to by the Parties in writing, the seat of arbitration shall be Houston, Harris County, Texas, and the proceedings shall be conducted and concluded as soon as reasonably practicable, based upon the schedule established by the Tribunal.

(d) For Work performed, or to be performed, by Supplier anywhere other than the United States, Central or South America, or Canada, these Terms and Conditions and any Purchase Order shall be governed, construed, and interpreted in accordance with the laws of England and Wales, which shall apply without regard to any choice of laws or conflict of laws provisions which would direct the application of the laws of another jurisdiction. Any dispute, controversy or claim arising out of, in connection with, or relating to such Work or any Purchase Order governing such Work (other than the seeking of temporary, pre-judgment, equitable relief, which action(s) shall be conducted in a court of law) shall be exclusively resolved by binding arbitration, administered by the ICC in accordance with the ICC Rules in effect at the time that the arbitration is filed, provided that the provisions of this article 22 shall prevail in the event of any conflict with the ICC Rules. The Emergency Arbitrator Provisions (or other similar rules or provisions pertaining to pre-judgment, equitable relief) shall not apply. The proceedings shall be conducted and concluded as soon as reasonably practicable, based upon the schedule established by the tribunal. The seat of arbitration shall be London, England (or such other location as the Parties may agree upon in writing), and the proceedings shall be conducted and concluded as soon as reasonably practicable, based upon the schedule established by the Tribunal.

## **22.2 Selection of Arbitrators; Arbitral Proceedings.**

(a) For any arbitration conducted under the foregoing provisions, the arbitration shall (1) be final and binding, each Party expressly consenting to arbitration and waiving any right of appeal to any court from an arbitral award, (2) be conducted in the English language, and (3) be treated as confidential (including any information concerning the fact of any request for arbitration, as well as all matters discussed, discovered, or divulged (voluntarily or by compulsion) during the course of such arbitration proceeding, including evidentiary information), subject to each Party's right to cooperate fully with governmental authorities, including taxing jurisdictions. The arbitral tribunal ("Tribunal") shall be composed of one neutral arbitrator, selected in accordance with the ICC Rules, unless the dispute involves damages alleged by either Party of USD \$5,000,000 or more (excluding interest, costs, and attorneys' fees), in which case the dispute shall be resolved by three arbitrators, all of whom must comply with the standards of the ICC. For the purpose of determining the number of arbitrators comprising the Tribunal, the amount in controversy shall be measured as of the date the Parties submit their respective Request for Arbitration and Answer under the ICC Rules, regardless of whether the amount in controversy increases or decreases at some later time. If the dispute is one that must be resolved by three arbitrators, each Party shall nominate an arbitrator in the Request for Arbitration and the Answer, respectively, and those two arbitrators shall jointly appoint the third arbitrator, who shall act as president of the Tribunal. If either Party fails to nominate an arbitrator, or if the two chosen arbitrators are unable to agree upon a third arbitrator within twenty-one days of the confirmation of the second arbitrator, the third arbitrator shall be appointed by the ICC.

(b) Any dispositive hearing relating to the arbitration will be conducted according to the IBA Rules on the Taking of Evidence in International Arbitration ("IBA Rules of Evidence") in effect at the time that the arbitration is filed. The Tribunal shall render its Award in the form of a written, reasoned decision, and such written Award shall be final and binding on the parties to the arbitration proceeding, and confirmation and enforcement of the awards so rendered may be obtained and entered in any court having jurisdiction thereof. The Tribunal shall have no power or authority to make awards or issue orders of any kind except as expressly permitted by these Terms and Conditions and the Applicable Law, and in no event shall the Tribunal have the authority to make any award that provides for punitive or exemplary damages, except as provided for under this Terms and Conditions, or be permitted to issue any award on the basis of *ex aequo et bono* or *amiable compositeur*. The Tribunal may, in its discretion, award any or all of (1) the reasonable attorneys' fees (including reasonable costs)

incurred by the prevailing Party, (2) the fees and expenses of the arbitrators, (2) the administrative expenses fixed by the ICC, and (4) the fees and expenses of any expert(s) employed by the prevailing Party or appointed by the Tribunal. All statutes of limitation under Applicable Law shall apply to the arbitration proceeding. Any attorney-client privilege and other protection against disclosure of privileged or confidential information under Applicable Law (including any protection afforded attorney work-product) shall be available to, and claimed by, any Party in any arbitration proceeding.

**22.3 Attorneys' Fees and Injunctive Relief.** The prevailing Party in any litigation or arbitral proceedings shall be entitled to recover, in addition to any damages or other relief awarded to it, reasonable attorney's fees, fees and expenses of the arbitrator, court costs, fees of testifying experts or consultants, and other expenses related thereto. Nothing herein shall prohibit a Party from availing itself of a court of competent jurisdiction for the purpose of injunctive relief.

**22.4 United Nations Convention on Contracts for the International Sale of Goods.** The Parties agree that the application of the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from these Terms and Conditions and shall not be applied to any Purchase Order hereunder.

**23. SURVIVING CLAUSES.** The provisions of these Terms and Conditions relating to Taxes, warranties, warranty remedies, Indemnification, audit, confidentiality and compliance with Applicable Law will survive its termination or expiration.

**24. APPLICABLE TERMS AND CONDITIONS.** Weatherford may revise and post updates to these Terms and Conditions from time-to-time. All Purchase Orders will be subject to the Terms and Conditions in effect at the time that the Purchase Order is placed.