

GENERAL TERMS AND CONDITIONS
THESE TERMS CONTAIN INDEMNITY PROVISIONS – PLEASE READ CAREFULLY

1. **Acceptance.** By requesting that Newpark extend credit to Customer, or requesting any Services from Newpark, Customer voluntarily elects to enter into and be bound by these General Terms and Conditions (these “**Terms**”).
2. **Definitions.** The following definitions apply to these Terms:
 - a. “**Bid**” or “**Proposal**” means a written quotation, bid or proposal submitted by Newpark to Customer for Services, and signed by an authorized representative of Newpark.
 - b. “**Claim(s)**” means all claims, demands, causes of action (whether in law or in equity), liabilities, damages, judgments, awards, losses, costs and reasonable expenses (including costs, expenses and legal fees) of any kind or character.
 - c. “**Currency**” means, the currency for the country in which the Services are provided.
 - d. “**Customer**” means the person or entity to whom Services are provided.
 - e. “**Delivery Ticket**” means any one or group of documents that Newpark requests that the Customer or its agent sign at the well or Service site prior to or at the time of delivery or rendering of Services.
 - f. “**Governing Law**”: if the Services are provided in the United States, “**Governing Law**” means the laws of the State of Texas, excluding conflict of law principles, where the parties agree that the venue shall lie exclusively in the United States Courts or the courts of the State of Texas located in Houston, Harris County, Texas. If the Services are provided in Canada, “**Governing Law**” means the laws of the Province of Alberta and the courts of Alberta shall have jurisdiction with regard to all matters arising under or in connection with them.
 - g. “**Group**” with respect to either party means such party and its parent, subsidiary and affiliated companies, joint owners, joint operators, partners and joint venturers, its and their contractors and subcontractors, and the officers, directors, employees, agents, consultants, insurers and invitees of all of the foregoing.
 - h. “**Newpark**” means the Newpark Resources, Inc. affiliate or subsidiary which is providing the Services requested by Customer.
 - i. “**Order**” means Newpark’s Bid, Proposal or Delivery Ticket, as applicable.
 - j. “**Services**” means the products, equipment and services to be provided by Newpark to Customer.
3. **Payment.** Customer agrees to pay Newpark for the Services at the rate set forth in the Order, or, if no Order is issued, in accordance with Newpark’s current price list in effect at the time the Services are rendered. All payments will be made in the appropriate Currency, unless otherwise agreed to in writing by the Parties.
4. **Terms of Credit.** Unless Newpark has agreed to extend credit to Customer, Customer will pay all amounts due in cash, in advance. If Newpark has agreed to extend credit to Customer, Customer will pay all amounts due within thirty (30) days from the date of invoice. If Customer disputes any invoice in whole or in part, Customer will notify Newpark and pay the undisputed portion within the original thirty (30) day period. Newpark and Customer will endeavor in good faith to settle and adjust any such disputed amount expeditiously. Undisputed amounts paid after the stated thirty (30) days will accrue interest on the balance due at the rate of eighteen percent (18%) per annum, or the maximum rate allowed by law. If it is necessary for Newpark to employ any agency or law firm to affect the collection of any account, Customer hereby agrees to pay all fees and expenses directly or indirectly incurred by Newpark in the collection of Customer’s account (including legal fees on a full indemnity basis). Newpark may review and modify Customer’s credit status annually and/or upon a change in status of Customer.
5. **Product Shipment.** Unless otherwise specified in the Order, all sales of product are shipped FOB Newpark’s point of shipment. Risk of loss (including transportation delays and associated expenses), shall pass to Customer upon departure of the product from Newpark’s point of shipment.
6. **Returns.** Product returns are not accepted without prior authorization from Newpark, and are subject to a twenty-five percent (25%) restocking fee. All returns must be in the original packaging and in new condition. Customer is responsible for returning products to Newpark at Customer’s expense, and by the method of delivery specified by Newpark in the return authorization. Upon receipt, Newpark will evaluate the returned product, make a determination with regard to any value associated with the returned product and will issue a billing credit to Customer for the return value, minus any restocking fee.
7. **Third Party Charges.** Customer will pay all third party charges, as set forth in Newpark’s current price list, or as otherwise agreed in the Order, including, without limitation, all customs, excise, import, export and other duties applicable to transactions hereunder. Customer will provide necessary import/export licenses and extensions thereof to Newpark, as applicable. Upon request, Newpark will pay any such third party charges, and Customer will reimburse Newpark at cost plus twenty-five (25%) for all such fees and expenses.
8. **Taxes.** Newpark’s price is exclusive of any sales, use or other taxes, which shall be for Customer’s account. Newpark will identify any such taxes as a separate line item on Newpark’s invoice. Customer will pay any and all taxes or other levies (other than income taxes) imposed by any governmental agency (or other similar authority) with respect to charges made or payments received under these Terms.
9. **Independent Contractor.** Newpark is an independent contractor in the performance of Services for Customer hereunder, and neither Newpark or any employee of Newpark Group shall be an agent, representative, employee, servant or other representative of Customer for any purpose under these Terms.
10. **Site Conditions.** Customer, having custody, control and superior knowledge of the work site, including any well located thereon (collectively the “**Work Site**”) is solely responsible for management and supervision of all activities at the Work Site at all times. Customer will provide Newpark with all necessary information to enable Newpark to perform its Services safely and effectively. Customer warrants that there are no known hazardous conditions at the Work Site that will prevent Newpark from performing Services hereunder, or that will render the performance thereof unsafe. Customer warrants that the Work Site is in proper condition to receive and accommodate the Services to be provided hereunder. Customer is solely responsible for obtaining all necessary permits and licenses required for the performance of the Services by Newpark under these Terms.
11. **Waste Disposal.** Customer is solely responsible for the handling and disposal of all chemical, waste and by-product used or generated in the performance of Services hereunder (collectively “**Waste**”). Customer is, and will remain, the owner and generator of all Waste created in the performance of Services under these Terms for all purposes, and in no event will Newpark be considered the owner or generator of any Waste for any purpose under these Terms. In the event that Newpark agrees to transport Waste for Customer, Customer agrees to provide all licenses, permits and any other documentation required for the proper transportation and disposal of any such Waste. Customer hereby waives, releases and agrees not to assert any Claim or any action of any kind (including any cost recovery action) against Newpark in connection with the use, generation, storage, transportation, or disposal of Waste, arising out of the performance of Services under these Terms, regardless of the form of the action, including any common law theory, or federal, state, provincial, or local environmental laws or regulations now existing or hereinafter enacted, without regard to the cause or causes thereof or the negligence of any party.
12. **Warranty.** Where applicable, Newpark warrants that it will convey good title to the Services furnished to Customer and that all such Services will conform to the written specifications provided by Newpark. Newpark makes no warranty of any kind with regard to products manufactured by a third party (“**Third Party Products**”). To the extent assignable, Newpark will assign any manufacturer warranties for Third Party Products to Customer upon request. All interpretations and recommendations (whether written or oral) made by Newpark, as to the type or amounts of materials or Services to be furnished, the manner of performance, or predictions based thereon are opinions only and are based upon measurements, empirical relationships and assumptions which are not infallible and, upon which knowledgeable people may differ. Newpark will give Customer its best judgment based on its experience; however, in consideration of numerous factors, including, without limitation, the superior knowledge of Customer regarding the Work Site, the lack of control which Newpark has over the conditions at the Work Site, and the necessity for Newpark to rely on facts and supporting services furnished by others, Newpark does not warrant the accuracy or correctness of any such recommendations, interpretations or predictions, which are strictly advisory and may be rejected by Customer at any time. Newpark makes no representations or warranties regarding the completion or the results or the consequences of the Services. EXCEPT FOR THAT WHICH IS EXPRESSLY PROVIDED IN THIS SECTION 12, NEWPARK MAKES NO OTHER WARRANTIES OR GUARANTEES, EXPRESS OR IMPLIED, INCLUDING NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE REGARDING ANY SERVICES PROVIDED BY NEWPARK UNDER THESE TERMS. Newpark’s sole liability and Customer’s exclusive remedy in any cause of action (whether in contract, tort or otherwise) arising out of the Services performed or furnished by Newpark is expressly limited to: (a) the replacement of any defective product, or (b) at Newpark’s option, the issuance of a credit to Customer for the cost of the defective Service.
13. **Indemnity Obligations.**
 - a. Customer agrees to release, protect, defend, indemnify and hold the Newpark Group harmless from and against all Claims, arising from (i) personal injury, illness or death of member of the Customer Group, and (ii) damage to or loss of property of Customer Group (whether owned, leased, rented or hired), and arising from the performance of Services under these Terms.
 - b. Customer shall release, protect, defend, indemnify and hold Newpark Group harmless, from and against all Claims arising from (i) personal injury, illness or death of any Third Party, and (ii) property damage or loss suffered by any Third Party, arising from the performance of Services under these Terms. As used herein, the term “**Third Party**” means any person, party or entity not a member of Customer Group or Newpark Group.
 - c. Notwithstanding anything to the contrary herein, Customer agrees to release, protect, indemnify, defend, and hold Newpark Group harmless from and against any and all Claims arising from: (i) loss of or damage to any wellbore (including, without limitation, the cost of re-drill), damage to any reservoir, geological formation or underground strata, pipeline, transmission line or the loss of oil or gas therefrom, (ii) blowout, fire, explosion, cratering or any uncontrolled well condition (including, without limitation, the costs to control a wild well and the removal of all debris), (iii)

damage to, or escape of any substance from any pipeline, vessel or storage facility, and (iv) pollution or contamination of any kind (other than surface spillage of fuels, lubricants, sewage or garbage originating from Newpark Group's property and equipment, to the extent attributable to the negligence of Newpark Group) including, without limitation, the cost of control, removal and clean-up, arising out of the performance of these Terms.

d. **THE EXCLUSIONS OF LIABILITY, RELEASES AND INDEMNITIES SET FORTH IN THESE TERMS SHALL APPLY TO ANY AND ALL CLAIMS, WHETHER IN TORT, CONTRACT OR OTHERWISE, AND WITHOUT REGARD TO THE CAUSE(S) THEREOF INCLUDING UNSEAWORTHINESS, PRE-EXISTING CONDITIONS, STRICT LIABILITY, OR THE NEGLIGENCE OF ANY PERSON, PARTY OR ENTITY, INCLUDING THE INDEMNIFIED PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT, AND/OR CONCURRENT, ACTIVE OR PASSIVE, OR ANY OTHER THEORY OF LEGAL LIABILITY.**

14. **Termination.** In the case of early termination of these Terms or any Services, Customer shall pay Newpark for all Services completed up to the point of termination and for any costs and expenses incurred or arising in connection with such termination.

15. **Survival.** The provisions of sections 4, 11, 12, 13 and 17 shall survive any expiration or termination of these Terms.

16. **Insurance.** Each party hereunder agrees to support its indemnity obligations with liability insurance coverage with limits of liability not less than ten million dollars (\$10,000,000). It is the express intention of the parties that the indemnities contained herein apply to the fullest extent permitted by applicable law, and in no event will a party's indemnity obligations hereunder be limited to the amount of insurance carried by any such party.

17. **Confidential Information.** Each party agrees to maintain the confidentiality of all data and information obtained from the other party in connection with the Services provided by Newpark hereunder, and will not disclose any such information to any third party without the prior written consent of the other party. Notwithstanding the foregoing, Newpark may use information generated by the performance of Services for the Customer, including well performance data, in the development of recommendations and programs for its other customers.

18. **Waiver of Consequential Damages.** Neither party hereunder will be liable to the other for any special, incidental, indirect or consequential damages or losses (including lost profit, loss of production or delayed or deferred production) arising from the performance of Services under these Terms, and each party hereby releases the other in this regard.

19. **Rental equipment.** In the event that Newpark's Services consist of renting equipment to Customer under these Terms, upon delivery of such rental equipment by Newpark to Customer's location or pick up by Customer (as applicable, herein called "Delivery") and continuing until such time as the rental equipment is returned to Newpark's designated facility, or picked up by Newpark at Customer's location (as applicable, herein called "Return"), such rental equipment shall be deemed to be in the care, custody and control of Customer. Notwithstanding anything to the contrary, risk of loss of or damage to such rental equipment shall pass to Customer upon its Delivery and shall remain with Customer until its Return. During this period, Customer shall assume all obligations and liability concerning the rental equipment, and for its safe use, maintenance, operation, condition, and storage, including without limitation, liability for the loss, theft, destruction or damage (including damage beyond repair) to the rental equipment (or any part thereof) and for all other risks and liabilities arising from the use, operation, condition, possession, or storage of the rental equipment from any cause whatsoever. For any rental equipment which is lost, stolen, destroyed or damaged (including damage beyond repair), Customer shall pay Newpark the replacement value of such rental equipment. As used herein, "rental equipment" includes, but is not limited to, Newpark's DURA-BASE® mats and associated locking pins, pieces, parts and equipment.

20. **Miscellaneous.**

a. **Force Majeure.** Newpark shall not be liable for any delay or non-performance due to governmental regulation, labor disputes, hostile action, weather, fire, acts of God or any other causes beyond the reasonable control of Newpark.

b. **Governing Law.** These terms are subject in all respects to the Governing Law. Each party irrevocably waives any defense of forum non-conveniens and the right to assert any other challenge to venue, and agrees to be bound by any judgment rendered thereby in connection with these Terms.

c. **Severability.** If any provision of these Terms is held to be partially or completely contrary to law and/or unenforceable by a court of competent jurisdiction, these Terms shall be deemed to be amended to partially or completely modify such provision or portion thereof, to the minimum extent necessary to make it enforceable, or, if necessary, these Terms shall be deemed to be amended to delete the unenforceable provision or portion thereof.

d. **Waiver.** Failure of Newpark to enforce any of these Terms shall not prevent a subsequent enforcement of such terms and conditions or be deemed a waiver of any subsequent breach. Customer represents that it is a business consumer purchasing Services from Newpark for commercial use, that it has experience in business matters that enable it to evaluate the merits and risks of the purchase of such Services, and that it is not in a significantly disparate bargaining position with Newpark. If the Services are being provided in the United States, the Customer waives the provisions of the Texas Deceptive Trade Practices Act (other than Section 17), as amended.

e. **Conflict.** In the event of conflict between these Terms and the terms and conditions of any other agreement (including any purchase order, work order, request for Services, call-out or other similar agreement), these Terms shall prevail.

f. **Extension of Terms to Group.** In the event that any Customer Group member requests Newpark or any Newpark Group member to provide Services, then each party agrees that said Group members of each party shall be entitled to the benefits and be bound by these Terms and further agrees that these Terms shall govern all such Services, and all provisions of hereof shall be applicable, except that the requesting Group member will be substituted for "Customer" or "Newpark" (as applicable) throughout these Terms. The use of these Terms by affiliates shall not create joint and several liability between the affiliated entities of Newpark or Customer, as applicable.