

## KLX Energy Services LLC Purchase Order Terms and Conditions

These purchase order terms and conditions together with the purchase order (this "Purchase Order") shall govern all purchases from Vendor (as identified on the face of the purchase order) by KLX Energy Services LLC ("Buyer") hereunder.

- 1. ACCEPTANCE.** This Purchase Order is Buyer's offer to Vendor. Any acceptance of this Purchase Order is expressly limited to acceptance of the terms of this Purchase Order. Vendor will provide Buyer with a written acknowledgement that the goods or services ordered hereunder are available and will be provided in accordance with the terms of this Purchase Order. Vendor's commencement of performance of its obligations hereunder shall constitute Vendor's acceptance of the terms and conditions of this Purchase Order and Vendor's waiver of any exceptions hereto. Any additional or different terms and conditions contained in any of Vendor's documents are deemed material and Buyer hereby objects to and rejects them.
- 2. PACKAGING/LABELING.** A complete and accurate packing list shall be enclosed with or affixed to each shipment. Buyer's Purchase Order number and Vendor's serial numbers (as applicable) shall be shown on all shipping documents, invoices and other correspondence. All goods delivered must be labeled to conform to any labeling requirements of the jurisdiction where they are delivered. All hazardous materials shall be conspicuously marked to that effect on the exterior of all packages, and proper handling instructions and a Material Safety Data Sheet (MSDS) shall be provided. For any hazardous materials that are contaminated beyond utility (as determined by Buyer) at the time of delivery, title and risk shall remain with Vendor and Vendor shall regenerate or dispose of the contaminated products at its expense, in accordance with all applicable laws and regulations. Vendor shall provide a complete and accurate Bill of Lading, Multimodal Transport Document or Seaway bill for all international shipments and all other deliveries for which such a document is commonly provided or is requested by Buyer.
- 3. INSPECTION/REJECTION/ACCEPTANCE OF GOODS.** Buyer shall have the right, but not the obligation, to inspect all goods provided hereunder at Vendor's facility as well as at the destination. The exercise of this right will not relieve Vendor from any of its obligations hereunder. Buyer reserves the right to reject any goods which Buyer determines do not conform to the requirements of this Purchase Order and to return non-conforming goods to Vendor at Vendor's expense. Buyer's acceptance of any goods shall not be deemed a waiver of any of Buyer's rights hereunder, at law or otherwise.
- 4. CHANGE ORDERS.** Buyer reserves the right at any time to make changes in this Purchase Order by written notice to Vendor, and Vendor agrees to comply with such changes. If such changes cause a material increase or decrease in Vendor's costs or time of performance, Vendor shall notify Buyer immediately and negotiate a mutually agreed adjustment to such time for performance or costs, provided, however that if Buyer and Vendor have previously agreed to pricing (time and/or material or otherwise) which will apply in the event of a

change order, to the extent applicable such pricing shall be used to calculate the cost or credit associated with a change order.

5. **TERMINATION.** Buyer may at any time give written notice to Vendor to terminate this Purchase Order. In such event, Buyer shall pay, and Vendor shall accept, in settlement of all claims under this Purchase Order, an amount that reasonably compensates Vendor for all work satisfactorily performed in accordance with the specifications of this Purchase Order prior to such notification.
6. **CONFORMANCE TO SPECIFICATIONS.** All goods provided by Vendor to Buyer hereunder shall conform to Buyer's applicable specifications, drawings, samples or other descriptions. Substitutions or alterations will not be permitted without Buyer's written consent, such consent not to be unreasonably withheld, conditioned or delayed.
7. **WARRANTY.** In addition to any other warranties that may exist at law, Vendor warrants that: (a) that all goods will be packaged, marked, labeled and registered in compliance with all applicable laws; (b) it owns all rights, title and interest in the goods provided hereunder and that it has the legal authority to sell, license or otherwise transfer the right to use, sell, rent or otherwise benefit from the goods to Buyer; (c) all goods provided hereunder will comply with all applicable municipal, state, provincial and federal laws, rules, or regulations; and (d) all goods hereunder will be (1) provided in a good and workmanlike manner to the satisfaction of Buyer and free from all defects in workmanship and materials, (2) fit for the purpose intended, (3) of merchantable quality, (4) new, unless expressly permitted otherwise by Buyer, and (5) if of Vendor's design, free from defects in design. Vendor will perform any services in a good and workmanlike manner in accordance with the highest industry standards prevailing in the area where such services are rendered. All warranties will be construed to be conditions as well as warranties and will not be deemed exclusive. All warranties run to Buyer, its affiliates, successors, assigns and customers. Vendor shall indemnify and hold Buyer harmless from and against any and all damages, losses, demands, costs and expenses arising from claims by third parties due to Vendor's breach of its warranties hereunder. These warranties shall survive any inspection, delivery, acceptance or payment by Buyer of the goods and are in addition to all other warranties available at law or equity.
8. **REMEDIES/CORRECTIONS OF DEFECTS.** In addition to any other remedies which may be available at law, at Buyer's option, Vendor will promptly replace or correct, without any expense to Buyer, any goods or services not conforming to the requirements of this Purchase Order when notified by Buyer within twelve (12) months from the date of startup or twenty-four (24) months after delivery, whichever first occurs. In the event Vendor fails to timely deliver or correct or replace goods or services as required herein, Buyer may procure the goods or services from another source or repair or replace the non-conforming goods and charge the cost thereof to Vendor. No approval by any inspector on behalf of Buyer will affect Vendor's obligations under this Purchase Order. Vendor will further warrant all re-performed services or replacement or repaired goods in accordance with the

terms hereof for a further period of twelve (12) months from re-performance of the service or delivery of the replacement or repaired goods. If Buyer does not require correction or replacement of nonconforming or defective goods, Vendor shall remit such portion of the contract price or such additional amount as is equitable under the circumstances. Alternatively, at Buyer's option, Buyer may return to Vendor any nonconforming or defective goods for a refund of the purchase price of the defective goods and Vendor shall bear full responsibility for risk of loss or damage and full transportation charges.

9. **TIME IS OF THE ESSENCE.** Any delays in shipment shall be reported promptly by Vendor to Buyer. Buyer shall have the right to procure goods or services as it deems necessary to correct any shipment delays as they become evident and charge any additional costs therefrom to Vendor. Time shall be expressly declared to be of the essence for all deliveries and other obligations hereunder. In the event of any delay, Buyer reserves the right to terminate this Purchase Order and recover from Vendor all losses and costs incurred from the delay.
10. **PRICE.** The prices for the goods or services identified in this Purchase Order shall be limited to those prices specified on this Purchase Order, which are not subject to increase unless specifically authorized by an amendment to this Purchase Order. If this Purchase Order omits price terms, the price of the goods or services shall be the price last quoted or paid, whichever is lower. Unless otherwise provided in this Purchase Order, prices specified in this Purchase Order shall include all taxes, customs duties, customs fees or other governmental charges imposed upon the manufacture, sale or transportation of the goods or services specified herein. Buyer shall receive the benefit of any general reduction in Vendor's prices implemented prior to delivery. In no event shall Vendor charge prices to Buyer that are higher than Vendor charges to its other customers for goods of like grade and quality and in substantially the same quantities. Charges for packing, packaging, freight/shipping and handling will not be allowed or paid by Buyer unless incorporated in this Purchase Order.
11. **TAXES/DUTIES/FEES.** Vendor shall be liable for and, to the fullest extent permitted by law, Vendor shall release, defend, indemnify and hold Buyer and its directors, officers, employees, subsidiaries, affiliates, successors, assigns, agents, representatives, contractors and invitees ("Buyer Group") harmless from the reporting, filing and payment of any taxes (whether sales, use, VAT or any other tax), duties, charges, licenses, or fees (and any related fines, penalties or interest) imposed directly or indirectly on Vendor or its subcontractors, employees, agents or servants or on Buyer Group as a result of Vendor's performance or non-performance hereunder. Upon request, Vendor shall furnish Buyer evidence of its payment of and compliance with the aforementioned tax obligations. Where required by law or regulation, Buyer may withhold taxes from any amounts due to Vendor and shall account for such withholdings. Vendor and Buyer both acknowledge and agree that the payments provided for in this Purchase Order constitute the maximum amount for which Buyer shall be held responsible for all goods ordered hereunder and further agree that no

payment due from Buyer to Vendor shall in any event be increased in order to cover any withholding tax, government charge, levy or other obligation of Vendor.

**12. PAYMENT TERMS/INVOICE PROCEDURES.** Vendor shall be compensated as set forth herein for all deliveries satisfactorily fulfilled in accordance with this Purchase Order. Such compensation shall constitute payment in full. If Vendor's pricing includes any estimated prices, Vendor shall not be compensated in excess of the estimated amounts without the prior written consent of Buyer. All invoiced amounts shall be in United States Dollars unless otherwise expressly permitted by Buyer. Invoices shall, at Buyer's option, either be dated and submitted at the time of shipment with a separate invoice issued for each destination or consolidated and issued in arrears on a monthly basis or as otherwise directed by Buyer. All invoiced amounts shall be itemized and supported with appropriate documentation. All invoices shall include Buyer's Purchase Order number, the name of the location where the goods have been delivered or the services performed, the name of the Vendor's primary Buyer contact, and the method of delivery of all goods or services. All invoices bearing transportation charges (as provided for in this Purchase Order) will be supported with attached original receipted transportation bills and in the case of consolidated car load shipments will show weight and rate. Conditioned upon satisfactory performance of Vendor's obligations, Buyer will pay all amounts in accordance with the payment terms of this Purchase Order (if not such payment terms are provided in this Purchase Order, Buyer will pay invoices within 90 days); provided, however, that Buyer reserves the right to dispute any amounts which, in its sole opinion, it determines to be inaccurate or unearned or which apply to any nonconforming goods. Buyer shall notify Vendor of any disputed amounts and will withhold payment of such amounts until such disputes are mutually resolved. All applicable discount periods will be calculated from the date an acceptable invoice in accordance with the procedures above is received or from the date all invoiced materials are received by Buyer, whichever is later. Vendor must submit invoices of all amounts claimed to be due and owing under this Purchase Order within ninety (90) days of completion of this Purchase Order.

Buyer may use an electronic process for executing business transactions. In such a case, Vendor must:

- Provide contractual pricing information via an electronic catalog.
- Accept purchase orders and present field tickets, bills of lading, and invoices via Buyer's preferred web portal or transactional hub.

Buyer reserves the right to modify the process at any time.

**13. AUDIT.** Vendor will maintain complete and accurate financial and other records on this Purchase Order for at least two calendar years after the year during which the goods have been delivered hereunder. Upon Buyer's written request and at Buyer's expense, Buyer will be entitled to audit Vendor's records, during reasonable business hours, for the purpose of verifying the accuracy of all billings made by Vendor to Buyer hereunder; and Vendor shall fully cooperate with Buyer's reasonable requests for documentation pursuant to any such

audit, excepting only with regard to the calculation of Vendor's profit margin and overhead rates. If adjustments are necessary, Vendor will promptly issue an amended final invoice or credit, as the case may be. In addition, if Buyer's audit reveals an over billing of 5% or more, Vendor will reimburse Buyer for its reasonable audit costs.

14. **LICENSES/PERMITS.** Vendor represents that it is duly authorized to perform its obligations hereunder or shall become so authorized prior to performance of its obligations hereunder by procuring from the proper authorities all necessary permits, licenses and approvals which may be required, except where applicable laws, rules or regulations expressly require Buyer to obtain them. The costs of all necessary permits, licenses and approvals shall be deemed included in Vendor's quoted prices and this Purchase Order, unless applicable laws, rules or regulations expressly require Buyer to obtain them. Notwithstanding any provision herein to the contrary, Vendor shall not be required to take any actions inconsistent with any applicable law.
15. **DELIVERY/TITLE/RISK OF LOSS.** For goods to be specifically fabricated, constructed or assembled for Buyer, title to all work completed or in progress, and all associated equipment and materials which are to become a permanent part of the final product, and all drawings, diagrams, data, instructions or operations manuals and other associated items, plus all contract rights associated therewith, shall transfer to and become vested in Buyer from the earliest moment of identification to the work. As to all other goods delivered hereunder, unless otherwise provided in this Purchase Order, delivery shall be Delivered At Place (DAP Incoterms (2010)) destination to Buyer's address identified on this Purchase Order where title and risk of loss shall pass. If different Incoterms are identified in this Purchase Order, title to the goods shall transfer to and vest in Buyer at the same time that risk of loss transfers to Buyer, to the extent permissible by law. Notwithstanding the foregoing, Vendor shall exercise due care and be liable for the safe-keeping of all goods within its possession or control.
16. **INDEMNITY/INSURANCE.** Vendor shall, save, release, protect, defend, indemnify and hold harmless Buyer Group from and against any claim, demand, cause of action, damage, loss or expense (including court costs, interest and reasonable attorney's fees) arising from any: (a) personal injury, disease, illness or death; (b) property damage, loss or loss of use of same; (c) pollution, environmental damage or loss of natural resources; (d) infringement of any intellectual property right including, without limitation, any patent, trademark, copyright or trade secret; or (e) breach of contract, which arises, actually or allegedly, from Vendor's, or its employee's, agent's or contractor's, performance or non-performance of its obligations hereunder. Without in any way limiting the foregoing undertakings, Vendor shall maintain insurance, naming Buyer an additional insured, adequate to cover any product liability, public liability, property damage and automobile liability or any damage incurred in connection with Vendor's performance of any services on or about Buyer's premises and shall maintain proper workmen's compensation insurance covering all employees performing services. If requested by Buyer, Vendor will furnish certificates of insurance from its insurance carriers evidencing compliance with the foregoing obligation.

17. **CONSEQUENTIAL DAMAGES.** Notwithstanding any other provision in this Purchase Order, Buyer shall not be liable to, nor save, release, protect, defend, indemnify or hold harmless Vendor, and Vendor hereby waives all claims against Buyer, for special, indirect or consequential damages, including, without limitation, those arising from business interruption, loss of profits or punitive damages arising from breach of this Purchase Order; except only if caused by Buyer's willful misconduct.
18. **LIENS.** All materials or articles delivered and work performed under this Purchase Order will be free of all liens, charges, claims and similar encumbrances, and, if Buyer requests, a proper release of all liens or satisfactory evidence of freedom from liens and other claims will be delivered to Buyer prior to any payment. Vendor shall defend, indemnify and hold harmless Buyer from and against all liens, charges, claims or similar encumbrances by any of Vendor's contractors, subcontractors, suppliers or other creditors if any should arise from the performance or non-performance of this Purchase Order. Vendor waives any right to assert a lien against any of Buyer's property, except to the extent that such lien is directly attributable to Buyer's material breach of this Purchase Order.
19. **ENTIRE AGREEMENT/AMENDMENT/CONFLICT OF TERMS/WAIVER.** This Purchase Order, including any exhibits executed by both parties and attached hereto, shall constitute the entire agreement between Buyer and Vendor relating to all orders hereunder by Buyer from Vendor and shall supersede all prior representations, discussions, negotiations and agreements, whether written or oral. This Purchase Order may be amended or modified only in a written document signed by an officer of Buyer and an officer of Vendor. No oral waiver, amendment or modification will be effective under any circumstances whatsoever. No course of prior dealings between the parties, and no usage of trade, shall be relevant to supplement or explain any term used in the Order. Any conflicts between the terms and conditions of this Purchase Order and any applicable plans or specifications or other written documents shall be resolved in favor of the terms and conditions of this Purchase Order unless agreed to otherwise in a written document signed by both parties. Any conflicts between these terms and conditions and Buyer's instructions on the cover page of this Purchase Order shall be resolved in favor of Buyer's instructions on the cover page of this Purchase Order. Any and all failure, delay or forbearance of Buyer insisting upon or enforcing at any time or times any of the provisions of this Purchase Order or to exercise any rights or remedies under this Purchase Order, shall not be construed as a waiver or relinquishment of any such provisions, rights, or remedies in those or any other instances, rather, the same shall be and remain in full force and effect. The remedies herein reserved unto Buyer shall be cumulative and additional to any other remedies in law or equity.
20. **SEVERABILITY.** In the event that any of the provisions or applications of this Purchase Order are held to be unenforceable or invalid by any court of competent jurisdiction or as the result of any valid federal, state, territory, local or other governmental or administrative law, statute, regulation, rule, order or other directive, the unenforceable or invalid provision shall be deemed to be automatically deleted from this Purchase Order, and the validity and enforceability of the remaining provisions of these Purchase Order Terms and

Conditions shall not be affected thereby and shall continue in full force and effect, and the parties shall make any lawful modifications necessary to achieve Buyer's primary business purpose under this Purchase Order, to the extent that same may have been affected by the deletion of the invalid or unenforceable provision.

21. **FORCE MAJEURE.** Neither Vendor nor Buyer shall be liable for any obligations hereunder, other than the respective defense and indemnity obligations, which are delayed or prevented by the occurrence of a Force Majeure Event as hereinafter defined. Buyer shall not be bound to accept goods after the scheduled date for performance if such delay is due to a Force Majeure Event, but may choose to do so at its sole option. Only the following events shall be considered a Force Majeure Event, to the extent that same are beyond the reasonable control of and could not have been reasonably anticipated or avoided by the affected party: (a) fire, explosion or similar catastrophe; (b) earthquake, flood, drought, hurricane, cyclone, tornado or other severe natural disasters; (c) maritime, aviation, rail or other transportation disasters; (d) war, riots, acts of terrorism, rebellion, blockades, embargoes or other hostilities; (e) strikes, lockouts or labor or industrial disputes at a national or regional level; (f) changes to any law, rule or regulation which frustrates the purpose of this Purchase Order; and (g) any other event beyond the reasonable control, anticipation and avoidance of one or both of the parties. In the event of a Force Majeure Event, the affected party shall promptly provide written notice to the other party of the event and its expected impact upon the affected party's ability to meet its obligations hereunder and shall promptly resume performance of its obligations hereunder as soon as practicable after the cessation of the force majeure event or condition.
22. **CONFLICT OF INTEREST.** Vendor shall not offer to Buyer's employees any gifts, entertainment, or other favors beyond the common courtesy usually associated with business practices. Vendor shall not pay any commissions or fees or grant any rebates or other remuneration or monetary gratuity to any employee, agent, or representative of Buyer. Neither Vendor nor its contractors or subcontractors shall grant any secret rebates, one to the other, nor pay any commissions or fees to the employees or officers of the other.
23. **EDI.** Any electronic transmission of this Purchase Order, and any electronic or printed summary report or data summary of the information contained in this Purchase Order, will constitute an original document or writing that will be admissible into evidence in any legal proceeding (including arbitration).
24. **GOVERNING LAW/VENUE.** This Purchase Order shall be construed and interpreted in accordance with the applicable laws of the State of Texas, exclusive of any principles of conflicts of laws that would require application of the substantive laws of another jurisdiction. Buyer and Vendor agree to submit to the exclusive venue and jurisdiction of the state or federal courts of Harris County, Texas for any actions related to, or arising out of, this Purchase Order. Pending any prosecution, appeal, or final decision of any dispute, or the settlement of any dispute arising under this Purchase Order, Vendor shall proceed diligently, as directed by Buyer, with performance of this Purchase Order. TO THE

MAXIMUM EXTENT PERMITTED BY LAW, VENDOR HEREBY WAIVES ITS RIGHT TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, COUNTERCLAIM OR CROSS-COMPLAINT IN ANY ACTION, PROCEEDING OR HEARING BROUGHT BY EITHER VENDOR AGAINST BUYER OR BUYER AGAINST VENDOR ON ANY MATTER WHATSOEVER ARISING UNDER, RELATING TO, OR IN ANY WAY CONNECTED WITH THIS PURCHASE ORDER, THE RELATIONSHIP OF VENDOR AND BUYER OR ANY CLAIM OF INJURY OR DAMAGE, OR THE ENFORCEMENT OF ANY REMEDY UNDER ANY LAW, STATUTE OR REGULATION NOW OR HEREAFTER IN EFFECT. In no event shall Vendor commence any action arising out of this Purchase Order or the contract between the parties later than one year after the cause of action has accrued.

25. **INDEPENDENT CONTRACTOR.** Vendor is an independent contractor, and all persons employed by Vendor shall be its employees, and not employees, representatives or agents of Buyer in any respect. Vendor shall be solely responsible for the manner and method of performing all of its obligations under this Purchase Order, and Buyer shall have no responsibility or liability for supervising, inspecting and/or reviewing Vendor's performance. Vendor shall be solely responsible for the results of its performance, and Buyer shall be entitled to rely upon Vendor's performance of its obligation to deliver goods to Buyer in accordance with the requirements of this Purchase Order.
26. **ASSIGNMENT.** No assignment of this Purchase Order by Vendor, or any duty or right under them, shall be binding upon Buyer unless Vendor first obtains Buyer's written consent to said assignment. Any attempt to assign or delegate in violation of this section shall be void.
27. **SURVIVAL.** All rights, duties and obligations which by their nature should apply beyond the term of this Purchase Order will remain in force after Vendor's completion of this Purchase Order or any termination of performance of this Purchase Order.
28. **GOVERNMENT CONTRACTS.** If this order is for a contract or subcontract with the U.S. Government, then the following applies:  
The Equal Employment Opportunity clauses in Section 202 of Executive Order 11246, Section 503 of the Rehabilitation Act of 1973, and Section 4212 of the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended, 29 CFR Part 471, Appendix A to Subpart A (EO13496), and the implementing rules and regulations of the Office of Federal Contract Compliance Programs (41 CFR, Chapter 60) are incorporated herein.  
**This contractor and subcontractor shall abide by the requirements of 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a). These regulations prohibit discrimination against qualified individuals on the basis of protected veteran status or disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and individuals with disabilities, and to treat qualified individuals without discrimination on the basis of their physical or mental disability.**