

## **PURCHASE ORDER TERMS & CONDITIONS:**

**SCOPE & PURPOSE:** These Purchase Order Terms and Conditions (the "Terms and Conditions") apply to any purchase order, job order, quotation, or similar document (in each case, a "Purchase Order") between the customer named in the Purchase Order (the "Customer") and T&T Drilling Inc. ("Supplier") whereby Customer will buy from Supplier certain parts identified in the Purchase Order (the "Subject Parts"). These Terms and Conditions apply to any Purchase Order that is not governed by a Master Purchase Agreement (or equivalent agreement) between Customer and Supplier. Supplier expressly rejects any additional or different term in any form, document, or acknowledgement that Customer prepares and sends to Supplier. If Customer's Purchase Order conflicts with the terms set forth in these Terms and Conditions, these Terms and Conditions will control. In addition, these Terms and Conditions will be deemed fully incorporated by this reference into each Purchase Order that is not governed by a Master Purchase Agreement (or equivalent agreement) between Customer and Supplier, whether that Purchase Order is issued by Supplier or Customer.

**WARRANTY STATEMENT:** With respect to any services performed by Supplier, Supplier's warranty (the "Warranty Statement") is limited solely to the workmanship on the Subject Parts that delivered to Customer under the related Purchaser Order. **Supplier makes no other warranties, whether express, implied, or otherwise, including but not limited to any warranties of airworthiness, merchantability, or fitness for a particular purpose. Supplier will not be liable for any special, incidental, punitive, or consequential damages, however caused. Supplier's maximum aggregate liability to Customer is the amount of compensation Customer has paid for the Subject Parts to Supplier under the related Purchase Order.**

**a. Coverage:**

The above Warranty Statement shall be valid for a maximum period equal to the lesser of: a) three months following the date of delivery of the Subject Parts or b) the date at which the Subject Parts are further modified or tested by a third party without Supplier's prior written authorization. No third party shall be entitled to make a claim under the above Warranty Statement, provided that upon providing written notice to Supplier, Customer may transfer its rights under the Warranty Statement to its affiliates or successors.

**b. Conditions:**

The Warranty Statement is valid only if the Subject Parts, (i) did not conform with the specifications for the Subject Parts at the time of delivery to Customer; (ii) have not been altered, modified, or repaired without Supplier's prior written authorization; and (iii) have not been subjected to accident, misuse, abuse or neglect by any person other than Supplier.

**c. Action:**

Customer must provide Supplier written notice of a claim within 30 days of discovery but before expiration of the shortest period described in Coverage. (ii.) In any event, upon the expiration of the shortest period described in Coverage, all such liability will terminate for all untimely delivered claim notices.

**d. Remedy:**

Upon the Customer's timely delivery of a claim as set forth above and upon Supplier's verification of the claim, Supplier will correct the deficiency by, at Supplier's option: (i) repairing the Subject Parts; (ii) replacing the Subject Parts; or (iii) refunding the repair cost allocable to the repair. The preceding remedies are Customer's sole and exclusive remedy with respect to any Subject Parts that do not conform to the Warranty Statement.

**INTELLECTUAL PROPERTY:** (i) Each party retains exclusive ownership of all intellectual property rights of that party existing as of the date of the relevant Purchase Order; and (ii) Supplier exclusively owns any intellectual property arising as a result of the manufacture of the Subject Parts under any Purchase Order or related to Supplier's manufacturing processes based wholly or partly on Supplier's intellectual property rights, including but not limited to, any intellectual property related to the know-how associated with tooling and processes used to manufacture the Subject Products.

**CHANGE ORDERS:** These Terms and Conditions may be changed only by a written document that is identified as a change order, that identifies the Purchase Order and these Terms and Conditions, and that is signed by Supplier and the Customer.

**MISCELLANEOUS:** These Terms and Conditions, and the relevant Purchase Order for an order of Subject Parts, embody the parties' completely integrated agreement. It supersedes all other agreements or understandings between them relating to the subject matter of these Terms and Conditions and the Purchase Order. The parties are relying only on the representations and warranties contained in these Terms and Conditions and the Purchase Order and are not relying on any other person's statements. California law, without regard to any jurisdiction's conflict of laws principles, governs all matters arising from or relating to these Terms and Conditions and the Purchase Order.