

## Helmerich & Payne International Drilling Co. General Terms and Conditions of Purchase

From time to time, at the request of Helmerich & Payne International Drilling Co. ("**Company**"), the supplier referenced in the attached Purchase Order ("**Supplier**") will provide materials, equipment (including rental equipment), and supplies ("**Goods**") and/or services ("**Services**") and shall perform Work for Company as specified in a written transaction between Company and Supplier ("**Purchase Order**"). "**Work**" means all Goods and/or Services provided by Supplier to Company pursuant to such Purchase Order(s), and each Purchase Order shall be subject to these General Terms and Conditions of Purchase ("**Terms and Conditions**"), which shall control and govern all transactions between the Parties with respect to Work performed by Supplier, regardless of whether these Terms and Conditions are referred to in the Purchase Order. Company and Supplier may be referred to herein individually as a "**Party**" and collectively as the "**Parties**".

1. **End User(s); Destination.** Company and/or its Affiliate(s), will be the end user(s) of the Work specified in the Purchase Order(s). "**Affiliate**" means, in relation to a Party, any entity that: (i) is controlled by such Party; (ii) is under common control with such Party; or (iii) controls such Party; when "control" and "controlled" mean direct or indirect ownership of 50% or more of the stock or interests having a right to vote for directors, or, if there are no directors, such Party's highest level of management.
2. **Acceptance.** Unless otherwise provided herein, the written acceptance or the delivery of any Goods, or the furnishing of any Services in accordance with a Purchase Order shall constitute acceptance by Supplier of such Purchase Order, subject to all Terms and Conditions herein.
3. **Modification.** No other additional or different prices, terms, or conditions in any written or oral communication with respect to a transaction for Work, other than those stated in a Purchase Order and these Terms and Conditions, and no agreement or understanding in any way modifying the Purchase Order and these Terms and Conditions, shall be binding upon Company unless made in writing and signed by its authorized agent or representative.
4. **Invoicing; Payment.** All invoices for payment must be received by Company no later than 60 days after delivery of the Goods or completion of the Work under any applicable Purchase Order. Any invoice received after 60 days shall be deemed void, and Supplier waives any and all rights of payment and claims against Company related thereto. Company shall pay Supplier for Work properly performed within 60 days after receipt of invoice if payment is by Automated Clearing House (ACH), or within 75 days after receipt of invoice if payment is by check. Currency shall be in United States dollars unless otherwise stated in the Purchase Order. All invoices must include: (i) date and proof of delivery, (ii) delivery destination, (iii) sufficient description of the Goods and/or Services performed, and (iv) a valid Purchase Order number. Invoices must be emailed to: [Accounts.Payable@hpinc.com](mailto:Accounts.Payable@hpinc.com). Disputed invoices or invoices not submitted in accordance with this Section 4 will be returned unpaid and must be resubmitted by Supplier.
5. **Taxes.** The price stated in the Purchase Order is firm and inclusive of all import duties, fees, and expenses, and Supplier shall indemnify, defend, and hold Company Group harmless from the same. Supplier agrees to pay all taxes, licenses, and fees levied or assessed on Supplier by any governmental agency in connection with or incident to the performance of the Purchase Order and these Terms and Conditions, as well as unemployment compensation insurance, old age benefits, social security, or any other taxes upon the wages of any member of Supplier Group. Supplier shall timely report and pay all taxes and indemnify, defend, and hold Company Group harmless from any late fees, fines or similar levy for a non-filed or late report or payment. Supplier shall also be liable for any breach of such agreements by any of its subcontractors, and Supplier shall indemnify, defend, and hold Company Group harmless from the same. "**Company Group**" means Company, its customers, contractors, and subcontractors of every tier (but excluding any member of Supplier Group), together with each of their Affiliates, and the respective owners, shareholders, directors, officers, employees, agents, representatives, insurers, and invitees of each of the foregoing. "**Supplier Group**" means Supplier and its subcontractors, together with each of their Affiliates, and the respective owners, shareholders, directors, officers, employees, agents, representatives, and invitees of each of the foregoing.
6. **Proof of Payment; Set Off.** Company may, at any time, require proof that payment of amounts associated with the Goods and/or Services has been made, including payments made by any of Supplier's subcontractors, or require Supplier to execute a lien waiver and release. Company may withhold at any time and from time-to-time additional amounts due from Company to Supplier as may be necessary to protect Company from loss due to defective Goods, Services, liens, possible liens, or other obligations. Supplier waives any rights to file a mechanic's lien or any claim for payment under any legal theory for Supplier's work reasonably performed subject to set off, which right to set off shall be determined solely by Company.
7. **Warranty.** Supplier expressly warrants that all Goods and/or Services covered by a Purchase Order and these Terms and Conditions: (i) shall conform to the specifications in the Purchase Order, be executed in a good and workmanlike manner, be of merchantable quality, free from defects in workmanship, materials, and design; (ii) shall conform to any statements or representations made to Company or appearing in Supplier's literature or advertisements; (iii) shall be fit for the purpose intended; and (iv) shall be performed in accordance with all applicable laws. Supplier shall, at its sole expense and using best efforts, promptly repair or replace non-conforming Goods or re-perform non-conforming Services to the satisfaction of Company, provided that Company provides reasonable notification to Supplier of such non-conformity. Supplier's warranty obligations under this Section 7 shall terminate if: a) Company fails to perform its obligations under these Terms and Conditions, or (b) Company fails to pay to Supplier undisputed charges in accordance with Section 4 of these Terms and Conditions.
8. **Cancellation; Nonconforming Goods.** Company may cancel any Purchase Order, in whole or in part and without incurring a restocking or termination fee, prior to being notified by Supplier that the Goods covered thereby are ready for delivery or the Services to be performed thereunder are complete, by providing Supplier with a written notice of cancellation. In addition, Company shall have the option to return or refuse, at Supplier's expense, Goods and/or Services which are not as represented or as warranted.
9. **Delivery.** Deliveries shall be made in quantities and at times specified in the Purchase Order or in supplementary schedules furnished by Company. Company's production schedules are based upon the agreement that materials will be delivered to Company by the date specified on the face of the Purchase Order. Time is, therefore, the essence of such Purchase Order. If deliveries are not made at the agreed upon time, Company reserves the right to cancel and/or to purchase elsewhere and hold Supplier accountable therefore.

- 10. Fair Labor Standards Act.** By accepting a Purchase Order, Supplier warrants that the Goods and/or Services to be furnished thereunder will be produced and provided in compliance with all applicable requirements of Sections 6, 7, and 12 of the Fair Labor Standards Act, as amended, and the regulations and orders of the United States Department of Labor issued under Section 14 thereof.
- 11. Import/Export Compliance.** Supplier represents and warrants (a) that it is not a sanctioned party under United States economic sanction laws; (b) that it is in compliance with all applicable United States anti-boycott, export control, economic sanctions, customs, and shipping laws and regulations, and similar laws and regulations of non-U.S. jurisdictions (collectively, "Export and Import Laws"); and (c) that in performing its obligations under this Purchase Order, it will not take any action that could cause Company to be in violation of Export and Import Laws.
- 12. Vendor Code of Conduct.** Supplier agrees that, in addition to its other obligations in the Purchase Order and these Terms and Conditions, it will comply with, and cause its employees and subcontractors to comply with, Company's Vendor Code of Conduct available for viewing at [H&P Vendor Code of Conduct](#) and hereby incorporated by reference into these Terms and Conditions.
- 13. Insurance.** Supplier shall, at Supplier's sole expense, maintain, with an insurance company or companies reasonably acceptable to Company and authorized to do business in the state where the Purchase Order and these Terms and Conditions are performed, adequate insurance coverage for general and professional liabilities and Supplier's relevant personnel under the Purchase Order, for such amounts and on such terms as are standard in Supplier's industry and acceptable to Company. Supplier shall obtain from its insurers a waiver of subrogation against Company Group in all its insurance policies, whether the same is set forth herein or not, but only to the extent Supplier has assumed liability hereunder. Additionally, to the extent Supplier assumes liability hereunder, Company Group shall be included as an additional insured on all such insurance policies (except for Workers' Compensation coverage). All such insurance shall be primary to any insurance of Company Group that may apply to any occurrence, accident, or Claim, to the extent Supplier has assumed liability hereunder. The insurance required hereunder shall be maintained in full force and effect throughout the Purchase Order term as stated therein, and for the period of 3 years following the completion of the Purchase Order, and shall not be cancelled, altered, or amended without 30 days prior written notice having first been furnished to Company. Supplier agrees to have its insurance carrier provide Company with a certificate or certificates evidencing insurance coverage and endorsements in accordance with the above requirements, and, when requested by Company, to furnish certified copies of all said insurance policies. These requirements shall be conditions precedent to the payment of any sums that may be due Supplier hereunder.
- 14. General Indemnity.** Supplier shall at its own cost and expense, to the fullest extent permitted by law, defend, indemnify, and hold Company Group harmless from and against all claims (including, without limitation, all third party claims), demands, losses and liabilities, damages, lawsuits, causes of action, strict liability claims, judgments, penalties, fines, expenses (including attorneys' fees), and costs of every kind (collectively, "Claims") arising out of or in any way incidental to the Work provided, including: (i) Claims relating to personal injury, death, damage to property, or damage to the environment; (ii) actual or alleged Claims that Supplier has infringed or misappropriated any patent, copyright, trademark, trade secret and/or other intellectual property rights; and (iii) Claims arising out of or related to any act or omission of Supplier Group or breach of these Terms and Conditions by Supplier Group. The duty to defend, indemnify, and hold Company Group harmless shall include Claims that result from the comparative, concurrent, or contributing negligence of any person or entity, including Company Group. Supplier shall not be liable for Claims resulting from the sole negligence of Company Group. Company shall have the right and opportunity to participate in any investigation or defense and may, at its sole discretion, select or approve counsel used by the Supplier or elect to conduct any litigation regarding a Claim for which it is indemnified through counsel of its own choosing at the sole expense and cost of Supplier.
- 15. Legal Compliance.** Supplier shall release, protect, defend, and indemnify Company Group from all Claims arising out of the violation of laws applicable to the Purchase Order and these Terms and Conditions by Supplier Group, including those expressly set forth herein.
- 16. Survival.** Each Party's indemnity obligations shall survive termination or completion of the Purchase Order to the extent permitted by applicable law.
- 17. Waiver of Liability.** Neither Party shall be liable for any special, indirect, incidental, or consequential damages, whether deemed direct or indirect, including loss of profits, revenues, or other economic losses, regardless of cause or combination of causes, except for damages arising due to Supplier's breach of confidentiality and Supplier's indemnity obligations herein.
- 18. Confidentiality.** Supplier recognizes and acknowledges that Company may directly or indirectly furnish to Supplier certain information regarding Company's, its customers', or either of their respective Affiliates' business operations in order for Supplier to perform the Work, which information Company considers to be confidential and/or proprietary, and that Supplier may develop or discover information arising from or relating to the supplied information. Any such information furnished by Company Group and/or developed or discovered by Supplier Group based upon the supplied information shall be collectively, "Confidential Information". Confidential Information does not include: (i) information that, at the time of the disclosure, development, or discovery hereunder, or subsequently, becomes public knowledge through no fault of Supplier; (ii) information that Supplier Group can show was obtained independently of anything related to Company and its Affiliates; or (iii) information that Supplier Group can show was obtained independently on a permitted disclosure basis from a third party. Supplier shall maintain all Confidential Information as strictly confidential and shall not sell, trade, publish or otherwise disclose such information, including the existence of these Terms and Conditions or the terms hereof, to any person or third party without the prior written consent of Company. Supplier agrees that it will not use the Confidential Information for any purpose other than the performance of the Services hereunder. The Confidential Information shall be and remain the sole property of Company. Upon request of Company, Supplier shall: (a) return all originals and copies of the Confidential Information, or (b) destroy all originals and copies and certify in writing such destruction. Supplier acknowledges and agrees that, in the event of any breach or threatened breach of the confidentiality provisions in this paragraph by Supplier, Company may be irreparably and immediately harmed and could not be made whole by monetary damages recoverable under these Terms and Conditions. Accordingly, in addition to any other remedy to which Company may be entitled at law or in equity, and notwithstanding any other provision in these Terms and Conditions, Company will be entitled to an injunction or injunctions to prevent breaches or threatened breach of, or to compel specific performance of this provision, and Supplier shall not oppose the granting of such relief in any court of competent jurisdiction.
- 19. Intellectual Property.** Supplier shall retain ownership of all proprietary intellectual property rights including trademarks, patents, copyright of all documents, and drawings developed by it prior to the Purchase Order ("Intellectual Property"), and nothing in this [Section 20](#) shall result in a transfer of ownership of any such Intellectual Property. Supplier hereby grants to Company a non-exclusive, irrevocable, perpetual, and royalty-free license to use, disclose, and copy such Supplier Intellectual Property for the purpose of: (i) installation; (ii) constructing, fabricating, operating, and

maintaining any equipment, facilities or wells that result from or are related to the Work performed by Supplier; (iii) training operators; and (iv) repairing, replacing, expanding, completing, treating, or modifying any part of the Work or any, equipment, facility or well that results from or is related to the Work. Such license shall include the right for Company to assign its rights, without consent, to any purchaser of an interest in all or part of any of its equipment, facility or well related to the Work, including its customers and/or the end user, and to sublicense to any of its Affiliates. Except for Supplier Intellectual Property that is licensed to Company, and except for any material not created or owned by Supplier, all deliverables or work product produced for Company hereunder ("**Deliverables**") will be the exclusive property of Company. To the extent possible, each Deliverable is intended to be "work for hire" within the meaning of Title 17 of the U.S. Code. Supplier shall execute, deliver, and assign, at Company's request, all documents necessary for Company to establish and maintain such rights in and to the Deliverables. Supplier hereby grants to Company a non-exclusive, irrevocable, perpetual, and royalty-free license to use and copy Supplier Intellectual Property in connection with the use of the Deliverables.

**20. Independent Contractor.** In the performance of the Purchase Order and these Terms and Conditions, Supplier shall be deemed an independent contractor only, and there is no employer and employee or agent relationship between a member of Supplier Group and Company. Further, there is no partnership, master/servant, principal/agent, joint venture or other similar relationship between the Company and Supplier Group. All Work performed pursuant to the Purchase Order and these Terms and Conditions, shall meet Company's approval, and, subject to Company's general right of inspection, all members of Supplier Group shall at all times be under the direct and sole supervision and control of Supplier.

**21. Title; Risk of Loss.** As applicable, any Goods or portions thereof, including but not limited to data and work-in-progress, shall become the property of Company, and title shall pass to Company upon delivery of the Goods to the designated delivery point or when Company makes payment for the Goods, whichever occurs first. Risk of loss shall pass upon delivery in accordance with these Terms and Conditions unless otherwise specified in the Purchase Order.

**22. Inspection; Rejection.** Goods received are subject to Company's inspection, testing, and rejection. If requested, Supplier shall, at no additional cost to Company, provide the results of samplings, inspections, analyses, or tests relating to the Purchase Order. If Company determines any part of the Goods to be defective in material, workmanship, or otherwise in nonconformity with the Purchase Order and these Terms and Conditions, Company may reject such Goods in whole or in part in addition to other rights and remedies which Company may have cumulatively under these Terms and Conditions, either at law or in equity. Rejected Goods shall not be replaced by Supplier without Company's prior written authorization, and Company, in its sole discretion, may obtain replacement Goods from another supplier or vendor. Rejected Goods shall be held at Supplier's risk of loss pending Supplier's written instruction for return or disposal of the Goods at Supplier's sole cost and expense. If Supplier does not provide written instruction regarding disposition of the rejected Goods within 15 days after Company's notice of nonconformity, Company, in its sole discretion, may return the Goods at Supplier's sole cost and expense or sell or otherwise dispose of the Goods. Services performed are subject to Company's inspection at any time during the progress of the Services. However, Company's worksite representatives will not supervise, direct, control, have authority over, or be responsible for Supplier's means, methods, techniques, sequences, procedure, or the work, safety, or implementation of any safety precautions or programs. Company may inspect the Work performed under the Purchase Order at any time during the performance of the Goods and/or Services, and such inspection will not operate as a waiver of rights hereunder or otherwise relieve Supplier from its obligations under the Purchase Order and these Terms and Conditions.

**23. Assignment; Subcontractors.** Any assignment of rights or delegation of duties arising under a Purchase Order and these Terms and Conditions without the prior written consent of Company shall be void. Supplier shall not subcontract any portion of the Work under a Purchase Order and these Terms and Conditions without the prior written consent of Company, which consent shall not be unreasonably withheld. Supplier agrees that it will include as a condition of its agreement with any approved subcontractor that such subcontractor will abide by these Terms and Conditions.

**24. Entire Agreement.** In the absence of a separate written agreement governing Company's purchase of Goods and/or Services from Supplier ("Master Agreement") executed by the Parties on or before the date of the Purchase Order, the Purchase Order and these Terms and Conditions set forth the final and complete agreement between the Parties with respect to the Work, supersede any prior or contemporaneous negotiations, commitments, and written or verbal discussions, and, except as otherwise set forth in the Purchase Order and these Terms and Conditions, are not intended to confer any rights, remedies or claims to any third-party. In the event that a Master Agreement is in effect between the Parties as of the date of the Purchase Order, the terms and conditions of the Master Agreement will control and apply to the Purchase Order.

**25. Force Majeure.** Neither Party hereto shall be liable for any loss or damage for delay or for nonperformance due to causes not reasonably within its control, including but not limited to, acts of civil or military authority, acts of God, war, riot, terrorism or insurrection, blockades, embargoes, sabotage, epidemics, fires, hurricanes, or floods ("**Force Majeure Event**"). In the event of any delay resulting from a Force Majeure Event, the time for performance of each of the Parties' obligations (including payment obligations) may be extended to overcome the effect of such delays. No further modification to these Terms and Conditions shall occur. In the event of any delay or nonperformance caused by a Force Majeure Event, the Party affected shall promptly notify the other in writing of the nature, cause, date of commencement, and the anticipated extent of such delay, and shall indicate whether it is anticipated that any completion dates will be affected thereby. Should a Force Majeure Event delay Supplier's performance of Work under a Purchase Order by more than 30 days, Company may terminate the affected Purchase Order without penalty by giving 5 days written notice to Supplier.

**26. Governing Law; Venue.** The Purchase Order and these Terms and Conditions shall be governed by the State of Oklahoma, United States, in its interpretation and enforcement, both procedurally and substantively, without regard to conflicts of laws. All claims, regardless of nature, shall be exclusively brought in the state and federal courts situated in Tulsa County, Oklahoma, and the Parties hereby unconditionally submit to the personal jurisdiction of such courts.

**27. Waiver.** No waiver or inaction by either Party of any breach under the Purchase Order and these Terms and Conditions shall be deemed a waiver of any continuing or subsequent breach of the same.

**28. International Transactions.** The United Nations Convention on Agreements for the International Sale of Goods shall not apply to the Purchase Order and these Terms and Conditions.

**29. Severability.** The invalidity or unenforceability of any provision herein shall not affect the validity or enforceability of the other provisions.