

PURCHASE TERMS AND CONDITIONS

These terms and conditions are incorporated into and made a part of the Purchase Order/Contract or proposal ("Order") by Seller to sell to Newpark Resources, Inc., or its subsidiaries, affiliates and/or related companies ("Buyer") the goods ("Goods") and/or services referenced on the face of this document ("Services"). Seller's acknowledgment, commencement of work on the Goods or Services subject to this Order, or shipment of such Goods, whichever occurs first, shall be deemed an effective mode of acceptance of this Order. Any acceptance of this Order is limited to acceptance of the express terms contained on the order. Buyer hereby rejects any additional, different, or inconsistent terms, conditions or limitations contained in or incorporated by reference in any forms, order acknowledgements, delivery tickets or other documents of Seller that already have been or hereafter may be presented to Buyer with respect to the Order or by any prior course of dealing or usage of trade or industry custom. This Order or its acceptance shall not be assigned in full or in part without Buyer's written permission.

Price and Payment Terms. Orders shall not be filled at a price greater than Seller's last quotation on file in Buyer's office without Buyer's prior written permission. Seller shall separately set out the amount of any federal, state or local sales, use, excise or other tax included in the amount of the invoice. Quantity of materials shall not be changed without Buyer's prior written consent. Unless otherwise stated in this Order, payment for the Goods and Services delivered to and accepted by Buyer shall be made within **forty five (45)** days after acceptance by Buyer or receipt by Buyer of the Seller's duly supported invoice, whichever is later. Compliance by Seller with its obligations as set forth in these terms and conditions shall be a condition precedent to the payment of any sums which may be due to Seller. Any indebtedness of Seller to Buyer may, at Buyer's option, be set off and credited against Buyer's indebtedness to Seller.

Delivery, Title, Risk of Loss. Time is of the essence of this Order, and if delivery of Goods or rendering of Services is not completed by the time specified, Buyer reserves the right without liability, in addition to its other rights and remedies, to terminate this Order by notice, effective when received by Seller as to Goods not yet shipped or Services not yet rendered, and to purchase substitute items or services elsewhere and charge Seller for any loss incurred. Delivery shall occur and risk of loss, title and ownership of the Goods being purchased hereunder shall pass to Buyer upon Buyer's acceptance of the Goods meeting the quantity, quality and specifications set forth on the face of this Order. Furthermore, Seller represents and warrants that it will have the right to sell the Goods and that upon delivery the rightful title in and to the Goods will be passed to Buyer; free from any encumbrance or charge. Seller shall indemnify and hold Buyer harmless from any liens or other claims in connection with the execution of this Purchase Order. All Goods will be shipped to Buyer prepaid unless stated otherwise by Buyer on the face of this Order. Seller shall provide a Material Safety Data Sheet (MSDS) indicating any toxic substances contained in the Goods provided hereunder.

Quality and Warranty. The Seller warrants that all Services will be performed and rendered in a safe, diligent, skillful and workmanlike manner, in accordance with sound and generally accepted standards for Seller's industry, shall be free from defects in workmanship, shall conform strictly to any other descriptions incorporated herein, shall be suitable for their intended purpose, shall be of merchantable quality, and shall comply with all applicable laws and regulations. Should any failure to meet any of the warranties stated herein appear within twelve (12) months of the performance of the Services or eighteen (18) months after their acceptance by Buyer, whichever occurs first, the Seller shall upon notice by Buyer promptly re-perform the Services that do not conform to the foregoing warranties, without expense to Buyer or refund all sums paid. In the event of failure of the Seller to promptly remedy any breach of warranty, Buyer may do so and charge the Seller for the cost thereof.

With regard to the Goods purchased by Buyer under this Order, Seller warrants that all such Goods shall (a) conform to Buyer's written specifications, descriptions and/or samples, (b) unless otherwise specified by Buyer, will be new, free from defects in design, material, fabrication and workmanship, (c) shall be suitable for their intended purpose, (d) shall be of merchantable quality, (e) shall comply with and be usable in compliance with all applicable laws and regulations, and (f) be free of any and all liens and other encumbrances. Further, Seller assigns to Buyer any and all manufacturers' product warranties and remedies thereunder (collectively, "Warranties") applicable to such Goods and agrees to fully assist and intervene on Buyer's behalf in the enforcement of the Warranties. Should any failure to meet any of the warranties stated herein appear within twelve (12) months of the commencement of use or operation of the Goods or after their acceptance by Buyer, whichever occurs first, the Seller shall upon notice by Buyer and at Buyer's option promptly replace, repair, or refund all sums paid for the Goods not conforming to the foregoing warranties, without expense to Buyer. In the event of failure of the Seller to promptly remedy any breach of warranty, Buyer may do so and charge the Seller for the cost thereof. The aforesaid warranties shall survive acceptance of and payment for Goods and Services furnished hereunder.

Employee Taxes. Seller accepts full and exclusive liability for the payment of all contributions or taxes for social security, unemployment insurance, retirement benefits, pensions or annuities, now or hereafter imposed by any government with respect to Seller's employees. If Buyer shall be required by law to pay any of said contributions or taxes, Seller shall forthwith indemnify Buyer with regard thereto.

Patents. Seller shall at its sole expense hold harmless Buyer from and against, and shall defend, any suit or proceedings brought against Buyer, based on a claim that the manufacture, use or sale of any equipment, or any part thereof, supplied under this Order constitutes infringement of any patent, copyright or proprietary information of others, and Seller shall pay all damages and costs awarded therein against the Buyer. Seller shall, at its own expense, either procure for Buyer the right to use said equipment or part; or modify it so it becomes substantially equal but non-infringing or remove said equipment and refund the purchase price and the transportation, installation and associated costs thereof. Buyer retains title to all information and materials (including, but not limited to, all drawings, specifications, and production or product know-how) furnished to Seller to facilitate performance under this Order. The same shall be (i)

treated as Buyer's confidential information, (ii) used by Seller exclusively to complete this Order, and (iii) returned to Buyer at its written direction or upon completion, cancellation or termination of this Order, along with all copies or reproductions thereof. Seller shall not make copies or reproductions of such materials unless authorized in writing by Buyer.

Cancellation. In the event the Seller is in default of any of its obligations under this Order, Buyer shall have the right, by written notice to the Seller, to cancel the Order, in whole or in part, for such default. Additionally, Buyer may for any reason whatsoever, including its own convenience, by written notice to the Seller cancel this Order, in whole or in part, without liability to the Seller except as stated in this paragraph. In the event of such a cancellation, in full discharge of its obligations to the Seller, Buyer shall pay to Seller for Goods delivered or specially manufactured or Services satisfactorily performed prior to cancellation an amount which is equitable in light of the Order price. The Seller shall take all reasonable steps to minimize any cancellation charges of its suppliers as well as its own cancellation costs. In no event shall Buyer be liable to Seller for damages of any kind arising out of the cancellation or for lost profit, unrecovered or increased overhead or lost opportunities to obtain other sales.

SELLER'S RESPONSIBILITIES. SELLER SHALL INDEMNIFY, RELEASE AND HOLD HARMLESS BUYER AND ITS AFFILIATES AGAINST ALL CLAIMS AND CAUSES OF ACTION, INCLUDING COSTS OF DEFENSE, ARISING IN FAVOR OF SELLER, SELLER'S EMPLOYEES, BUYER'S EMPLOYEES, OR THIRD PARTIES, ON ACCOUNT OF BODILY INJURIES, DEATH OR DAMAGE OR PROPERTY IN ANY WAY RESULTING FROM THE EXECUTION OF THIS ORDER, OR IN CONNECTION WITH OR ARISING OUT OF THE DELIVERY OF AND/OR USE OF THE GOODS OR SERVICES WHICH ARE THE SUBJECT OF THIS ORDER, AND/OR ANY BREACH OF ANY REPRESENTATION OR WARRANTY MADE BY SELLER HEREUNDER. IF SELLER OR SELLER'S EMPLOYEES, AGENTS OR SUBCONTRACTORS ENTER UPON OR TO PERFORM SERVICES ON THE PREMISES OF BUYER OR ITS AFFILIATES, SELLER SHALL ASSURE COMPLIANCE WITH THE RULES AND REGULATIONS, PARTICULARLY AS TO SAFETY PRECAUTIONS, FIRE HAZARDS AND TRAFFIC APPLICABLE ON THE PREMISES. SELLER ASSUMES RESPONSIBILITY FOR AND AGREES TO INDEMNIFY, RELEASE AND HOLD HARMLESS BUYER AND ITS AFFILIATES AGAINST ALL CLAIMS OR DAMAGES, INCLUDING COSTS OF DEFENSE ARISING FROM INJURY TO OR ILLNESS OR SELLER, SELLER'S SUBCONTRACTORS, THEIR EMPLOYEES OR AGENTS OR FOR DAMAGES TO ANY OF THE PROPERTY WHILE ENTERING, LEAVING OR PRESENT UPON SUCH PREMISES EVEN IF CAUSED BY OR RESULTING FROM (OR IN ANY WAY ATTRIBUTABLE TO, IN WHOLE OR IN PART) THE ACTION, OMISSIONS, STRICT LIABILITY OR SOLE OR CONCURRENT NEGLIGENCE OF BUYER OR ITS AFFILIATES.

Insurance. Seller shall maintain all necessary insurance policies including Worker's Compensation insurance as prescribed by applicable law or as required by Buyer, Employers Liability, Commercial General Liability, including contractual liability and products liability, and Automobile Liability insurance in reasonable amounts covering the obligations of Seller set forth in this Order and, upon request, Seller will provide Buyer with a Certificate of Insurance on a standard ACORD form indicating the amount of such insurance.

Accidents. Seller shall report to Buyer as soon as practicable all injuries or damages for which Seller is obligated to indemnify Buyer and shall furnish Buyer with all reports in the possession of Seller relating to such injuries or damages.

Audit. Upon request, Buyer may audit any and all records of Seller and of any subcontractor or agents of Seller relating to the execution and performance of this Purchase Order.

Assignment. This Order or its acceptance shall not be assigned in full or in part without Buyer's written consent.

Waiver. Failure to enforce any term or condition herein in any specific instance shall not constitute a waiver of such term or condition in another instance. No amendment to or waiver by Buyer of any term or condition shall be effective unless in writing and signed by an authorized representative of Buyer.

Compliance with Laws. Seller shall comply with all federal, state, local laws, executive orders, regulations and rules applicable at the time of performance under this Order. Additionally, Seller shall not take any action in the name of or on behalf of Buyer would violate any law of any applicable jurisdiction and no provision in this Order shall be interpreted or applied which would require any party to do or refrain from doing any act which would constitute a violation of, or result in a loss of economic benefit under, any anti-boycott or export law, including but not limited to any such law of the United States of America.

Governing Law. This Order shall be interpreted, and the rights and liabilities of the parties hereto determined, in accordance with the laws of the State of Texas.