



**TERMS & CONDITIONS FOR THE PURCHASE OF GOODS AND/OR SERVICES BY CALFRAC WELL SERVICES LTD. AND ITS AFFILIATES AND SUBSIDIARIES**

**1. APPLICATION OF CONDITIONS**

The Supplier will provide the goods and/or services to Calfrac in accordance with this Contract, which constitutes the entire agreement between Calfrac and Supplier. Any terms and conditions included in Supplier's price lists, invoices, tickets, receipts or other documents presented to Calfrac relating to the goods or services are null and void, regardless of whether signed by a representative of Calfrac. Each Order shall be deemed to be an offer by Calfrac to purchase goods and/or services subject to these Conditions and no Order shall be accepted until Supplier accepts the offer either expressly by giving notice of acceptance or impliedly by fulfilling the Order, in whole or in part. If any provision of these Conditions is inconsistent with a provision of the Order, the Order shall prevail. Notwithstanding the foregoing, if Calfrac and Supplier have a valid and subsisting master service agreement, master supply agreement or similar pre-existing, written contractual arrangement that has been executed by an authorized officer of each Party (each, a "Master Agreement"), then these Conditions shall not apply and the Master Agreement shall govern any transactions made pursuant to the Master Agreement even though these Conditions may be appended to purchase orders or other like documents submitted to Supplier in connection with the subject matter of the Master Agreement.

**2. PERFORMANCE**

Supplier shall supply the goods to Calfrac, and perform the services for Calfrac, as described in the Order.

**3. DELIVERY OF GOODS**

3.1 Supplier shall deliver the goods and related documentation in the manner as specified in the Order or as otherwise instructed by Calfrac to Calfrac's place of business or to such other place of delivery stated in the Order. The date for delivery shall be specified in the Order; if no date is specified, delivery shall take place within thirty (30) days of the Order. If goods are delivered in installments, failure by Supplier to deliver any one installment shall entitle Calfrac to treat the whole Contract as repudiated.

3.2 Every shipment of chemical goods by Supplier must be accompanied by a Certificate of Analysis ("C of A"). Calfrac reserves the right to request quality control test samples or additional C of A's according to its quality control sample test procedure C-PR8.0-0062 Rev. 6, as may be revised from time to time (the "QC Procedure"). For all Orders of chemical goods, lot samples must be submitted for quality control prior to shipping the goods to Calfrac in accordance with the QC Procedure.

3.3 For all Orders of cementing goods, lot samples must be submitted for quality control prior to shipping the goods to Calfrac in accordance with the QC Procedure. Lot Number(s) must be clearly printed on the bill of lading, invoice, packing list and packaging (as applicable).

3.4 A current copy of the QC Procedure is available from Calfrac upon request.

**4. TITLE TO GOODS**

The goods shall remain at the risk of Supplier until delivery to Calfrac as specified in the Order is complete and the goods are in Calfrac's care and control, at which time title to the goods shall pass to Calfrac.

**5. HAZARDOUS GOODS**

Supplier shall notify Calfrac in writing if goods furnished are subject to laws or regulations relating to hazardous or toxic substances, or when disposed of, to regulations governing hazardous wastes, or to any other environmental or safety and health regulations. Supplier shall furnish all appropriate shipping certification and instructions for shipping, safety, handling, storage, exposure and disposal in a form sufficiently clear for use by Calfrac's non-technical personnel and sufficiently specific to identify all action which the user must take concerning the goods. Where applicable, Supplier shall ensure that the goods are properly classified in accordance with the Workplace Hazardous Materials Information System legislation and shall provide health and safety data for such goods.

**6. CAUTION REGARDING HAZARDOUS GOODS**

**HAZARDOUS, TOXIC OR OTHER SUBSTANCES WHICH MAY CAUSE HARM TO THE ENVIRONMENT OR MAY ENDANGER HUMAN HEALTH AND SAFETY MAY BE PRESENT IN THE GOODS PROVIDED BY SUPPLIER OR IN THE EQUIPMENT, TANKS OR WORKSITE WHERE THE SERVICES ARE TO BE PERFORMED. SUPPLIER IS SOLELY RESPONSIBLE FOR DETERMINING THE NATURE AND SCOPE OF THE RISKS ASSOCIATED WITH SUCH DANGERS AND FOR ENSURING**

**COMPLIANCE WITH ALL APPLICABLE LAWS AS PROVIDED IN SECTION 24 BELOW.**

**7. PROVISION OF SERVICES**

Supplier shall perform the services without interfering with the operations of Calfrac and of other contractors at the worksite, and shall take, and cause Supplier's and every subcontractor's employees and agents to take, all necessary precautions (including those required by Calfrac's safety standards) to protect the worksite and all persons and property thereon from damage or injury.

Supplier shall leave the worksite clear of its tools, equipment and waste. Supplier shall notify Calfrac immediately of any incident in connection with the provision of the services and confirm such notice in writing within 24 hours of its occurrence. Supplier shall investigate such incidents (or cooperate with Calfrac in conducting investigations of incidents, or both) that arise out of Supplier's services under the Contract and provide copies to Calfrac of incident reports Supplier produces in response to any such investigations.

**8. DRAWINGS AND SPECIFICATIONS**

Unless otherwise agreed by the parties, all drawings, specifications, documents and data developed, prepared or compiled by Supplier relating to any of the services, including the information contained therein and all rights relating thereto, shall be Calfrac's exclusive property for use by Calfrac without limitation.

**9. CHANGES TO GOODS OR SERVICES**

Supplier shall not, without Calfrac's prior written authorization, alter, substitute or add to the goods or services specified in the Order. Supplier is not entitled to payment for unauthorized goods supplied or services performed. Calfrac, by the issuance of a written change order, may alter, substitute or add to the goods and services. Upon acceptance (as contemplated in Section 1) each change order shall amend the Order and take precedence over the original Order in the event of an inconsistency.

**10. QUALITY ASSURANCE, WARRANTY AND INSPECTION**

10.1 Goods: Supplier represents and warrants to Calfrac that the goods shall: (a) be without fault, defect or deficiency; (b) be of good and workmanlike quality; (c) be new, unless specified in the Order; (d) be fit for use for their intended purpose as well as any special purpose specified in the Order; (e) not constitute an infringement or contributory infringement of any patent or any copyright or trademark, or violation of any trade secret when sold or used for their ordinary intended purpose or any special purpose specified in the Order; and (f) be in strict conformance with the Order and any specification, drawing or other description supplied or advised by Calfrac to Supplier. If any goods, or any portion thereof, in Calfrac's sole opinion fail to conform to any of the above warranties, Calfrac shall provide notice to Supplier specifying the non-conformance or defect. If Supplier fails to remedy the non-conformance or defect to Calfrac's satisfaction within thirty (30) days of receipt of notice of the non-conformance or defect from Calfrac, then Calfrac may, at Supplier's sole risk and expense, elect to: (i) prior to commercial use of the goods, reject or revoke acceptance of the goods or any portion thereof and receive a full refund for all the goods so rejected or withhold payments for such goods if such payments have not been paid; provided that rejection or revocation of only a portion of the goods shall not invalidate the remaining shipment of goods, to which the terms of the Contract shall apply; (ii) require Supplier to replace the goods; (iii) procure repair or replacement goods from a third party and recover the expense of such repair or replacement from Supplier; or (iv) retain the goods and assert a right to compensation for breach of contract. Supplier's warranty for goods shall continue in full force and effect notwithstanding any termination of the Contract and shall extend for a period ending the later of (a) eighteen (18) months after the date of delivery of the goods; (b) twelve (12) months after the date that the goods are put into service; and (c) the end of Supplier's standard warranty period, including any applicable pass-through warranties. Where goods are repaired or replaced under the above warranties, such goods shall be warranted in accordance with this provision from the date of delivery or repair of the goods.

10.2 Services: Supplier represents and warrants to Calfrac that: (a) Supplier shall perform the services in a professional and workmanlike manner, in accordance with the standards of care, thoroughness and competence normally practiced by recognized firms in the industry performing services of a similar nature; (b) Supplier shall perform the services in full compliance with the Order and any specification, drawing or other description supplied or advised by Calfrac to Supplier; (c) all components, systems and equipment supplied or used by Supplier to perform the services shall be modern, in good working condition, suitable for the satisfactory completion of the services and calibrated and maintained in accordance with manufacturers' guidelines, applicable government regulations and industry recommended practices; and (d) all work product resulting from the services shall be free from fault in design, workmanship and material. Supplier shall re-perform all services that were performed incorrectly or otherwise do not fully comply with the above warranties. Supplier's warranty for services shall continue in full force and effect notwithstanding any termination of the Contract and shall extend

- for a period ending the later of (a) twelve (12) months after completion of the services; and (b) the end of Supplier's standard warranty period. If any services are re-performed pursuant to the above warranty, such services shall be warranted in accordance with this provision from the date re-performance is completed. Supplier shall bear all costs for re-performance of the services under the above warranties.
- 10.3 Inspection. The goods and services shall at all times be subject to Calfrac's inspection. Neither Calfrac's inspection nor failure to inspect goods supplied or services performed shall relieve Supplier of any obligation under the Contract. No acceptance or payment by Calfrac shall constitute a waiver of the foregoing warranties or conditions implied by law.
- 11. PURCHASE PRICE**
- The purchase price of the goods and/or services shall be as stated in the Order. The price shall be in the currency stated in the Order and shall exclude all taxes, duties and assessments of any kind (other than GST/HST, sales tax or value added tax required by law to be paid by Calfrac as the purchaser of the goods or services) but shall include all charges and expenses in connection with the packing of the goods, materials, supplies or equipment, and their carriage to the place of delivery. No variation in the price or extra charges shall be accepted by Calfrac.
- 12. PAYMENT TERMS**
- 12.1 Calfrac shall pay the purchase price within sixty (60) days of receipt by Calfrac of an invoice for the goods delivered or services completed.
- 12.2 The following provision is only applicable to Calfrac Well Services (Argentina) S.A.: Invoices expressed in foreign currency or that contain an adjustment clause in foreign currency will be canceled at the "Divisa" exchange rate of the BNA, "Seller" type. To calculate the exchange difference, the "Divisa" exchange rate of the BNA "Seller" rate on the day prior to payment will be taken and only the difference in the exchange rate will be recognized compare the exchange rate stated on the invoice, when the increase or decrease thereof is greater than three percent (3%).
- 13. TAXES**
- 13.1 Supplier is exclusively liable for, and shall pay before delinquency, all taxes, duties and assessments imposed or levied in respect of goods or services (other than GST/HST, sales tax or value added tax required by law to be paid by Calfrac as the purchaser of the goods or services) and Supplier shall be liable for and indemnify and hold harmless Calfrac from and against all actions, injury, claims, liabilities, loss, damages, demands, penalties, fines, expenses (including legal expenses), costs, obligations and causes of action of every kind and nature whatsoever that may be asserted or brought against, or suffered or incurred by, Calfrac owing to Supplier's failure to do so.
- 13.2 Calfrac may withhold sums in respect of taxation from payments made by Calfrac to Supplier as required by legislation, orders, rules or directions of any competent taxing authority. If Supplier holds an appropriate exemption certificate, it is the duty of Supplier to inform Calfrac and to provide copies of the certificate or any further information that may be required to satisfy Calfrac that sums in respect of taxation are not required to be withheld from any payments.
- 14. LIENS**
- All goods supplied shall be free and clear of liens and other encumbrances. Supplier shall promptly pay all debts incurred by Supplier for labour, services, equipment, materials and supplies used in the supply of goods and/or services. If required by Calfrac, Supplier shall not be entitled to receive payment from Calfrac until Supplier furnishes evidence satisfactory to Calfrac of full payment of such indebtedness.
- 15. INSURANCE**
- During the performance of any services, unless otherwise specified by Calfrac in writing, Supplier shall maintain and cause any subcontractor to maintain insurance policies that are at least equal in coverage to what is reasonably expected to be maintained by a prudent company performing similar services as Supplier, or as may be required by applicable law. Supplier shall ensure that the insurance policies include a waiver of the insurer's right to subrogate against Calfrac.
- 16. INDEMNIFICATION**
- Supplier shall defend, indemnify and save Calfrac harmless from and against any and all loss, liability or expense of every kind and character, including without limitation, reasonable legal fees, Calfrac may suffer or incur by reason of: (i) any claim or suit, including, without limitation, any claim or suit for alleged infringement of any patent, industrial design, copyright or trademark, resulting from or arising in connection with the manufacture, sale, use or other disposition of any of the goods or the provision of any of the services hereunder; (ii) any and all damage to or loss or destruction of any property, including without limitation, property of Supplier, any subcontractor or Calfrac; or (iii) injury to or death of any persons, including without limitation, employees of Supplier, any subcontractor or Calfrac, arising out of or in connection with any act, omission or default by Supplier or any subcontractor or employee of Supplier under the Contract.
- 17. CALFRAC'S PROPRIETARY MARKS**
- Supplier shall not use or display Calfrac's name, trademarks, logos or any other of Calfrac's proprietary marks or designations for any purpose or in any medium (including internet or other means of electronic or wireless communications).
- 18. CONFIDENTIALITY / PUBLICITY**
- 18.1 Supplier shall maintain in confidence all information received from Calfrac and shall not disclose it to any third party nor use such information for any purpose other than the performance of the Contract without the prior written consent of Calfrac, except for information: (a) known to Supplier prior to obtaining it from Calfrac, as evidenced by Supplier's written records; (b) which, at the time of disclosure by Supplier, is in the public domain; or (c) obtained by Supplier from a third party who did not receive it in confidence directly or indirectly from Calfrac or its representatives.
- 18.2 Supplier shall not make any announcement (or publish any photograph, article or press release) in connection with the Contract without the prior written approval of Calfrac except as required by law or by any legal or regulatory authority.
- 19. ASSIGNMENT AND SUBCONTRACTS**
- 19.1 Supplier shall not, without Calfrac's prior written consent, assign the Contract, any monies due thereunder or any claim arising in connection therewith. Calfrac's consent to any assignment shall not relieve Supplier from its primary obligations for performance of the Contract. Calfrac may assign the Contract, including any or all of its rights and obligations under the Contract, at any time without the prior consent of Supplier.
- 19.2 Supplier shall not, without Calfrac's prior written consent, subcontract all or any part of the services to be performed under the Contract. Calfrac's consent to any subcontract shall not (a) constitute a waiver of any right of Calfrac to reject goods or services; (b) create any contractual relationship between Calfrac and any subcontractor; or (c) relieve Supplier of its responsibility for all acts or omissions of its subcontractors.
- 19.3 When Supplier subcontracts any portion of the goods or services to a subsupplier or subcontractor, it shall bind such subsupplier or subcontractor to terms and conditions no less favourable than the terms and conditions contained in this Contract and shall ensure its subsuppliers and subcontractors comply with and adhere to the terms and conditions herein, including but not limited to Section 24.
- 20. INDEPENDENT CONTRACTOR**
- The parties acknowledge and agree that Supplier is an independent contractor and nothing contained in this Contract or otherwise nor any past relationships or course of dealings between the parties shall be construed as constituting a joint venture or partnership or establishing a relationship of principal and agent, master and servant, or employer and employee. Supplier shall be solely responsible for the performance of the services and such services shall be performed by Supplier according to its own methods and at its own risk, subject only to compliance with the provisions of this Contract.
- 21. EXCUSED NON-PERFORMANCE**
- Each party is relieved of its obligations under the Contract to the extent and for the time that its performance is delayed or prevented by any cause (except financial) beyond its reasonable control. Calfrac may defer the date of delivery or terminate the Contract or reduce the quantity, nature or extent of the goods and/or services ordered if it is prevented from or delayed in the carrying on of that part of its business relating to the Order due to circumstances beyond its reasonable control. A party whose performance of its obligations is delayed or prevented by circumstances beyond its reasonable control shall immediately notify the other party of the nature, extent, effect and likely duration of such circumstances.
- 22. TERMINATION**
- 22.1 Calfrac may at any time terminate the Contract in whole or in part by giving Supplier written notice whereupon Calfrac shall be relieved of all further obligations under the Contract except for the payment of the balance outstanding for the goods delivered to Calfrac and services performed to the effective date of termination. The termination of the Contract shall be without prejudice to the rights and remedies of Calfrac accrued prior to termination. If Calfrac terminates this Contract because Supplier breached any of its obligations or became insolvent, bankrupt, made an assignment to creditors or a similar event occurred and Calfrac's cost for substitute goods and/or services exceeds the total purchase price under the Contract, Supplier shall promptly reimburse Calfrac for the amount of the difference. Upon termination Calfrac may remove from Supplier's possession all goods, materials, supplies and equipment for which Calfrac has paid without hindrance by Supplier or anyone claiming through Supplier.
- 22.2 Supplier may terminate this Contract upon fourteen (14) days' notice to Calfrac if Calfrac:
- commits a material breach under the Contract and fails to commence to remedy the breach within fourteen (14) days from the date of notice;
  - becomes bankrupt, goes into liquidation (except for the purpose of amalgamation); or

(c) ceases to carry on business.

### 23. AUDIT RIGHTS

- 23.1 Calfrac or any person designated by Calfrac may, upon reasonable notice, audit Supplier's records and work processes to ensure compliance with applicable quality and product specifications and standards established by API, ISO or other certification bodies, as well as any specific requirements and industry best practices stated in the Order.
- 23.2 Calfrac or any person designated by Calfrac may, upon reasonable notice, for a period of thirty-six (36) months after the date of delivery of goods or completion of performance of the services, have access to Supplier's books and records relative to the reimbursable costs, if any, provided for under this Contract, for the purpose of auditing and verifying such costs and Calfrac may make copies of such books and records as reasonably required by Calfrac in performing such audit. Supplier shall promptly review and settle with Calfrac all matters arising from such audit including the refunding of monies where applicable.
- 23.3 Calfrac or any person designated by Calfrac may, upon reasonable notice audit Supplier's records, documentation, including policies, procedures and controls, and other information to verify compliance with Supplier's obligations under Section 24, including but not limited to Modern Slavery Laws and the Code.

### 24. LAWS

- 24.1 Supplier shall, and shall ensure that its employees, agents, subsuppliers, and subcontractors, comply with: (i) all applicable laws, statutes, codes, rules, orders, directives, regulations, by-laws, ordinances, permits, licenses, approvals or other lawful requirements imposed or issued by any federal, provincial, state, municipal or local governments, or government board or agency and all applicable judgments, orders, and decrees of any court, commission, or body ("Laws") including, without limitation, Anti-Corruption Laws, Modern Slavery Laws and other human rights, and laws governing the transportation and handling of hazardous goods, import or export or other foreign trade controls of the country (ies) where goods originate, workers compensation, occupational health and safety, and environmental protection (ii) the most current version of any business conduct policies including but not limited to the Code; (iii) maintain adequate policies, procedures, controls, records, and other information to demonstrate compliance with Anti-Corruption Laws, Modern Slavery Laws and the Code; and (iv) any reasonable direction given by Calfrac to ensure compliance with Modern Slavery Laws and the Code.
- 24.2 Supplier shall be responsible for obtaining and maintaining all permits, certificates, licenses or other authorizations required to authorize it to supply the goods and/or services.
- 24.3 If at any time Supplier becomes aware of (i) any forced labour or child labour practices in its or its subsuppliers' or subcontractors' operations and/or supply chains; or (ii) any other breach of applicable Laws including but not limited to AntiCorruption Law, Modern Slavery Laws or the Code, Supplier must, as soon as reasonably practicable notify Calfrac and take all reasonable action to address or remove such violating practices, including but not limited to any reasonable direction given by Calfrac.
- 24.4 For all individual supplies of goods, software and/or technology which contain "controlled content" in accordance with applicable export control legislation, Supplier will inform Calfrac in writing, both in the shipping documents and on all invoices, about any applicable Export Control Classification Number (ECCN) number (s) and the Export License number(s), Export License Exception (s), Authorization(s) or other pertinent arrangements under which the goods, software and/or technology are being supplied under the Contract in accordance with applicable export control laws. In the absence of this information from Supplier, Calfrac will assume that the relevant delivery is free of controlled content.
- 24.5 If the goods are supplied or the services are rendered to Calfrac in Canada or any jurisdiction other than the United States, the Contract shall: (i) be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein; and (ii) Calfrac and Supplier each irrevocably submits to the exclusive jurisdiction of the courts of the Province of Alberta over any claim or matter arising under or in connection with the Contract. If the goods are supplied or the services are rendered to Calfrac in the United States, the Contract shall: (i) be governed by and construed in accordance with the laws of the State of Colorado and the federal laws applicable therein; and (ii) Calfrac and Supplier each irrevocably submits to the exclusive jurisdiction of the courts of the State of Colorado over any claim or matter arising under or in connection with the Contract.

### 25. MISCELLANEOUS

- 25.1 In this Contract the following words shall have the following meanings unless the context dictates otherwise:
- "**Anti-Corruption Laws**" - applicable Laws pertaining to anti-corruption including but not limited to the Foreign Corrupt Practices Act (US); and the Corruption of Foreign Public Officials Act (Canada).
- "**Calfrac**" - Calfrac Well Services Ltd. and its affiliates and subsidiaries and its and their respective directors, officers, employees and agents.

"**Code**" - Calfrac's Supplier Code of Conduct, as amended from time to time, and located at <https://investors.calfrac.com/corporate-governance>.

"**Conditions**" - these Standard Terms & Conditions for the Purchase of Goods and/or Services.

"**Contract**" - the Conditions, the Order and Supplier's acceptance of the Order.

"**Goods**" - any goods to be purchased by Calfrac from Supplier (including any part or parts thereof) under the Contract as described in the Order.

"**Modern Slavery Laws**" - applicable Laws pertaining to modern slavery including but not limited to the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada).

"**Order**" - Calfrac's written or oral instructions to supply goods and/or services (including a purchase order or blanket order).

"**Services**" - any services to be purchased by Calfrac from Supplier (including any part or parts thereof) under the Contract as described in the Order.

"**Supplier**" - the person, firm or company who accepts Calfrac's Order and includes its employees, agents, subsuppliers and subcontractors.

- 25.2 Neither party's right to require strict performance of the other party's obligation shall be affected by any previous waiver or course of dealing.
- 25.3 All rights, powers and remedies of Calfrac under this Contract are cumulative and are in addition to (not in substitution for) any rights, powers and remedies it has under this Contract, at law, statute, in equity or otherwise and any may be exercised concurrently or partially exercised or abandoned, without prejudice to any other rights, powers and remedies of Calfrac, and shall extend to Calfrac's successors and assigns.
- 25.4 Notices shall be in writing and may be delivered personally or by facsimile, email, courier or registered mail to the contact information set out in the Order.
- 25.5 The invalidity or unenforceability of any provision of the Contract shall not affect the validity or enforceability of any other provision of the Contract.
- 25.6 The covenants, conditions and provisions contained in the Contract, including confidentiality obligations, warranties and indemnities survive termination and expiry of the Contract for the benefit of the party to whom they are given. In addition, the expiry or termination of the Contract does not discharge or release either party from any liability or obligation accrued at the time of such expiry or termination or continuing beyond or arising out of such expiry or termination.
- 25.7 The United Nations Convention on Contracts for the International Sale of Goods does not apply to the Contract and shall be disclaimed and excluded from any contracts placed by Supplier with its suppliers.