



NOV SUPPLIER INSTRUCTIONS

Purpose

NOV Rig Technologies recognizes the vital role our Suppliers have in the value we provide our customers. As an extension of our operations, we rely on our suppliers to provide material, products, and services that meet NOV requirements and quality expectations. We want our process to be as transparent and straightforward as possible to you as our supplier. We have provided these instructions to help ensure the products and services that are delivered are in line with NOV requirements.

Scope

The following instructions apply for the delivery specified in this purchase order (PO) and are implicitly binding to suppliers and sub-suppliers. The supplier will adhere to applicable public standards and NOV general requirements defined by the NOV Supplier Management Program. If there are discrepancies or contradictions between these instructions and other applicable requirements, rules, and regulations, then the more stringent will apply, unless approved in writing.

Outside service providing (OSP) POs are always subject to additional production specific requirements with detailed instructions attached or incorporated by reference.



Definitions

For clarity of our instructions and process, we have provided the following definitions:

Terms	Definitions
NOV	NOV Rig Technologies and affiliates
Supplier	The Company or incorporated to whom NOV has issued the purchase order
Sub-supplier	A third-party who has agreed with the supplier to supply part of the work outlined in the NOV's purchase order
Purchase order or PO	The agreement between the NOV buyer and you, the supplier, with specified delivery and agreed price for the purchase. * Other requirements are attached or are incorporated by reference.
Delivery	Any goods or services referred to in the purchase order and include packaging, preservation, and labeling of delivery as per instructions.
Supply chain	The supplier and associated sub-supplier(s) required for the delivery realization.
Buyer	The person responsible for issuing the PO on behalf of NOV.
NOV contact	The NOV buyer (the context of this document)



Approved Suppliers, Sub-Suppliers

NOV suppliers are approved and maintained using our NOV Supplier Management Program and are bound to all NOV requirements.

Sub-Supplier management:

If a sub-supplier is used in the delivery, then you, as the supplier, will need to notify NOV. You will also need to ensure that technical, quality, and commercial requirements have adhered throughout the sub-supplier's supply chain.



Quotations

Suppliers are expected to provide a quotation for any request issued by NOV as soon as possible. The quotation must meet NOV's need, and quoted delivery is fit for purpose. A quotation must include all information necessary to fully identify and describe the product or service offered, unit price, quantity, and extended price in the currency requested. The quotation will also include applicable delivery terms according to Incoterms 2010, estimated delivery time, expiration date, and any special considerations, concession, or requirement for the offer.



Purchase Orders and Agreements

All purchases made by NOV are governed by NOV's Standard Terms and Conditions and are either based on the terms and conditions referred to in the purchase order or the master service agreement between NOV and supplier. No other terms and conditions apply unless accepted explicitly by NOV in writing.

The supplier is responsible for compliance to all contract requirements, documents, drawings, and specifications indicated in the purchase order upon acceptance of the purchase order.

Audit, surveillance, inspection, or tests made by NOV will not relieve the supplier of the responsibility to deliver products or services that comply with requirements, nor does it preclude subsequent rejection by NOV or its customers.

The supplier is required to use NOV's eCommerce applications as requested by NOV.



Points of Contact

Unless otherwise instructed, the NOV buyer is the primary point of contact for communications. Supplier will register and keep current in NOV's Supplier Management System a central point of contact, a direct supervisor contact, executive-level contact, and an accounting contact.



Technical Specifications

Suppliers are expected to review, understand, and adhere to all technical specifications outlined on the purchase order. Such technical specifications represented as quality clauses, descriptions, drawings, dimensions, procedures, chemistry, etc., and the accompanying document package will provide a guideline of NOV's expectations of the products and services. If there are contradictions in the requirements, contact the buyer for resolution.



Orders and Delivery Date Management

Suppliers are expected to provide an order acknowledgement, and to promptly inform their NOV contact of any changes, modifications, or delays, so change requests can be issued. When requested, suppliers must manage, control, and invoice all purchase orders through NOV portals. The NOV procurement organization will define, prepare, and issue any metrics related to the supplier performance and on-time delivery. Evaluation of on-time delivery will be on the first delivery date provided when the purchase order is acknowledged or as subsequently requested and accepted by the NOV buyer. On-time delivery is based on 28 calendar days early and zero days late to this accepted date.



Deviations from Purchase Order

Any deviation must be documented and immediately communicated to the NOV contact in writing. NOV reserves the right to accept, deny, or challenge deviation requests by providing written communication back to the supplier. Approved requests for deviation must accompany the shipment. Both NOV and the supplier will retain any records relating to the deviation process.



Shipping

Transportation and delivery should adhere to Incoterms 2010 unless otherwise indicated on the purchase order. Preservation, packing, and shipping will need to follow applicable international and local regulations and requirements. More specific and stringent NOV instructions related to shipping documents, labeling information and barcoding, hazardous items, wooden material, and country of origin are applicable and incorporated in the purchase order with reference to [NOV Rig Technologies General Shipping Requirements](#). Failure to meet requirements related to packing, marking, and labeling may cause NOV to refuse delivery, with the supplier responsible for any resultant costs.

Any questions or concerns should be directed to your NOV contact for assistance or clarification.



Invoicing

Suppliers are expected to submit invoicing either through the NOV's eCommerce platforms or via email (as directed by NOV) at the time of order shipment equal to the amount defined on the NOV purchase order.



Non-Conformance Report and Return to Vendor

In the event defective material is identified, NOV will file a non-conformance report (NCR) and prepare documents to disposition the defective material as required. It is expected from the supplier to provide instructions to complete a return to vendor (RTV) action. NOV reserves the right to perform rework on non-conforming material and charge back the supplier for said rework should time not permit the RTV and replacement process.



Supplier Quality

The supplier will maintain a quality management system (QMS), which, at a minimum, will cover the requirements committed to NOV's supplier approval process. Special attention is required concerning special regulations, such as handling of hazardous goods and SDS documentation, and wooden material rules in IPPC (International Plant Protection Convention) ISPM 15. No asbestos is allowed in any products delivered to NOV.

The supplier will comply with all quality requirements associated with the order. If there are discrepancies or contradictions, the most stringent will apply unless approved in writing by NOV. As part of supplier performance monitoring, NOV will measure supplier

quality as a function of the number of defective items versus the number of items received.



Non-Disclosure and Confidentiality

The supplier understands and agrees that all NOV proprietary information is confidential and will comply with requirements in terms and conditions applicable to this PO. The supplier will complete a non-disclosure agreement as required by NOV.



Code of Business Conduct - Health, Safety, and Environmental Program

The supplier is required to comply with the NOV Code of Business Conduct and NOV's health, safety, and environmental requirements as specified by the NOV Supplier Management Program (approval and maintenance of suppliers).