

Tubular Products Limited Warranty - United States

EVRAZ Inc. NA ("EVRAZ") provides the following limited warranty with respect to casing, tubing and line pipe products ("Product") manufactured by EVRAZ or its affiliates in North America from the "Revised" date, above written, until superseded (the "Effective Period") and installed in United States. PLEASE READ THIS DOCUMENT CAREFULLY, AS THIS WARRANTY AND YOUR PURCHASE OF PRODUCT IS SUBJECT TO ALL OF THE TERMS AND CONDITIONS BELOW.

Limited Warranty. EVRAZ warrants to each direct and indirect purchaser of Product that Product (i) at the time of delivery, will meet the chemical, dimensional, and mechanical property requirements set forth on the order acknowledgement and any mill certificate issued by EVRAZ for up to 12 months in storage, and (ii) after installation, will meet the chemical, dimensional, and mechanical property requirements set forth on the order acknowledgment and any mill certificate issued by EVRAZ up to and including the following events: (a) API Specification 5CT Casing; Initial well pressure test to less than 100% of the Specified Minimum Yield Strength (SMYS) at the product's nominal wall thickness per API 5CT (b) API Specification 5L line pipe; Initial field hydrostatic test to a maximum of 100% Specified Minimum Yield Strength (SMYS) at the nominal wall thickness per API 5L.

THE FOREGOING WARRANTY IS THE SOLE WARRANTY GIVEN BY EVRAZ WITH RESPECT TO PRODUCT. EVRAZ DISCLAIMS ALL OTHER WARRANTIES, REPRESENTATIONS AND CONDITIONS, EXPRESS OR IMPLIED AND WHETHER STATUTORY OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES, REPRESENTATIONS OR CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Terms and Conditions Applicable to Warranties. The foregoing warranties are conditioned on and subject to the additional terms and conditions set forth below.

- 1. The foregoing warranties apply only when Product has been subjected to normal use and exposure and has been accorded treatment which is considered good practice in the industry regarding handling, finishing, storage and maintenance of such products. In addition to this limitation, any damage to Product resulting in whole or in part from the following conditions is NOT EVRAZ's responsibility and is NOT covered by the foregoing warranties:
 - (a) Failure to store, handle or install Product in accordance with standard practices and all applicable codes;
 - (b) Improper design or installation of the structure into which Product is incorporated;
 - (c) Suitability or performance of any cladding, coating, finishes, coverings or other materials applied or attached to Product;
 - (d) Causes other than normal use conditions, such as: impact with objects; high force winds, earthquake, flood, fire or other acts of God or nature; or any other cause beyond EVRAZ's control; or
 - (e) A third-party's actions, omissions or negligence.
- 2. Before EVRAZ will honor any claim under this Limited Warranty, the direct or indirect purchaser must give EVRAZ written notice of the claim no later than ten (10) days after discovery of any alleged problem with Product. Written notice shall be directed to EVRAZ Inc. NA, 400, 505 3rd Street SW, Calgary, Alberta T2P 3E6 Attn: Claims Administrator. All claims must be accompanied by sales receipts and other supporting documents. EVRAZ shall have an additional twenty (20) days thereafter to inspect the Product. The direct or indirect purchaser must grant reasonable access for inspection and shall not make any alteration or repair to Product before EVRAZ inspects it. If EVRAZ's inspection confirms that the Product does not conform with the warranty set forth herein, then EVRAZ will, at its sole option, either replace the non-conforming Product or refund the original uninstalled purchase price for the non-conforming Product or, where the product has already been installed, reimburse the direct or indirect purchaser, as the case may be, for the reasonable cost of repair or replacement of the non-conforming Product. These remedies are EVRAZ's sole and exclusive obligation and liability for any breach of warranty relating to Product and are the direct and indirect purchaser's sole and exclusive remedies for any such breach.
- 3. UNDER NO CIRCUMSTANCES WILL EVRAZ BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF USE OF THE PRODUCT, COST OF SUBSTITUTE PRODUCTS OR DAMAGE TO PROPERTY, ARISING OUT OF THE PURCHASE OR USE OF PRODUCT. THIS LIMITATION OF LIABILITY APPLIES TO ANY CLAIM ASSERTED BY THE DIRECT OR INDIRECT PURCHASER, WHETHER ASSERTED AS BREACH OF WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, PRODUCT LIABILITY, STRICT LIABILITY, OR UNDER ANY OTHER LEGAL OR EQUITABLE THEORY.
- 4. The foregoing warranties are non-transferable and are not for the benefit of any third parties.
- 5. This is the entire warranty between EVRAZ and the direct or indirect purchaser with respect to Product manufactured during the Effective Period and supersedes all prior and contemporaneous agreements, representations, warranties or understandings, whether oral or written, relating to Product manufactured during the Effective Period.
- 6. The provisions of this Limited Warranty are severable. If any provision of the Limited Warranty is determined by an arbitrator or court to be unenforceable for any reason, then the unenforceable provision shall be struck, and the other provisions of this Limited Warranty shall remain in full force and effect.



 $@2013\ \mbox{EVRAZ}$ Inc. NA. All rights reserved.