Risk Factors Comparison 2024-02-23 to 2023-02-24 Form: 10-K

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The following summarizes the most significant risks to our business. In addition to these risks, we are subject to a variety of risks that affect many other companies generally, as well as other risks and uncertainties that are not known to us as of the date of this Annual Report. Our success will depend, in part, on our ability to anticipate and effectively manage these and other risks. Any of these risk factors, either individually or in combination, could have a material adverse effect on our results of operations or financial condition, or prevent us from meeting our profitability or growth objectives. If you hold our securities or are considering an investment in our securities, you should carefully consider the following risks, together with the other information contained in this Annual Report. Risks in this section are grouped in the following categories: (1) Business and Industry Risks; (2) Indebtedness Risks; (3) Legal and Regulatory Risks; (4) Financial Risks; and (5) General Risks. Many risks affect more than one category, and the risks are not in order of significance or probability of occurrence because they have been grouped by categories. Risks Related to **our Exploration of Strategic Alternatives for the Long- Term Positioning of our Fluids Systems Division In June 2023, we announced that we initiated a review of strategic alternatives for the long- term positioning of the Fluids Systems division in June 2023. In September 2023, we launched a formal sale process for substantially all the Fluids Systems business as part of this strategic review. While the sale process is ongoing, we anticipate substantially completing the process in mid- 2024, although it is not certain that any such transaction will be consummated on that timeline or at all. We do not intend to disclose developments with respect to the progress of our evaluation of any strategic options until such time as our Board of Directors has approved a specific transaction or we otherwise deem disclosure is required or appropriate. We may also incur significant costs and management' s attention may be diverted in connection with the pursuit of strategic alternatives which are not ultimately consummated. There are risks inherent with the consummation of any such transaction, such as the risks that the anticipated benefits of such transaction may not be realized, that unexpected liabilities may result from such transaction and that the process of consummating or the effects of consummating such a transaction may cause interruption of or slow down the operations of our existing or continuing businesses. Risks Related to Divestitures Any divestitures made as part of the Fluids Systems sale process or otherwise could impact us in several ways, including (i) impacting relationships with our customers and vendors, (ii) restricting our operations due to certain specified terms of the agreements, and (iii) diminishing our ability to retain or attract employees due to concerns over future job security or responsibilities. As a result of any such divestitures, we may incur or experience (i) greater costs or realize fewer benefits than anticipated under the agreements, (ii) operational or commercial difficulties segregating the divested assets from our retained assets, (iii) disputes with the purchasers regarding the nature and sufficiency of the transition services we provide or the terms and conditions of our commercial agreements with the purchasers, (iv) higher vendor costs due to reduced economies of scale or operational dis- synergies, or (v) losses or increased inefficiencies from stranded or underutilized assets. Any of these risks could have a material adverse effect on our business, financial condition, results of operations, and cash flows. In addition, any divestitures we make could reduce our future cash flows. If our remaining businesses fail to perform as expected, such divestitures could exacerbate certain of the other risks specified in this Annual Report on Form 10- K. Risks Related to** the Worldwide Oil and Natural Gas Industry Although we continue to diversify our operations and expand into a variety of end- markets, we derive a significant portion of our revenues from customers in the worldwide oil and natural gas industry; therefore, our risk factors include those factors that impact the demand for oil and natural gas. Spending by our customers for exploration, development, and production of oil and natural gas is based on a number of factors, including expectations of future hydrocarbon demand, energy prices, the risks associated with developing reserves, our customers' ability to finance exploration and development of reserves, regulatory developments, and the future value of the reserves. Reductions in customer spending levels adversely affect the demand for our products and services, and consequently, our revenues and operating results. The key risk factors that we believe influence the worldwide oil and natural gas markets are discussed below. Demand for oil and natural gas is subject to factors beyond our control Demand for oil and natural gas, and consequently the demand for our products and services, is highly correlated with global economic growth and in particular by the economic growth of countries such as the U. S., India, China, and developing countries in Asia and the Middle East. Weakness in global economic activity, as well as the global energy transition, could reduce demand for oil and natural gas and result in lower oil and natural gas prices. For example, demand for oil and natural gas has been and could continue to be impacted by, among other things, the effects of global health crises, geopolitical issues, supply chain disruptions and inflation. There remains significant uncertainty regarding the long- term impact to global oil demand, which will ultimately depend on various factors and consequences beyond our control. Continued weakness or deterioration of the global economy could further reduce our customers' spending levels and could reduce our revenues and operating results. Regulatory agencies and environmental advocacy groups in the European Union, the U. S. and other regions or countries have been focusing considerable attention on the emissions of carbon dioxide, methane and other greenhouse gases and their role in climate change. There is also increased focus, including by governments and our customers, investors and other stakeholders, on these and other sustainability and energy transition matters. Existing or future legislation and regulations related to greenhouse gas emissions and climate change, as well as initiatives by governments, nongovernmental organizations, and companies to conserve energy or promote the use of alternative energy sources, and negative attitudes toward or perceptions of fossil fuel products and their relationship to the environment, may significantly curtail demand for and production of oil and gas in areas of the world where our customers operate, and thus reduce future demand for our products and services. This may, in turn, have a material adverse effect on our business, financial condition, results of operations, and cash flows. Supply of oil and natural gas is subject to factors beyond our control Supply of oil and natural gas can be affected by the availability of quality drilling prospects, exploration success, and the number and productivity of new wells drilled and completed, as well as the rate of production and resulting depletion of existing wells. Oil and natural gas storage inventory levels are indicators of the relative balance between supply and demand. Supply can also be impacted by the degree to which individual Organization of Petroleum Exporting Countries nations and other large oil and natural gas producing countries are willing and able to control production and exports of hydrocarbons, to decrease or increase supply, and to support their targeted oil price or meet market share objectives. Any of these factors could affect the supply of oil and natural gas and could have a material effect on our results of operations. Volatility of oil and natural gas prices can adversely affect demand for our products and services Volatility of oil and natural gas prices can also impact our customers' activity levels and spending for our products and services. The level of energy prices is important to the cash flow for our customers and their ability to fund exploration and development activities. Expectations about future commodity prices and ~~price~~ volatility are important for determining future spending levels. Our customers also consider the volatility of energy prices and other risk factors by requiring higher returns for individual projects if there is higher perceived risk. Our customers' activity levels, spending for our products and services, and ability to pay amounts owed us could be impacted by the ability of our customers to access equity or credit markets Our customers' activity levels are dependent on their ability to access the funds necessary to develop oil and natural gas prospects and their ability to generate sufficient returns on investments. In recent years, limited access to external sources of funding, including the impacts of the global energy transition and pressures from their investors to generate consistent cash flow has, at times, caused customers in the oil and natural gas industry to reduce their capital spending plans. In addition, a reduction of cash flow to our customers resulting from declines in commodity prices or the lack of available debt or equity financing may impact the ability of our customers to pay amounts owed to us. A heightened focus by our customers on cost- saving measures rather than the quality of products and services could reduce the demand for our products and services Our customers are continually seeking to implement measures aimed at greater cost savings, which may include the acceptance of lesser quality products and services in order to improve short term cost efficiencies as opposed to total cost efficiencies. The continued implementation of these kinds of cost saving measures could reduce the demand or pricing for our products and services and have a material adverse effect on our business, financial condition, and results of operations. Risks Related to Our Ability to Generate Internal Growth Our ability to generate internal growth may be affected by, among other factors, our ability to: • attract new customers; • increase the number of projects performed for existing customers; • successfully bid for new projects; • hire and retain qualified personnel; • obtain necessary levels of equipment; and • adapt the range of products and services we offer to address our customers' evolving needs. In addition, our customers may reduce the number or size of projects available to us due to their inability to obtain capital or in response to economic conditions. Furthermore, the growth of our Industrial Solutions segment is heavily dependent upon the production of our recyclable composite mat products, which in turn is dependent on the operations and capacity of our manufacturing facilities in Carencro, Louisiana. Many of the factors affecting our ability to generate internal growth may be beyond our control, and we cannot be certain that our strategies will be successful or that we will be able to generate cash flow sufficient to fund our operations and to support internal growth. If we are unsuccessful, we may not be able to achieve internal growth, expand our operations or grow our business. Risks Related to Economic and Market Conditions that May Impact Our Customers' Future Spending A substantial portion of our operating income, cash flows, and financial returns is generated from construction projects, the awarding of which we do not directly control. The construction industry historically has experienced cyclical fluctuations in financial results due to economic recessions, downturns in business cycles of our customers, material shortages, price increases by subcontractors, interest rate fluctuations and other economic factors beyond our control. When the general level of economic activity deteriorates, our customers may delay, or cancel upgrades, expansions, and / or maintenance and repairs to their systems. Many factors, including the financial condition of the industry, could adversely affect our customers and their willingness to fund capital expenditures in the future. In addition, economic, regulatory and market conditions affecting our specific end markets may adversely impact the demand for our services, resulting in the delay, reduction or cancellation of certain projects and these conditions may continue to adversely affect us in the future. Risks Related to Customer Concentration and Reliance on the U. S. E & P Market In ~~2022~~ **2023** , approximately ~~38~~ **42** % of our consolidated revenues were derived from our 20 largest customers, although no customer accounted for more than 10 % of our consolidated revenues. While we are not dependent on any one customer or group of customers, the loss of one or more of our significant customers could have an adverse effect on our results of operations and cash flows. In addition, approximately ~~66~~ **55** % of our consolidated revenues in ~~2022~~ **2023** were derived from our U. S. operations, including approximately $ ~~400~~ **270** million from the exploration and production market. Over the past several years, the U. S. oil and natural gas market has experienced periods of significant declines which reduced the demand for our services and negatively impacted customer pricing in our U. S. operations. Due in part to these changes, our quarterly and annual operating results have fluctuated significantly and may continue to fluctuate in future periods. Because our business has substantial fixed costs, including significant facility and personnel expenses, downtime or low productivity due to reduced demand could have a material adverse effect on our business, financial condition, and results of operations. **We have engaged in** ~~While our continued expansion into~~ a ~~variety~~ **number** of **activities intended to reduce our dependency** ~~non~~ - **on** ~~- E & P~~ **the cyclical U. S. oil and natural gas** ~~markets~~ - **market** , **including** the 2022 divestitures of the Excalibar U. S. mineral grinding business and Gulf of Mexico drilling fluids operations, ~~as well as~~ the geographic diversification ~~into~~ **in** select foreign E & P markets, ~~is intended to grow the business~~ and ~~reduce our dependency on~~ the ~~cyclical U~~ **review of strategic alternatives for Fluids Systems** . **However** ~~S. oil and natural gas market~~ , these efforts may not be successful or sufficient to offset ~~this~~ **any** volatility **in our U. S. operating results** . Risks Related to International Operations ~~We have~~ **Our Fluids Systems business has** significant operations outside of the U. S., including Canada and certain areas of Europe, the

Middle East and Africa. In ~~2022~~ **2023** , our international operations generated approximately ~~34~~ **45** % of consolidated revenues. Substantially all of our cash balance at December 31, ~~2022~~ **2023** resides within our international subsidiaries **, including Congo (31 %), Romania (11 %), and Algeria (10 %)** . Algeria represented our largest international market outside of North America, with our Algerian operations representing ~~7~~ **8** % of our consolidated revenues for ~~2022~~ **2023** and ~~7~~ **8** % of our total assets at December 31, ~~2022~~ **2023** ~~, including 24 % of our total cash balance at December 31, 2022~~ . In addition, we may seek to expand to other areas outside the U. S. in the future. International operations are subject to a number of risks and uncertainties which could negatively impact our results from operations, including: ▪ difficulties and cost associated with complying with a wide variety of complex foreign laws, treaties, and regulations; ▪ uncertainties in or unexpected changes in regulatory environments or tax laws, including with respect to climate change; ▪ legal uncertainties, timing delays, and expenses associated with tariffs, export licenses, and other trade barriers; ▪ difficulties enforcing agreements and collecting receivables through foreign legal systems; ▪ risks associated with failing to comply with the U. S. Foreign Corrupt Practices Act, the U. K. Bribery Act, export laws, and other similar laws applicable to our operations in international markets; ▪ exchange controls or other limitations on international currency movements, including restrictions on the repatriation of funds to the U. S. from certain countries; ▪ sanctions imposed by the U. S. government that prevent us from engaging in business in certain countries or with certain counter- parties; ▪ expropriation or nationalization of assets; ▪ inability to obtain or preserve certain intellectual property rights in the foreign countries in which we operate; ▪ our inexperience in certain international markets; ▪ health emergencies or pandemics ~~(such as the COVID- 19 pandemic)~~ ; ▪ fluctuations in foreign currency exchange rates; ▪ political and economic instability; and ▪ acts of terrorism. In addition, several North African markets in which we operate, including **Algeria,** Tunisia, Egypt, **and** Libya ~~, and Algeria~~ have experienced social and political unrest in past years, which, when they occur, negatively impact our operating results and can include the temporary suspension of our operations. Risks Related to the Ongoing ~~Conflict~~ **Conflicts** ~~Between Russia~~ **in Europe** and ~~Ukraine~~ **the Middle East** Given the nature of our business and our global operations, the current ~~conflict~~ **conflicts** ~~between Russia~~ **in Europe** and ~~Ukraine~~ **the Middle East** may adversely affect our business and results of operations. Although we do not have any operations in Russia ~~or~~ **,** Ukraine **, the Gaza Strip or Israel** , the broader consequences of ~~this~~ **these** ~~conflict~~ **conflicts** , which may include sanctions, embargoes, supply chain disruptions, regional instability, and geopolitical shifts, and the extent of the ~~conflict~~ **conflicts** ' ~~s~~ effect on our business and results of operations as well as the global economy, cannot be predicted. The ongoing ~~conflict~~ **conflicts** may also have the effect of heightening many of the other risks specified in our ~~Risk~~ **risk** ~~Factors~~ **factors** or disclosed in our public filings, any of which could materially and adversely affect our business and results of operations. Such risks include, but are not limited to, the volatility of oil and natural gas prices that can adversely affect demand for our products and services; our customers' activity levels, spending for our products and services, and **their** ability to pay amounts owed us that could be impacted by the ability of our customers to access equity or credit markets; the price and availability of raw materials; the cost and continued availability of borrowed funds; and cybersecurity ~~breaches~~ **incidents** or business system disruptions. Risks Related to Operating Hazards Present in the Oil and Natural Gas and Utilities Industries and Substantial Liability Claims, Including Catastrophic Well Incidents We are exposed to significant health, safety, and environmental risks. Our operations are subject to hazards present in the oil and natural gas industry, such as fires, explosions, blowouts, oil spills, and leaks or spills of hazardous materials (both onshore and offshore), as well as hazards in the electrical utility industry, such as exposure to wildfires, high voltage electrocution, among other risks. These incidents as well as accidents or problems in normal operations can cause personal injury or death and damage to property or the environment. From time to time, customers seek recovery for damage to their equipment or property that occurred during the course of our service obligations. Damage to our customers' property and any related spills of hazardous materials could be extensive if a major problem occurs. Generally, we rely on contractual indemnities, releases, limitations on liability with our customers, and insurance to protect us from potential liability related to such events. However, our insurance and contractual indemnification may not be sufficient or effective to protect us under all circumstances or against all risks. In addition, our customers' changing views on risk allocation together with deteriorating market conditions could force us to accept greater risks to obtain new business or retain renewing business and could result in us losing business if we are not prepared to take such risks. Moreover, we may not be able to maintain insurance at levels of risk coverage or policy limits that we deem adequate. Any damages caused by our services or products that are not covered by insurance or contractual indemnification, or are in excess of policy limits or subject to substantial deductibles, could adversely affect our financial condition, results of operations, and cash flows. See " Risks Related to the Inherent Limitations of Insurance Coverage " below for additional information. Risks Related to Contracts that Can Be Terminated or Downsized by Our Customers Without Penalty Many of our fixed- term contracts contain provisions permitting early termination by the customer at their convenience, generally without penalty, and with limited notice requirements. In addition, many of our contracts permit our customers to decrease the products or services without penalty, which could result in a decrease in our revenues and profitability. As a result, you should not place undue reliance on the strength of our customer contracts or the terms of those contracts. Risks Related to Product Offering and Market Expansion As a key component of our long- term strategy to diversify our revenue streams ~~generated from both operating segments~~ , we seek to continue to expand our product and service offerings and enter new customer markets with our existing products. As with any market expansion effort, new customer and product markets require additional capital investment and include inherent uncertainties regarding customer expectations, industry- specific regulatory requirements, product performance, and customer- specific risk profiles. In addition, we likely will not have the same level of operational experience with respect to the new customer and product markets as will our competitors. As such, new market entry is subject to a number of risks and uncertainties, which could have an adverse effect on our business, financial condition, or results of operations. Risks Related to Our Ability to Attract, Retain, and Develop Qualified Leaders, Key Employees, and Skilled Personnel Our failure to attract, retain, and develop qualified leaders and key employees could have a material adverse effect on our business. **Our** ~~In addition, all of our~~ businesses are highly dependent on our ability to attract and retain highly- skilled product specialists, technical sales personnel, and service personnel. The market for qualified employees is extremely competitive. If we cannot attract and retain qualified personnel, our ability to compete effectively and grow our business will be severely limited. Also, a significant increase in wages paid by competing employers could result in a reduction in our skilled labor force or an increase in our operating costs. We have experienced, and expect to continue to experience, a shortage of labor for certain functions, which has increased our labor costs and negatively impacted our profitability. The extent and duration of the effect of these labor market challenges are subject to numerous factors, including the availability of qualified persons in the markets where we and our contracted service providers operate and unemployment levels within these markets, behavioral changes, prevailing wage rates and other benefits, inflation, adoption of new or revised employment and labor laws and regulations (including increased minimum wage requirements) or government programs, safety levels of our operations, and our reputation within the labor market. Risks Related to Expanding Our Services in the Utilities Sector, Which May Require Unionized Labor Although none of our employees are currently represented by labor unions, we may expand our services offered in the utilities sector, the customers of which may require unionized labor. If we, a subsidiary, or a business partner were to have a unionized workforce, we may be subject to strikes or work stoppages, wage and hour regulations, or other regulations associated with a collective bargaining agreement, which could adversely impact our relationships with our customers and cause us to lose business, and could result in an increase in our operating costs. Risks Related to the Price and Availability of Raw Materials Our ability to provide products and services to our customers is dependent upon our ability to obtain raw materials necessary to operate our business. Certain of the raw materials essential to our business are sourced globally and require various freight services to transport the materials to our job sites. These services may be impacted by periodic supply chain disruptions and, particularly during times of high demand, may cause delays in the arrival of or otherwise constrain our supply of raw materials. These constraints could have a material adverse effect on our business and consolidated results of operations. In addition, price increases, whether as a result of inflation, geopolitical issues, or otherwise, imposed by our vendors for raw materials used in our business and the inability to pass these increases through to our customers could have a material adverse effect on our business and results of operations. Our Industrial Solutions business is highly dependent on the availability of high- density polyethylene (" HDPE "), which is the primary raw material used in the manufacture of our recyclable composite mats. The cost of HDPE increased significantly in 2021, ~~and although these costs moderated somewhat~~ **but returned to more historical levels** in 2022 **and 2023** ~~, remain higher than recent years~~ . Our costs can vary based on the energy costs of the producers of HDPE, demand for this material, and the capacity or operations of the plants used to make HDPE. We may not be able to increase our customer pricing to cover the cost increases that we have experienced, which could result in a reduction in future profitability. **Our** ~~In addition, our~~ Fluids Systems business is highly dependent on the availability of barite, which is a naturally occurring mineral that constitutes a significant portion of our fluids systems. In connection with the sale of our U. S.- based mineral grinding business in the fourth quarter of 2022, we entered a four- year barite supply agreement for certain regions of our U. S. drilling fluids business. We also obtain barite and other materials used in the fluids business from various third- party suppliers. The availability and cost of barite ore is dependent on factors beyond our control, including transportation, political priorities, U. S. tariffs, and government- imposed export fees in the exporting countries, as well as the impact of weather and natural disasters. The future supply of barite ore from existing sources may be inadequate to meet the market demand, particularly during periods of increasing world- wide demand, which could ultimately restrict industry activity or our ability to meet our customers' needs. Risks Related to Inflation Increases in the cost of wages, materials, ~~parts,~~ equipment and other operational components has the potential to adversely affect our results of operations, cash flows and financial position by increasing our overall cost structure, particularly if we are unable to achieve commensurate increases in the prices we charge our customers for our products and services. In addition, inflation has also resulted in higher interest rates, which could cause an increase in the cost of debt borrowing in the future, as well as supply chain shortages, an increase in the costs of labor, currency fluctuations and other similar effects. Risks Related to Capital Investments ~~,~~ **and** Business Acquisitions ~~, and Joint Ventures~~ Our ability to successfully execute our business strategy will depend, among other things, on our ability to make capital investments ~~,~~ **and** complete acquisitions ~~, and enter joint ventures,~~ which provide us with financial benefits. These investments ~~,~~ **and** acquisitions ~~, and joint ventures~~ are subject to a number of risks and uncertainties, including: ▪ incorrect assumptions regarding business activity levels or results from our capital investments, acquired operations, or assets; ▪ insufficient revenues to offset liabilities assumed; ▪ potential loss of significant revenue and income streams; ▪ increased or unexpected expenses; ▪ inadequate return of capital; ▪ regulatory or compliance issues; ▪ potential loss of key employees, customers, or suppliers of the acquired company; ▪ the triggering of certain covenants in our debt agreements (including accelerated repayment); ▪ unidentified issues not discovered in due diligence; ▪ failure to complete a planned acquisition transaction or to successfully integrate the operations or management of any acquired businesses or assets in a timely manner; ▪ diversion of management' s attention from existing operations or other priorities; ▪ unanticipated disruptions to our business associated with the implementation of our enterprise- wide operational and financial system; and ▪ delays in completion and cost overruns associated with large capital investments. Any of the factors above could have an adverse effect on our business, financial condition, or results of operations. Additionally, the anticipated benefits of a capital investment ~~,~~ **or** acquisition ~~, or joint venture~~ may not be realized fully or at all, or may take longer to realize than expected. ~~In addition, we may enter into joint ventures and other similar arrangements where control may be shared with unaffiliated third parties, or where we are not a controlling party. In such instances, we may have limited control over joint venture decisions and actions, which may have an impact on our business. If our joint venture partners fail to satisfactorily perform their joint venture obligations, the joint venture may be unable to adequately perform or deliver its contracted services. Under these circumstances, we may be required to make additional investments or provide additional services to ensure the adequate performance and delivery of the contracted services. These additional obligations could result in reduced profit and may impact our reputation in the industry. We may also be held to be jointly and severally liable for the obligations and liabilities of our joint venture partners.~~ Risks Related to Market Competition We face competition and compete vigorously on product performance and / or price. Our competition in the North America Fluids Systems business and U. S. Industrial Solutions business is fragmented ~~. Our competition in the international Fluids Systems business includes larger companies, such as Halliburton, Schlumberger, and Baker Hughes. These larger companies have broad product and service offerings in addition to their drilling and completion fluids, and at times, attempt to compete by offering discounts to customers to use multiple products and services, some of which we do not offer~~ . The smaller regional competitors compete with us mainly on price and local relationships. **Our competition in the international Fluids Systems business includes larger companies, such as Halliburton, SLB, and Baker Hughes. These larger companies have broad product and service offerings in addition to their drilling and completion fluids, and at times, attempt to compete by offering discounts to customers to use multiple products and services, some of which we do not offer.** In the Industrial Solutions business, many competitors provide various forms of worksite access products and services. More recently, several competitors have begun marketing composite products to compete with our DURA- BASE **®** matting system. While we believe the design and manufacturing quality of our products provide a differentiated value to our customers, many of our competitors seek to compete on pricing. In addition, certain patents related to our DURA- BASE **®** matting system have expired, and competitors may begin offering mats that include features described in those patents. We have filed additional patent applications on improvements to the structure of, features of, and uses of the DURA- BASE **®** matting system, but there is no assurance that our competitors will not be able to offer products that are similar to these improvements, features, or uses of the DURA- BASE **®** matting system. In addition, certain customer contracts are awarded through a competitive bidding process. The strong competition in our markets requires maintaining skilled personnel and investing in technology, and also puts pressure on profit margins. We do not obtain contracts from all of our bids and our inability to win bids at acceptable profit margins would adversely affect our business and results of operations. Risks Related to Technological Developments and Intellectual Property The market for our products and services requires technological developments that generate improvements in product performance or service delivery. If we are not successful in continuing to develop new products, enhancements, or improved service delivery that are accepted in the marketplace or that comply with industry standards, we could lose market share to competitors, which could have a material adverse effect on our results of operations and financial condition. Our success can be affected by our development and implementation of new product designs and improvements, or software developments, and by our ability to protect and maintain critical intellectual property assets related to these developments. Although in many cases our products are not protected by any registered intellectual property rights, in other cases we rely on a combination of patents and trade secret laws to establish and protect this proprietary technology. While patent rights give the owner of a patent the right to exclude third parties from making, using, selling, and offering for sale the inventions claimed in the patents, they do not necessarily grant the owner of a patent the right to practice the invention claimed in a patent. It may also be possible for a third party to design around our patents. We do not have patents in every country in which we conduct business and our patent portfolio will not protect all aspects of our business. When patent rights expire, competitors are generally free to offer the technology and products that were covered by the patents. Additionally, the trade secret laws of some foreign countries may not protect our proprietary technology in the same manner as the laws of the United States. We also protect our trade secrets by customarily entering into confidentiality and / or license agreements with our employees, customers and potential customers, and suppliers. Our rights in our confidential information, trade secrets, and confidential know- how will not prevent third parties from independently developing similar information. Publicly available information (such as information in expired patents, published patent applications, and scientific literature) can also be used by third parties to independently develop technology. We cannot provide assurance that this independently developed technology will not be equivalent or superior to our proprietary technology. We may from time to time engage in expensive and time-consuming litigation to determine the enforceability, scope, and validity of our patent rights. In addition, we can seek to enforce our rights in trade secrets, or " know- how, " and other proprietary information and technology in the conduct of our business. However, it is possible that our competitors may infringe upon, misappropriate, violate or challenge the validity or enforceability of our intellectual property, and we may not be able to adequately protect or enforce our intellectual property rights in the future. The tools, techniques, methodologies, programs, and components we use to provide our services may infringe upon the intellectual property rights of others. Infringement claims generally result in significant legal and other costs, and may distract management from running our business. Royalty payments under licenses from third parties, if applicable, could increase our costs. Additionally, developing non- infringing technologies could increase our costs. If a license were not available, we might not be able to continue providing a particular service or product, which could adversely affect our financial condition, results of operations and cash flows. Risks Related to Severe Weather, Natural Disasters, and Seasonality We have significant operations located in market areas around the world that are negatively impacted by severe adverse weather events or natural disasters, particularly the U. S. A potential result of climate change is more frequent or more severe weather events or natural disasters. To the extent such weather events or natural disasters become more frequent or severe, disruptions to our business and costs to repair damaged facilities could increase. These severe weather events or natural disasters, such as excessive rains, hurricanes, fires, or droughts, could disrupt our operations and result in damage to our properties, including the manufacturing facilities and technology center for our Industrial Solutions business located in Carencro, Louisiana, or our leased fluids industrial space in Fourchon, Louisiana. Additionally, there are market areas around the world in which our operations are subject to seasonality such as Canada where the Spring " break- up " (an industry term used to describe the time of year when the frost comes out of the ground causing the earth to become soft and muddy and strict weight restrictions are implemented by the government to prevent potholes forming on roads) results in a significant slowdown in the oil and natural gas industry and our fluids business each year **, or in the summer in the U. S., where utility companies typically reduce maintenance project activity on the transmission grid due to elevated consumer electricity demand** . Severe weather, natural disasters, and seasonality could adversely affect our or our customers' financial condition, results of operations and cash flows. Risks Related to Public Health Crises, Epidemics, and Pandemics The effects of public health crises, epidemics, and pandemics ~~, such as the~~

~~COVID- 19 pandemic~~ have resulted and may in the future result in a significant and swift reduction in U. S. and international economic activity, including adversely affecting the demand for and price of oil and natural gas, as well as the demand for our products and services. In response to reduced demand for our products and services, we would take (and have in the past taken) actions aimed at protecting our liquidity and reshaping the business for the new market realities, including reducing our workforce and cost structure. However, our business contains high levels of fixed costs, including significant facility and personnel expenses, which limits the effectiveness of such actions. The extent to which our operating and financial results are affected by a public health crisis, epidemic or pandemic will depend on various factors beyond our control, such as the duration and scope of such event, including any resurgences and the emergence and spread of a subject pathogen; actions taken by businesses and governments in response to such event; and the speed and effectiveness of responses to combat the subject pathogen, including the availability and public acceptance of effective treatments or vaccines, and how quickly and to what extent normal economic activity can resume, all of which are highly uncertain and cannot be predicted. Any such public health crisis, epidemic or pandemic could also materially and adversely impact our operating and financial results in a manner that is not currently known to us or that we do not currently consider as presenting material risks to our operations. Risks Related to the Cost and Continued Availability of Borrowed Funds, including Risks of Noncompliance with Debt Covenants We use borrowed funds as an integral part of our long- term capital structure and our future success is dependent upon continued access to borrowed funds to support our operations. The availability of borrowed funds on reasonable terms is dependent on the condition of credit markets and financial institutions from which these funds are obtained. Adverse events in the financial markets, or restrictions on lenders ability or willingness to lend to companies that have significant exposure to customers in the oil and natural gas industry, may significantly reduce the availability of funds, which may have an adverse effect on our cost of borrowings and our ability to fund our business strategy. Our ability to meet our debt service requirements and the continued availability of funds under our existing or future loan agreements is dependent upon our ability to generate operating income and generate sufficient cash flow to remain in compliance with the covenants in our debt agreements. This, in turn, is subject to the volatile nature of the oil and natural gas industry, and to competitive, economic, financial, and other factors that are beyond our control. We primarily fund our ongoing operational needs through a $ 175 million asset- based revolving credit agreement (the " Amended ABL Facility "). The Amended ABL Facility terminates in May 2027. Borrowing availability under the Amended ABL Facility is calculated based on eligible U. S. accounts receivable, inventory and composite mats included in the rental fleet, net of reserves and subject to limits on certain of the assets included in the borrowing base calculation. To the extent pledged by the borrowers, the borrowing base calculation also includes the amount of eligible pledged cash. The administrative agent may establish reserves in accordance with the Amended ABL Facility, in part based on appraisals of the asset base, and other limits in its discretion, which could reduce the amounts otherwise available under the Amended ABL Facility. The Amended ABL Facility is a senior secured obligation of the Company and certain of our U. S. subsidiaries constituting borrowers thereunder, secured by a first priority lien on substantially all of the personal property and certain real property of the borrowers, including a first priority lien on certain equity interests of direct or indirect domestic subsidiaries of the borrowers and certain equity interests issued by certain foreign subsidiaries of the borrowers. The Amended ABL Facility contains certain financial covenants, customary representations, warranties and covenants that, among other things, and subject to certain specified circumstances and exceptions, restrict or limit the ability of the borrowers and certain of their subsidiaries to incur indebtedness (including guarantees), grant liens, make investments, pay dividends or distributions with respect to capital stock and make other restricted payments, make prepayments on certain indebtedness, engage in mergers or other fundamental changes, dispose of property, and change the nature of their business. If we fail to comply with the various covenants and other requirements of the Amended ABL Facility, we would be in default thereunder, which would permit the holders of the indebtedness to accelerate the maturity thereof and proceed against their collateral. The acceleration of any of our indebtedness and the election to exercise any remedies could have a material adverse effect on our business and financial condition and we may not be able to make all of the required payments or borrow sufficient funds to refinance such indebtedness. If we are unable to generate sufficient cash flows to repay our indebtedness when due or to fund our other liquidity needs, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional financing. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations and could have a material adverse effect on our business and financial condition. Risks Related to Environmental Laws and Regulations We are responsible for complying with numerous federal, state, local, and foreign laws, regulations and policies that govern environmental protection, zoning and other matters applicable to our current and past business activities, including the activities of our former subsidiaries. Failure to remain compliant with these laws, regulations and policies may result in, among other things, fines, penalties, costs, investigation and / or cleanup of contaminated sites and site closure obligations, costs of remedying noncompliance, termination or suspension of certain operations, or other expenditures. We could be exposed to strict, joint and several liability for cleanup costs, natural resource damages and other damages as a result of our conduct that was lawful at the time it occurred or the conduct of, or conditions caused by, prior operators or other third parties. Private parties may also pursue legal actions against us based on alleged non- compliance with or liability under certain of these laws, rules and regulations. Further, any changes in the current legal and regulatory environment could impact industry activity and the demands for our products and services, the scope of products and services that we provide, or our cost structure required to provide our products and services, or the costs incurred by our customers. Many of the markets for our products and services are dependent on the continued exploration for and production of fossil fuels (predominantly oil and natural gas). In recent years, the topic of climate change has received increased attention worldwide. Many scientists, legislators and others attribute climate change to increased levels of greenhouse gases, including carbon dioxide attributed to the use of fossil fuels, which has led to significant legislative and regulatory efforts to limit greenhouse gas emissions. The Environmental Protection Agency (the "

EPA ") and other domestic and foreign regulatory agencies have adopted regulations that potentially limit greenhouse gas emissions and impose reporting obligations on large greenhouse gas emission sources. In addition, the EPA has adopted rules that could require the reduction of certain air emissions during exploration and production of oil and natural gas. President Biden' s administration officially reentered the U. S. into the Paris Agreement in February 2021 and committed the U. S. to reducing its greenhouse gas emissions by 50- 52 % from 2005 levels by 2030. In November 2021, the U. S. and other countries entered into the Glasgow Climate Pact, which includes a range of measures designed to address climate change, including but not limited to the phase- out of fossil fuel subsidies, reducing methane emissions 30 % by 2030, and cooperating toward the advancement of the development of clean energy. In August 2022, President Biden also signed into law the Inflation Reduction Act, which contains tax inducements and other provisions that incentivize investment, development, and deployment of alternative energy sources and technologies **and created a methane emissions reduction program** , which **provided significant funding to reduce emissions of methane from the oil and gas sector and requires the EPA to impose a charge on certain oil and gas sources. The implementation of the Inflation Reduction Act** could increase operating costs within the oil and gas industry and accelerate the transition away from fossil fuels. To the extent that laws and regulations enacted as part of climate change legislation increase the costs of drilling for or producing such fossil fuels, limit or restrict oil and natural gas exploration and production, or reduce the demand for fossil fuels, such legislation could have a material adverse effect on our operations and profitability. The continued expansion of revenues in industrial markets, and particularly end- markets that are likely to benefit from ongoing energy transition efforts around the world, such as power transmission, renewable energy, and geothermal, remains a strategic priority going forward, and we anticipate that our capital investments will primarily focus on supporting this objective. However, it is unclear whether these initiatives, when implemented, will create sufficient incentives for projects or result in increased demand for our services. There have also been efforts in recent years to influence the investment community, including investment advisors and certain sovereign wealth, pension and endowment funds, promoting divestment of fossil fuel equities and pressuring lenders to limit funding to companies engaged in the extraction of fossil fuel reserves. Such environmental activism and initiatives aimed at limiting climate change and reducing air pollution could interfere with our business activities, operations, and ability to access capital. Furthermore, members of the investment community are increasing their focus on Environmental, Social, and Governance (" ESG ") practices and disclosures by public companies **. Concerns over** ~~, and regulations have been proposed that may subject us to enhanced~~ climate change ~~reporting obligations~~ **have resulted in, and are expected to continue to result in, the adoption of regulatory requirements for climate- related disclosures, which could increase our compliance burden and costs** . As a result, we may continue to face increasing pressure regarding our ESG disclosures and practices. **We have published and may continue to publish a Sustainability Report, which outlines our progress and ongoing efforts to advance our ESG initiatives. Our disclosures on these matters rely on management' s expectations as of the date the statements are first made, as well as standards for measuring progress that are still in development, and may change or fail to be realized. These expectations and standards may continue to evolve.** If our ESG disclosures and practices do not meet **regulatory,** investor or other stakeholder expectations and standards, which continue to evolve, it could have a material adverse effect on our business or demand for our services. In addition, hydraulic fracturing is a common practice used by E & P operators to stimulate production of hydrocarbons, particularly from shale oil and natural gas formations in the U. S. The process of hydraulic fracturing, which involves the injection of sand (or other forms of proppants) laden fluids into oil and natural gas bearing zones, has come under increased scrutiny from a variety of regulatory agencies, including the EPA and various state authorities. Several states have adopted regulations requiring operators to identify the chemicals used in fracturing operations, others have adopted moratoriums on the use of fracturing, and the State of New York has banned the practice altogether. In addition, concerns have been raised about whether injection of waste associated with hydraulic fracturing operations, or from the fracturing operations themselves, may cause or increase the impact of earthquakes. Although we do not provide hydraulic fracturing services, we **have** ~~offer~~ **offered** stimulation chemicals used in the hydraulic fracturing process. Regulations which have the effect of prohibiting, limiting the use, or significantly increasing the costs of hydraulic fracturing could have a material adverse effect on both the drilling and stimulation activity levels of our customers, and, therefore, the demand for our products and services. Risks Related to Legal Compliance As a global business, we are subject to complex laws and regulations in the U. S., the U. K. and other countries in which we operate. These laws and regulations relate to a number of aspects of our business, including anti- bribery and anti- corruption laws, sanctions against business dealings with certain countries and third parties, the payment of taxes, employment and labor relations, immigration, fair competition, data privacy protections, securities regulation, and other regulatory requirements affecting trade and investment. The application of these laws and regulations to our business is often unclear and may sometimes conflict. Compliance with these laws and regulations may involve significant costs or require changes in our business practices that could result in reduced revenue and profitability. Non- compliance could also result in significant fines, damages, and other criminal sanctions against us, our officers or our employees, prohibitions or additional requirements on the conduct of our business and damage our reputation. Certain violations of law could also result in suspension or debarment from government contracts. We also incur additional legal compliance costs associated with global regulations. In some foreign countries, particularly those with developing economies, it may be customary for others to engage in business practices that are prohibited by laws such as the U. S. Foreign Corrupt Practices Act, the U. K. Bribery Act, the Italian Criminal Code in Italy, Brazil' s Clean Companies Act, India' s Prevention of Corruption Act and The Companies Act, and Mexico' s Anti- Corruption Law. Although we implement policies and procedures designed to ensure compliance with these laws, there can be no assurance that all of our employees, contractors, agents, and business partners will not take action in violation with our internal policies. In the U. S., there have been increasing instances of opioid and other illicit drug usage as well as illegal immigration in certain of the regions in which we operate. While we have taken steps we believe appropriate to ensure that our employees comply with our internal drug and alcohol policy as well as all applicable immigration laws, we cannot assure you there will not be violations in the future. Any such violation of our internal policies or the law could have a material adverse effect on our reputation, business, financial condition, or results of operations. While we maintain liability insurance, this insurance is subject to coverage limitations. Specific risks and limitations of our insurance coverage include the following: ▪ self- insured retention limits on each claim, which are our responsibility; ▪ exclusions for certain types of liabilities and limitations on coverage for damages resulting from pollution; ▪ coverage limits of the policies, and the risk that claims will exceed policy limits; and ▪ the financial strength and ability of our insurance carriers to meet their obligations under the policies. In addition, our ability to continue to obtain insurance coverage on commercially reasonable terms is dependent upon a variety of factors impacting the insurance industry in general, which are outside our control. Any of the issues noted above, including insurance cost increases, uninsured or underinsured claims, or the inability of an insurance carrier to meet their financial obligations could have a material adverse effect on our business. Risks Related to Income Taxes Our future effective tax rates could be adversely affected by changes in tax laws, both domestically and internationally, or the interpretation or application thereof. From time to time, U. S. and foreign tax authorities, including state and local governments **,** consider legislation that could increase our effective tax rate. For example **, effective for costs paid or incurred in tax years beginning after December 31, 2021** , the 2017 U. S. Tax Cuts and Jobs Act enacted legislation that requires certain research and development expenditures to be capitalized and amortized over five years, rather than being deducted as incurred **. While the Ways and Means Committee of the U. S. House of Representatives recently passed a bill that, if enacted, would allow for the continued immediate deduction of research and development expenditures incurred in tax years beginning after December 31, 2021, and before January 1, 2026, there can be no assurance that this proposed legislation will be enacted** . Additionally, longstanding international tax norms that determine each country' s jurisdiction to tax cross- border international trade are subject to potential evolution. For example, the Organization for Economic Co- operation and Development (" OECD "), a global coalition of member countries, proposed a two- pillar plan to reform international taxation. The proposals aim to ensure a fairer distribution of profits among countries and to impose a floor on tax competition through the introduction of a global minimum tax. While the European Union agreed in December 2022 to implement the global minimum tax on larger companies in 2024, and other countries are actively considering changes to their tax laws to adopt certain parts of the OECD' s proposals, we cannot determine whether, or in what form, such legislation will be implemented or ultimately be enacted or what the impact of any such legislation could have on our profitability. If such changes to tax laws are enacted, our profitability could be negatively impacted. Our future effective tax rates could also be adversely affected by changes in the valuation of our deferred tax assets and liabilities, changes in the mix of earnings in countries with differing statutory tax rates, or by changes in tax treaties, regulations, accounting principles or interpretations thereof in one or more countries in which we operate. In addition, we are subject to the potential examination of our income tax returns by the U. S. Internal Revenue Service and by other tax authorities in jurisdictions where we file tax returns. We regularly assess the likelihood of adverse outcomes resulting from these examinations to determine the adequacy of our provision for income taxes. There can be no assurance that such examinations will not have a material adverse effect on our business, financial condition, or results of operations. Risks Related to Cybersecurity ~~Breaches~~ **Incidents** or Business System Disruptions We utilize various management information systems and information technology infrastructure to manage or support a variety of our business operations, and to maintain various records, which may include confidential business or proprietary information as well as information regarding our customers, business partners, employees or other third parties. We also utilize third- party vendors and their systems and technology to support our business activities, including secure processing of confidential, sensitive, proprietary and other types of information. Failures of or interference with access to these systems, such as communication disruptions, could have an adverse effect on our ability to conduct operations or directly impact ~~consolidated~~ financial reporting. In addition, our information systems and information technology infrastructure are subject to security threats and sophisticated cyber- based attacks, including, but not limited to, denial- of- service attacks, hacking, " phishing " attacks, computer viruses, ransomware, malware, employee or insider error, malfeasance, social engineering, or physical breaches, that can cause deliberate or unintentional damage, destruction or misuse, manipulation, denial of access to or disclosure of confidential or important information or intellectual property. A failure of or breach in our information systems and information technology infrastructure, or those of our third- party vendors, could expose us and our employees, customers, and suppliers to risks of misuse of information or systems, transaction errors, the compromise of confidential information, manipulation and destruction of data, the loss of sales and customers and operations disruptions. There can be no assurance that **security incidents will not occur. In addition, there can be no assurance that** the policies and procedures we or ~~these~~ **our** third ~~parties~~ **- party vendors** have in place, including system monitoring and data back- up processes, to prevent or mitigate the effects of these potential disruptions or ~~breaches~~ **incidents** will be sufficient to prevent, detect and limit the impact of disruptions or ~~breaches~~ **incidents** . We do not carry insurance against these risks, although we do invest in security technology, perform penetration tests from time to time, and design our business processes to attempt to mitigate the risk of such ~~breaches~~ **incidents** . **Our processes** ~~However, there can be no assurance that security breaches will not occur. Additionally, the development and maintenance of these measures requires~~ - **require** continuous monitoring as technologies change and efforts to overcome security measures evolve. We have experienced cybersecurity threats and incidents involving our systems and third- party systems and expect these incidents to continue. While none of the cybersecurity events have been material to date, a successful breach or attack could have a material negative impact on our operations or business reputation, harm our reputation and relationships with our customers, business partners, employees or other third parties, and subject us to consequences such as litigation and direct costs associated with incident response. ~~In addition, these~~ **These** risks could have a material adverse effect on our business, results of operations, and financial condition ~~. Risks Related to our Strategic Actions We regularly review our global portfolio of business activities. These reviews focus on evaluating changes in the outlook for our served markets and customer priorities, while identifying opportunities for value- creating options in our portfolio, and placing investment emphasis in markets where we generate strong returns and where we see greater long- term viability and stability. As part of this review,~~

~~we completed certain actions in 2022, including the sale of our Excalibar U. S. mineral grinding business, the exit of our Industrial Blending operations, and the exit of our Gulf of Mexico fluids operations. For a discussion of the risks associated with these actions, see " Risks Related to our Divestitures " below. While we have taken meaningful actions to reduce our cost structure, our business contains high levels of fixed costs, including significant facility and personnel expense. We continue to evaluate other under- performing areas of our business, including certain international oil and natural gas markets, and anticipate additional actions may be necessary to optimize our operational footprint and invested capital in the Fluids Systems segment to transform this business for the evolving market conditions and outlook. If we are unable to successfully execute our strategic actions or achieve some or all of the expected benefits of such actions, we may not achieve the financial or operational results anticipated and it could have a material adverse effect on our business, financial condition, results of operations, and cash flows. We completed several transactions in the fourth quarter of 2022 to exit certain businesses and dispose of the related assets, including our Excalibar U. S. mineral grinding business, Conroe, Texas industrial blending facility, and Fluids Systems Gulf of Mexico operations. These divestitures could impact us in several ways, including (i) impacting relationships with our customers and vendors, (ii) restricting our operations due to certain specified terms of the agreements, and (iii) diminishing our ability to retain or attract employees due to concerns over future job security or responsibilities. As a result of the divestitures, we may incur or experience (i) greater costs or realize fewer benefits than anticipated under the agreements, (ii) operational or commercial difficulties segregating the divested assets from our retained assets, (iii) disputes with the purchasers regarding the nature and sufficiency of the transition services we provide or the terms and conditions of our commercial agreements with the purchasers, (iv) higher vendor costs due to reduced economies of scale or other similar dis- synergies, or (v) losses or increased inefficiencies from stranded or underutilized assets. Any of these risks could have a material adverse effect on our business, financial condition, results of operations, and cash flows. In addition, these divestitures could reduce our future cash flows. If our remaining businesses fail to perform as expected, the divestitures could exacerbate certain of the other risks specified in this Annual Report on Form 10- K~~ . Risks Related to Activist Stockholders that May Attempt to Effect Changes at Our Company or Acquire Control Over Our Company We have been the subject of campaigns by activist stockholders and may continue to be so in the future. Such activist stockholders may engage in proxy solicitations, advance stockholder proposals, or otherwise attempt to affect changes or acquire control over our company. Campaigns by stockholders to effect changes at publicly traded companies are sometimes led by investors seeking to increase short- term stockholder value through actions such as financial restructuring, increased debt, special dividends, stock repurchases or sales of assets or the entire company. Responding to proxy contests and other actions by activist stockholders can be costly and time- consuming and could divert the attention of our Board of Directors and senior management from the management of our operations and the pursuit of our business strategies. As a result, stockholder campaigns could adversely affect our results of operations and financial condition. Risks Related to Share Repurchases The amount and timing of all future purchases of shares of our common stock pursuant to our securities repurchase program, if any, are subject to the discretion of the Board of Directors and will depend upon business conditions, results of operations, financial condition and other factors. Our Board of Directors may, without advance notice, suspend or terminate our repurchase program. There can be no assurance that we will make repurchases of shares of our common stock in the future. Share repurchases under our repurchase program could diminish our available liquidity, which may impact our ability to finance future growth and to pursue possible future strategic growth projects. In addition, any elimination of, or downward revision in, our repurchase program could have an adverse effect on the market price of our common stock. ~~Risks Related to~~ Our Amended and Restated Bylaws, Which Designate the Court of Chancery of the State of Delaware as the Sole and Exclusive Forum for Certain Types of Actions and Proceedings that May Be Initiated by Our Stockholders, and the U. S. Federal District Courts in Wilmington County, Delaware as the Exclusive Forum for Securities Act Claims, ~~Which~~ Could Limit Our Stockholders' Ability to Obtain What Such Stockholders Believe To Be a Favorable Judicial Forum for Disputes with Us or Our Directors, Officers or Other Employees Our amended and restated bylaws provide that, unless we consent in writing to the selection of an alternative forum, (i) the Delaware Court of Chancery or, if such court lacks subject matter jurisdiction, another state or federal court located within the State of Delaware, will be the sole and exclusive forum with respect to (a) any derivative action or proceeding brought on our behalf, (b) any action asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers, stockholders, employees or agents to us or our stockholders, including a claim alleging the aiding and abetting of such a breach of fiduciary duty, (c) any action asserting a claim against us or any of our current or former directors, officers, stockholders, employees or agents arising out of or relating to any provision of the Delaware General Corporation Law (" DGCL "), our certificate of incorporation or its amended and restated bylaws, (d) any action asserting a claim related to or involving us or any of our directors, officers, stockholders, employees or agents that is governed by the internal affairs doctrine of the State of Delaware, or (e) any action asserting an " internal corporate claim " as that term is defined in Section 115 of the DGCL, and (ii) the U. S. Federal District Court in Wilmington County, Delaware will be the sole and exclusive forum for any action arising under the Securities Act. Our choice- of- forum provision will not apply to suits brought to enforce any liability or duty created by the Exchange Act, and investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder. Any person or entity purchasing or otherwise acquiring an interest in any shares of our capital stock shall be deemed to have notice of and to have consented to the forum provisions in our amended and restated bylaws. These choice- of- forum provisions may limit a stockholder' s ability to bring a claim in a judicial forum that he, she or it believes to be favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits. Alternatively, if a court were to find these provisions of our amended and restated bylaws inapplicable or unenforceable with respect to one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could materially adversely affect our business, financial condition and results of operations ~~and result in a diversion of the time and resources of our management and our Board of Directors~~ .