

Related Party Transaction Policy

1.0 Scope

- 1.1 Applies to any Related Party as defined in Section 3.2 below.

2.0 Purpose

- 2.1 Designed to monitor and ensure the proper review, approval, ratification and disclosure of related party transactions involving MRC Global Inc. and its affiliates (the "Company").

3.0 Policy and Procedures

- 3.1 The Board of Directors of the Company recognizes that related party transactions potentially present a heightened risk of conflict of interest and therefore adopts this Related Party Transactions Policy (the "Policy") which is designed to monitor and ensure the proper review, approval, ratification and disclosure of related party transactions involving the Company.

3.2 Definitions

3.2.1 **"Related Party"** means:

- 3.2.1.1 any director, nominee for director or executive officer of the Company;
- 3.2.1.2 any beneficial holder of more than 5% of the outstanding common stock of the Company; or
- 3.2.1.3 any immediate family member of a director, director nominee or executive officer of the Company or of a beneficial holder of more than 5% of the outstanding common stock of the Company; an immediate family member means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law and sister-in-law and any other person (other than a tenant or employee) sharing the same household.

- 3.2.2 **"Related Party Transaction"** means a transaction (including, but not limited to, any financial transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness) or any series of similar or related transactions, arrangements or relationships) in which the Company is a participant and the amount involved exceeds \$120,000, and in which any Related Party had or will have a direct or indirect material interest; a person's interest shall not be deemed to be "an indirect material interest" if it arises only (i) from such person's position as a director of another entity, (ii) from the direct or indirect ownership by such person and all other Related Parties, in the aggregate, of a less than 10% equity interest in another entity, (iii) from both (i) and (ii), or (iv) from such person's position as a limited partner in a partnership in which such person and all other Related Parties have an interest of less than 10% and such person is not a general partner of and does not hold another position in the partnership.

3.3 Audit Committee Approval

- 3.3.1 The Board of Directors has determined that the Audit Committee of the Board of Directors is the appropriate Committee to review, approve and ratify Related Party Transactions. Accordingly, management shall bring to the Audit Committee for its review each proposed Related Party Transaction to be entered into by the Company or any of its subsidiaries. After appropriate review (which shall include consideration of the financial terms of such transaction), the Audit Committee shall approve each such Related Party Transaction if it is consistent with this Policy and is on terms, taken as a whole, which the Audit Committee believes are no less favorable to the Company than could be obtained in an arm's length transaction with an unrelated third party, unless the Audit Committee otherwise determines that the transaction is not in the best interests of the Company. Management shall also bring to the Audit Committee for its review and approval any proposed material modification to any previously approved Related Party Transaction. If it is not practical for the Audit Committee to review in advance a particular Related Party Transaction or material modification thereto, management shall bring to the Audit Committee for its ratification such Related Party Transaction or modification and shall make such changes therein, if any, as the Committee so directs. Any Related Party Transaction or modification therein which has been approved or ratified by the Board of Directors, by the affirmative vote of a majority of directors who do not have a direct or indirect material interest in such Related Party Transaction, need not be approved or ratified by the Audit Committee.

3.4 Compensation Committee Approval

- 3.4.1 Related Party Transactions involving compensation shall be approved by the Company's Compensation Committee in lieu of the Audit Committee.

- 3.5 **Disclosure:** Related Party Transactions that are required to be disclosed in the Company's filings with the Securities and Exchange Commission shall be so disclosed in compliance with the requirements of the Securities Act of 1933 and the Securities Exchange Act of 1934 and related rules.