

General Terms and Conditions for Engineering Services

I. Scope

If not agreed otherwise, these provisions apply to contracts between RRI GmbH (RR) and clients with respect to engineering services. By placing an order with RRI (hereafter referred to as the contractor), the client accepts these provisions.

II. Scope and services

1. The contractor's order confirmation in writing is decisive for the scope of the services. If the contractor has made an offer that is limited in time, the timely acceptance of the offer is decisive. Collateral agreements and changes require the contractor's approval in writing.
2. The client is required, without specific prompting, to provide the contractor with all documents required or of importance for performing the assignment, and to inform the contractor in due time about all circumstances and events that could be of importance for performing the assignment. If the client fails to inform the contractor as required or agreed, or fails to assist the contractor in the latter's tasks, any possible extra costs incurred by the contractor as a consequence will have to be reimbursed.
3. If such a failure to act makes contract fulfilment unreasonably difficult or impossible for the contractor, the contractor can refuse to fulfil the contract.

III. Price

Quoted prices are to be understood as net prices. VAT will need to be added at the respective statutory rate.

IV. Delivery and performance deadlines

1. The delivery period does not start before all documents, permits and approvals to be provided by the client and any agreed down payment (if applicable) are received.
2. Upon discovering that an agreed deadline cannot be complied with, the contractor is required to immediately inform the client correspondingly in writing, stating the reasons as well as the expected duration of the delay.
3. Partial delivery/fulfilment is possible insofar as the service scope permits this and the client agrees.
4. The delivery period is appropriately extended in case of measures associated with industrial action, in particular strikes and lock-outs, as well as occurrence of unforeseen obstacles that are outside the contractor's sphere of influence, insofar as such obstacles have a demonstrable major impact on the completion or delivery of the required documents. This also applies if the circumstances affect subcontractors. The contractor will also not be liable for above circumstances if they come about during an already existing delay. In important cases, the contractor is required to immediately inform the client about the beginning and end of such obstacles.
5. If damages arise for the client from a delay caused as a consequence of the contractor's own fault, any possibly applicable compensation for the delay will be agreed in the contract in a project specific manner.

V. Execution, subcontractors, assignment

1. The contractor is at liberty to assign the performance of the respective contract to third parties in parts or entirely.
2. The contractor is required to name these subcontractors to the client upon the client's request.
3. The contractor cannot transfer claims against the client to third parties or have them collected by third parties.

VI. Acceptance of services

1. Rendered services are accepted when paid for by the client to the contractor. Services count as accepted if the client asserts no claims within a period of 14 working days.
2. If the client wishes that an acceptance report be signed, this will be agreed in the contract specifically for the project.

VII. Termination

1. The client is entitled to terminate the contract entirely or in parts even if it is not a contract for work and labour. In such a case the client is required to adequately remunerate all the work delivered and performed up to this point in time.
2. The client is also entitled to termination if legal insolvency proceedings are applied for with regard to the contractor's assets.
3. If the client fails to provide the contractually agreed services on its part, in particular the payments to the contractor as per agreement, the contractor is, upon previous notification of the client in writing, entitled to stop the work and terminate the contract. Possible damage claims on the part of the contractor remain unaffected by this.

VIII. Invoicing, payment

1. Payment is made as agreed. The performance of a delivery/service before the agreed deadline has no effect on the payment period associated with this deadline.
2. The withholding of payments or their setting off against counterclaims on the part of the client that are being disputed by the contractor is not permitted.
3. Invoices are payable by the client at the end of the delivery/performance as well as invoice receipt with a term of payment of 14 calendar days.
4. Part payments or instalment payments are principally admissible and agreed in the contract specifically for the project.
5. Changes in payment terms require the approval of both parties in writing.

IX. Liability for defects and services

The contractor's liability for shortcomings in the services is defined as follows:

1. All documents that are discovered to be flawed within a period of six months starting from their delivery must be corrected or newly created free of charge in accordance with the contractor's reasonably assessed choice.

The discovery of such defects must be reported to the contractor in writing immediately. The client's right to assert claims arising from flaws in all cases expires 6 months after the date of the timely complaint, but at the earliest at the end of the agreed warranty period or, if an acceptance has been agreed, with the acceptance.

2. Claims for defects expire in 24 months; longer statutory limitation periods remain unaffected by this. The limitation period starts anew for newly provided work or rework unless the contractor does not expressly eliminate a defect for the sake of good will only.
3. The contractor covers the direct costs arising from the correction or new delivery of the documents under the condition that the complaint turns out to be justified. In all other respects, the costs are borne by the client.
4. The warranty period for newly created and/or corrected documents is 3 months, but extends to the end of the original warranty period for the entire performance as a minimum. Changes made by the client or third parties in documents that have been delivered by the contractor lead to a cancellation of the contractor's liability for any resulting consequences.
5. Further claims on the part of the client, and in particular compensation claims for damages not arising at the delivered documents themselves, are excluded. This disclaimer does not apply to cases of intent or gross negligence on the part of the contractor's managing directors or executives. It also does not apply in the absence of characteristics that are expressly warranted if the warranty was designed for the purpose exactly to safeguard the client from damages that have not arisen at the documents themselves.

X. The client's right to withdraw and other contractor liabilities

1. The client can withdraw from the contract if the overall performance before the transfer of risks becomes definitely impossible for the contractor. The same applies to the client's inability.
2. If the contractor is delayed in providing the services and the client grants the delayed contractor a reasonable grace period with an explicit statement that acceptance of the performance will be refused after the expiry of this period and the deadline is not complied with, the client is entitled to withdraw.
3. If an impossibility of the performance arises during an acceptance delay or by fault of the client, the client remains liable for consideration.
4. The client furthermore has the right to withdraw if the contractor culpably allows a reasonable grace period granted for the correction or new creation of documents fruitlessly, insofar as the contractor is liable for the defect to be eliminated. The client's right to withdraw also applies in other cases where the elimination of defects by the contractor fails.
5. Excluded are all further-reaching claims on the part of the client and in particular claims to conversion, termination or reduction, as well as compensation for damages of any kind, explicitly including damages that have not arisen at the delivery item itself. This disclaimer does not apply to cases of intent or gross negligence on the part of the contractor's managing directors or executives. It also does not apply in the absence of characteristics that are expressly warranted if the warranty was designed for the purpose exactly to safeguard the client from damages that have not arisen at the documents themselves.

XI. Protection of the contractor's copyrights

The contractor grants the client a non-transferable right of use for in-house purposes with respect to expert opinions, proposals, drafts, drawings, surveys, reports, programmes and calculations created in the course of the assignment. The forwarding of the documents and knowledge contained therein to third parties or their publication is not permitted without the contractor's prior consent.

XII. Confidentiality

1. The contractor is required to maintain secrecy to third parties about events, facilities, systems, documents etc. at the client or the client's customers that become known to the contractor in connection with the work for the client, also after submitting the respective offers and/or completing the respective contract. The contractor is required to impose corresponding obligations on the contractor's vicarious agents.
2. The contractor is authorized, however, to use the performance of the services for own promotional purposes upon the client's explicit approval in writing.

XIII. Return of documents

After contract fulfilment, the contractor is upon the client's request required to surrender all documents received from the client or third parties in the name of the client by reason of the assignment –related work. The correspondence between client and contractor is excluded from this.

XIV. Partial invalidity

If individual provisions of these terms and conditions should be ineffective in parts or their entirety, the terms and conditions will remain fully effective in all other respects.

XV. Applicable law and place of jurisdiction

German law applies to the assignment and all disputes arising in connection with or about the assignment, including interpretation of contract. The place of jurisdiction for all disputes arising from the contract is the location of the contractor. The contractor is also entitled to institute legal action at the location of the client's main office.

XVI. Applicable version

The German version of these general terms and conditions prevails.

Status as of: May 2014