

## STANDARD TERMS AND CONDITIONS for the Performance of Design and Construction Services

These standard terms and conditions ("Standard Terms & Conditions"; "T&C") form an integral part of all our offers and contracts for design and construction services to be performed by us, also as part of ongoing and future business relations. Any deviating agreements, in particular conflicting terms and conditions of our customers (the "Customer(s)"), as well as side agreement, are in each individual case subject to our express written consent in order to become an integral part of the contract.

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| <p><b>1. Offer and contract</b></p> <p>1.1 Our offers/cost estimates are without engagement and non-binding.</p> <p>1.2 Contracts and amendments of contracts shall not be deemed entered into with us unless and until we have accepted the purchase/work orders or performed the services ordered by the Customer.</p> <p>1.3 We shall be obligated to perform only those services that have been expressly specified in our offers and cost estimates.</p> <p>1.4 The subject matter of each contract shall be the performance of the agreed services by us, but not certain economic results the Customer has hoped or planned for.</p> <p>1.5 We shall be entitled to use third parties for the performance of each contract.</p> <p>1.6 If the Customer commissions us to prepare a feasibility study, preliminary design and/or detailed design planning, unless agreed otherwise we shall charge for the efforts devoted to this purpose a minimum net hourly rate of € _____ per hour for each of our employees involved in the planning, plus _____ % of the total fee as a flat fee for ancillary charges, plus value-added tax at the statutory rate applicable from time to time, with said charge also applying in cases where further work has not been / will not be commissioned and/or no separate agreement has been entered into for remuneration payable for the preparation of the feasibility study, preliminary design and/or detailed design planning.</p> <p><b>2. Engineering services, cooperation and assistance by Customer, and project delays</b></p> <p>2.1 The Customer must provide us with comprehensive information on the actual circumstances underlying its project and keep this information up to date. The Customer is aware of the fact that the provision of proper and usable engineering and design services by us is subject to and dependent on the Customer's full compliance with the obligation to provide information as specified above. Furthermore, the Customer shall provide us with all information, data, test objects, or components as requested by us under the individual order. In addition to this, the Customer must for the duration of our cooperation designate a qualified contact person who is authorized to represent the Customer, and must make this contact person available to us without limitation.</p> <p>2.2 We shall provide the Customer for its further use with the calculations, plans and drawings as well as other project documents prepared by us in performance of the order as concurrent performance, i.e. in return for receiving payment of the agreed-upon remuneration.</p> <p>2.3 The Customer may interrupt a project in progress or an order issued to us by written instructions to this effect. In any such case we shall charge the Customer all costs incurred for the services performed until such interruption, plus all costs resulting from the delay or extension of the project, such as opportunity cost, personnel cost, (time-dependent) overhead. The same shall apply if the Customer fails to comply with its duty and/or obligation of cooperation and assistance.</p> <p>2.4 If the contract entered into with us is terminated by the Customer without good cause for which we are responsible, we shall be entitled to the full remuneration without limitation for the services performed until the date of termination plus compensation for lost profit for the services not performed until the date of termination. If, for reasons for which the Customer is responsible, a project is not pursued or if it is interrupted for a total period of six (6) months or longer, the contract shall be deemed terminated by the Customer (regular termination). Sentence 1 above shall apply mutatis mutandis in this case; provided, however, that the costs incurred by the delay or extension of the project until the implied termination date shall be reimbursed in addition to the remuneration and the compensation for lost profit. In all other respects, the provisions of the law shall apply.</p> <p><b>3. Performance periods</b></p> <p>3.1. An agreement of a date and/or a period for the performance of services must be made in writing in order to be effective. Fixed dates/periods of performance shall be deemed as agreed upon only upon express written agreement between us and the Customer specifying that the date/period shall be a fixed date/fixed period for the performance of services.</p> <p>3.2 We shall be entitled to provide partial performance within the agreed-upon performance period – with the overall performance remaining unchanged – if and to the extent that the receipt of partial performance is deemed acceptable to the Customer.</p> <p><b>4. Prices, payment terms, set-off and retention</b></p> <p>4.1 All prices stated by us are net and are subject to value-added tax at the statutory rate applicable from time to time.</p> <p>4.2 Any remuneration stated by us is exclusive of costs of packaging, freight, taxes and duties. All remuneration applies ex our place of business.</p> <p>4.3 Any costs for classification societies, flag administrations, or other authorities are not included in our prices and will be charged separately.</p> | <p>4.4 Delays resulting from an examination and/or release by classification societies or other authorities shall – to the extent that we are not responsible therefor – not be at our expense and shall entitle us to charge additional opportunity cost and/or personnel cost, etc. to the Customer, as the case may be. Clause 2.3 hereof shall apply mutatis mutandis in this respect.</p> <p>4.5 Any costs for inspections and meetings outside the German States of Bremen, Lower Saxony and Hamburg are not included in the quoted price and shall be charged additionally in the amount of the expenses incurred. The same shall apply to the travel time. Unless expressly provided otherwise in writing, we are entitled to a fee of € _____ net per hour. We will charge € _____ per kilometer driven for all trips by car, and the actual costs incurred for hotel accommodation. Our charge of per diem rates is in accordance with the flat rates for meals applicable at the Federal Ministry of Finance of the Federal Republic of Germany.</p> <p>4.6 If the inspection of ships or other items are prepared or arranged for by the Customer, the Customer shall provide for free and unlimited access thereto. The Customer shall further be responsible for ensuring that all rules and regulations for the safety at/on the respective item/ship are complied with and that the safety of our employees is guaranteed during the inspection of the item/ship.</p> <p>4.7 Our claims for remuneration shall be due for payment without any deduction upon receipt of our respective invoice by the Customer.</p> <p>4.8 Any set-off by the Customer with counterclaims shall not be effective unless the Customer's counterclaims have been established as having legal effect, are uncontested and/or have been proven. Furthermore, the Customer may not exercise any right of retention / right to withhold performance unless its counterclaim is based on the same contractual relationship.</p> <p>4.9 We shall invoice our services monthly based on expenses and time invested, or on a pro rata basis taking the assumed duration of the project and the total project remuneration agreed upon into account, except where different progress payments have been agreed upon.</p> <p>4.10 As of the due date of the remuneration we shall be entitled to interest in the amount of five percent (5%) p.a., and from the date of default in the amount of eight (8) percentage points above the base interest rate. We reserve the right to assert further claims and rights.</p> <p><b>5. Export regulations</b></p> <p>The engineering and design services to be performed by us will be performed in accordance with the laws, rules and regulations applicable in the Federal Republic of Germany. We assume no guarantee that the design and engineering services to be performed by us are in compliance with the rules and regulations of foreign jurisdictions. The Customer must also observe all applicable export and control regulations in addition to and independently from the aforesaid rules and regulations. Any authorization required must be obtained by the Customer in a timely fashion and – if necessary – submitted to us. If the Customer fails to comply with this obligation, we shall be entitled – after prior warning of rescission – to rescind the contract subject to a reasonable period of grace. The verification and determination of whether a product requires an export license and/or whether the export is subject to certain control regulations shall be incumbent exclusively upon the Customer. The Customer warrants that it will not export the services performed by us to any country that is subject to export bans issued by the Federal Republic of Germany and/or any other international trade restrictions.</p> <p><b>6. Title, copyright and industrial property rights</b></p> <p>We reserve unrestricted title to and/or copyrights and any existing industrial property rights in and to all drawings, plans, calculations, cost estimates, proposals and any other documents that we provide to the Customer. The documents and/or information specified above may not be used by the Customer other than in connection with the order specifically placed with us, and may not be disclosed to third parties without our express written approval. All programs and the documentation pertaining thereto are intended exclusively for the Customer's own use in its business. Accordingly, the Customer is granted a simple, non-transferable license to use our engineering, construction and design services, which license shall be restricted to the underlying specific order, as concurrent performance, i.e. in return for receiving the full payment of the remuneration to which we are entitled under the respective contract.</p> <p><b>7. Taking receipt/acceptance</b></p> <p>7.1 The Customer must take receipt of/accept our services at our place of business without delay but no later than within eight (8) business days of our request to do so.</p> <p>7.2 Our performance or partial performance is usually provided to the Customer in the form of drawings, calculations, visualizations. The approval of any such drawing, calculation, visualization, etc.</p> |
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by the Customer shall be deemed acceptance of our performance.

## 8. Defects

- 8.1 The Customer must notify us of any defects immediately upon their discovery.
- 8.2 We must first be provided with the opportunity to cure the defect within a reasonable period, and we may do so at our discretion either by rectification of the defect, delivery of an item that is free from defects, or the production of a new deliverable.
- 8.3 If the cure ultimately fails, or if the cure is not reasonably acceptable to us or the Customer, or if the costs/efforts to be put into the cure are out of proportion, the Customer may – notwithstanding any claims for damages – rescind the contract.
- 8.4 Claims of the Customer for expenses incurred in connection with the cure, including, but not limited to, transport costs, fares/toll, labor and material costs, shall be excluded if and to the extent such expenses are increased because the object of our performance has subsequently been taken to another place than that of the Customer's place of business.
- 8.5 The Customer has a legal right of recourse against us only if and to the extent that it has not entered into any agreements with its buyers exceeding the warranty claims and rights under the law. The provisions under Clause 8.4 shall apply mutatis mutandis to the extent of the Customer's right of recourse against us.
- 8.6 In the event of a claim for defects, payments to be made by the Customer may be retained only to the extent that such retention is commensurate with the defect(s).
- 8.7 The limitation period for defects of quality and of title shall be one year and shall start to run upon the passing of risk. This shall not apply if and to the extent Sections 488 (1), no. 2, 479 (1), 633a, (1), no. 2, 651 German Civil Code [*Bürgerliches Gesetzbuch*; "BGB"] provide for longer periods, or the defect has been fraudulently concealed, or any of the liability events set forth under Section 9 below has occurred.
- 8.8 Our obligation to pay damages shall be governed by the provisions set forth in Section 9 below.
- 8.9 The provisions set forth above shall not entail a reversal of the burden of proof to the detriment of the Customer.

## 9. Liability

- 9.1. Claims for damages and for the compensation of expenses by the Customer against us regardless of their cause in law (hereinafter collectively referred to as "Claims for Damages") are excluded unless they are based on the provisions of the Product Liability Act, or our willful or grossly negligent breach of contractual or legal obligations, physical injury or impairment of health of the Customer due to the violation of an obligation for which we are responsible, a warranty for a certain quality, or our violation of essential contractual obligations (fundamental obligations). Essential contractual obligations (fundamental obligations) are those whose fulfillment is a necessary condition for proper performance of the contracts in the first place, that are to be entered into on the basis of these Standard Terms & Conditions, and on whose fulfillment the Customer may routinely rely.
- 9.2. In the event of our violation of essential contractual obligations, the Customer's Claim for Damages against us shall be limited to the foreseeable damage typical of this type of contract unless and to the extent that we are liable for willful or grossly negligent breach of obligations, for physical injury or impairment of health, or for the warranty for a certain quality. A damage is foreseeable if the materialization of the damage is typically to be expected if a specific obligation characteristic of that contract is violated.
- 9.3. If we are in default with regard to our performance, the Customer's claim for damages for late performance shall be limited to the (anticipated) overall remuneration of the respective order unless and to the extent that any of the liability events set forth under Clause 9.1 above has occurred.
- 9.4. Any violation of obligation hereunder by our legal representative or person employed by us in the performance of our obligations shall be deemed equal to a violation of obligation by us.
- 9.5. Clause 8.9 shall apply mutatis mutandis.

## 10. Customer's documents

Databases, photographic material, models and other items provided by the Customer as well as semi-finished and finished goods made available to us by the Customer will not be insured by us against loss or damage. Should the Customer request such insurance, this must be expressly agreed between the Customer and us. The Customer shall assume the insurance premiums incurred by taking out and maintaining such insurance.

## 11. Protection of data privacy

We shall be entitled to electronically store data concerning the Customer within the scope of the business relationship and process or use such data for our operational purposes in accordance with the provisions of the law.

## 12. Force majeure

In the event of force majeure and other conditions for which we are not responsible, such as disruption of operations, strike, lock-out, acts of Government and similar things – including those affecting our subcontractors – our performance period shall be reasonably extended if any such condition prevents us from fulfilling our obligations in a timely manner. If any such condition renders our performance impossible in the long run or if such condition entitles us to refuse performance, the Customer shall be entitled to rescind the contract entered into on the basis of these Standard Terms & Conditions. Should our performance be

delayed due to any of the conditions described above or should we be released from our performance obligation, the Customer may not infer any right to claim damages therefrom.

## 13. Instruction and product liability

- 13.1 The Customer must carefully observe any and all product information issued by us and must pass such information on to its buyers (customers). This shall apply in particular to any material safety data sheet that we may issue and any other written product specification and information.
- 13.2 The Customer is further obligated to enter into a corresponding agreement with its buyers (customers) and to submit proof thereof upon request.
- 13.3 If the Customer fails to comply with the obligations set forth above resulting in product liability claims being asserted against us as a consequence thereof, the Customer shall – internally between the Customer and us – indemnify and hold us harmless upon first request from and against any such claims including any necessary costs for the prosecution of an action. In addition to this, we shall be entitled in any such case to give notice of termination of the contractual relationship with the Customer for cause (extraordinary termination), effective immediately.

## 14. Place of performance, place of jurisdiction and applicable law

- 14.1 Our place of business shall be the place of performance.
- 14.2 The Local Court or Regional Court (*Amtsgericht / Landgericht*) having jurisdiction at our place of business shall be the exclusive place of jurisdiction for any and all disputes arising directly or indirectly from the contractual relationship between us and the Customer, including disputes from a deed, a bill of exchange, or a check. However, we shall, at our discretion, be entitled to bring action against the Customer also before the competent courts at its place of business.
- 14.3 The laws of the Federal Republic of Germany shall apply to the exclusion of the UN Sales Convention.
- 14.4 Should these Standard Terms & Conditions be translated in any language other than German, the German version of these T&C shall govern in any event of doubt regarding the interpretation hereof.

## 15. Severability clause

Should any contractual provisions which are part of these Standard Terms & Conditions be or become invalid, the remainder thereof shall not be affected thereby. The parties shall replace the invalid provision by agreeing upon a provision that achieves the economic intent of the invalid provision fully – or if this is not legally possible – to the greatest legally effective extent.

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