

## **General Conditions for the Delegation of Personnel for Supervision of Erection, Commissioning and Repair Work**

(August 19, 2014)

Any contracts concluded by Gebr. Pfeiffer SE (hereinafter: "Seller") for the delegation of personnel ("Services") for the supervision of erection, commissioning, repair work and related services shall be governed by the present conditions. Any terms and conditions of the ordering party that deviate from the Seller's conditions shall not be applicable and are hereby expressly excluded.

### **I. Scope of Services**

The scope of Services rendered by the Seller is dependent on the type of personnel delegated:

1. **Mechanical engineers / erection supervisors** shall act as contact persons for questions regarding the ordering party's execution of erection works; shall advise the ordering party's erection personnel by providing recommendations and constructive comments; shall explain Seller's drawings as well as features, components and functions of Seller's products. Where applicable, erection supervisors may accompany commissioning supervisors in order to supervise mechanical modifications which may become necessary as part of normal optimisation measures during commissioning.
2. **Process engineers / commissioning supervisors** shall act as contact persons for questions regarding the ordering party's execution of cold and hot commissioning; shall advise the ordering party's commissioning/operating personnel by providing recommendations and constructive comments, also with regard to process requirements; shall explain Seller's technical documents regarding commissioning; shall explain features, components and functions of Seller's products; shall train the ordering party's operating personnel with regard to Seller's products and shall – if applicable – supervise the performance test under the contractual preconditions.
3. **Erection inspectors** shall check the conformity of the ordering party's erection works according to Seller's erection inspection protocol; shall report non-conformities and shall advise the ordering party regarding required remedial work (if any).
4. **Quality inspectors** shall check the conformity of the ordering party's local manufacturing works with Seller's specifications and quality requirements. Non-conformities shall be reported in writing.
5. **Erection managers** shall plan and monitor – but not control – the defined scope of erection works. They shall act as contact persons for questions regarding planning and organisation of the ordering party's execution of erection works; shall prepare plans specifying required devices, tools and manpower, and shall explain (inter-)dependencies between individual erection activities.
6. **Repair supervisors** shall advise the ordering party's repair personnel by providing recommendations and constructive comments concerning the repair process. They shall monitor and check the repair process with regard to conformity with Seller's technical specifications.

### **II. Costs of Services / duration and point in time of Services**

1. The Seller's Services shall be charged on a time basis as per the agreed conditions unless a lump sum price has expressly been agreed upon.

2. In addition to the mere working time, the following costs shall also be charged on the ordering party separately:
  - a) Any travelling costs as incurred by the Seller for the delegation of his personnel. For intercontinental flights and flights exceeding four hours in length, business class tickets shall be paid for.
  - b) Any taxes to be paid by the Seller on the invoice amount.
  - c) Any costs relating to parts and equipment used and to special services rendered.
3. Prior to the execution of the Services, an estimate of the working time required shall be given. This estimate shall be nonbinding unless a specific binding duration of the Services has expressly been agreed upon in writing. The travelling time to and from the place where the Services shall be rendered shall be considered as working time, with no overtime expenses being charged for the travelling time.

### **III. Cooperation of the ordering party / working conditions**

1. When rendering the Services ordered, the Seller's personnel shall be supported by the ordering party at the expenses of the latter.
2. The ordering party shall take any special action as required to protect persons and goods in the workplace. The Seller's Services shall not be rendered in an unhealthy or dangerous environment. Any safety measures and precautions shall be taken prior to the start of the Services and maintained for the entire duration of the Services.

The ordering party shall inform the Seller's personnel of any relevant safety regulations to be observed. The ordering party shall inform the Seller of any violations of such safety regulations by the Seller's personnel. In case of serious violations, the offender may be denied access to the site by the ordering party in consultation with the Seller.
3. The ordering party shall at his own expenses and at his own risk provide appropriate and sufficient personnel along with adequate equipment and take any action required to allow for a professional execution of the work.
4. The ordering party shall at his own expenses provide proper board and lodging, office workplace, and sanitary facilities in compliance with good international standards and ensure appropriate medical treatment for the Seller's personnel in the vicinity of the site.
5. The cooperation of the ordering party shall ensure that the rendering of the Services can be started immediately after the arrival of the Seller's personnel and executed without any delays until acceptance by the ordering party. If any particular drawings or instructions by the Seller are necessary, these shall be made available to the ordering party by the Seller in time.

### **IV. Delays**

1. Any waiting time the Seller is not responsible for shall be charged as working time.
2. If an invoice has not been paid in due time, the Seller shall be entitled to stop rendering his Services and to call back his personnel after having set a reasonable deadline.

## **V. Seller's liability for damages**

1. The Seller shall be liable for damages for whatever legal reason only in case of
  - a) intent,
  - b) gross negligence,
  - c) culpable failure to comply with major contractual duties (cardinal obligations), with liability being limited to such damage which may typically occur in connection with the contract and can reasonably be foreseen,
  - d) culpable injury of life, body, and health,
  - e) fraudulent concealment of defects by the Seller,
  - f) any guarantees as given by the Seller.
2. Any other claims for whatever legal reason shall be excluded. In particular the Seller shall not be liable for
  - a) any personnel other than his own, i.e. personnel provided by the ordering party for the execution of the Services,
  - b) loss of production and loss of profit.

## **VI. Insurance**

1. The ordering party shall be obliged to take out an insurance for the duration of the work, covering the total value of the object of erection, commissioning or repair, and explicitly including the interest of the Seller. In case the ordering party's insurance contains a subsidiary clause relating to any other insurances he has taken out (e.g. fire insurance), the Seller's interest shall be covered by these insurances and/or these shall include a waiver of recourse against the Seller.
2. The ordering party shall provide evidence of his insurance not later than 2 weeks prior to the start of Services.
3. The Seller has taken out a third party liability insurance for injuries and damages.

## **VII. Limitation**

Any claims raised by the ordering party for whatever legal reason shall be time-barred within 12 months from the completion of the work.

## **VIII. Applicable law and jurisdiction, severability clause**

1. Any Services contracts shall exclusively be governed by the law of the Federal Republic of Germany.
2. Place of jurisdiction is Kaiserslautern. However, the Seller shall be entitled to file an action at the place of the registered office of the ordering party.

3. If one of the above clauses becomes invalid, the validity of the remaining clauses shall not be affected.

**GEBR. PFEIFFER SE**