




**Tebodin Netherlands B.V.**  
info@tebodin.com • www.tebodin.com

## General Conditions for Services (GC-5) 3 February 2012

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## **1 Definitions**

- CLIENT means the party placing an order, being the legal entity as mentioned in the Purchase Order, as well as his legal successors in title;
- VENDOR means the party performing the SERVICES;
- SERVICES means the services to be performed by VENDOR in accordance with the CONTRACT;
- CONTRACT means the documents as specified in clause 2 of these General Conditions for Services.

## **2 CONTRACT**

- 2.1** The CONTRACT consists of the Purchase Order signed by CLIENT and VENDOR, all listed documents mentioned in the Purchase Order, and any special agreements made between CLIENT and VENDOR.
- 2.2** Agreements, oral or in writing, made between VENDOR and un-authorised personnel of CLIENT will not be binding on CLIENT.
- 2.3** Where conflicts occur between or within the CONTRACT, codes and/or (legal) regulations the most stringent and/or severe requirements for the VENDOR will apply. In case of doubt CLIENT, if requested, will indicate the applicable condition.
- 2.4** Should any errors or omissions appear in the contract documents, VENDOR shall report the same to CLIENT for correction before proceeding with the execution of the SERVICES. VENDOR shall abide by and comply with the CONTRACT and their purport, and shall not avail himself of errors or omissions, should any exist, to restrict his obligations.

## **3 Level of performance**

- 3.1** VENDOR warrants that the SERVICES shall comply with generally prevailing professional rules and standards of honour and good reputation and shall be performed completely in accordance with the CONTRACT, any technical documentation supplied by CLIENT and in accordance with the agreed time-schedule.
- 3.2** If, in the opinion of Client, (part of) the SERVICES performed by VENDOR or his sub-vendor do not comply with the CONTRACT, are in any way defective, or VENDOR has failed to correct imperfections and/or damages, or VENDOR has failed to fulfil his obligations to third parties and/or his personnel, or VENDOR has failed to fulfil any other contractual obligations, CLIENT will demand remedial action by VENDOR in writing. If VENDOR does not immediately upon receipt of such notice undertake and proceed with due diligence to remedy the deficiencies, CLIENT is entitled to undertake the remedial actions himself or to contract a third party to undertake the remedial actions at VENDOR's expense. This notification is not required in case the agreed term for compliance with the CONTRACT has elapsed. CLIENT in addition reserves the right for further claims and/or indemnification.

## **4 Information supplied by CLIENT**

CLIENT shall do its best to timely supply the information required for the execution of the CONTRACT to VENDOR, provided that the documents handed over by VENDOR for approval are of good quality and are timely provided to CLIENT.  
Should VENDOR be of the opinion that the progress of the SERVICES is delayed because CLIENT does not supply the information and/or does not approve the documents in accordance with the time-schedule, VENDOR shall immediately notify CLIENT in writing. If VENDOR fails to timely notify CLIENT, VENDOR shall not be granted reimbursement of the costs resulting from the delay nor an extension of time.

## **5 Quality inspection**

CLIENT has the right to inspect the SERVICES during the execution and to reject any part of the SERVICES not performed in accordance with the conditions of the CONTRACT.  
The inspection or rejection by CLIENT does not relieve VENDOR of any responsibility or liability with respect to his contractual obligations.  
VENDOR shall remedy the part of the SERVICES rejected by CLIENT for his own account.

## **6 Assignment**

VENDOR shall not assign, transfer, delegate or subcontract the whole or any part of the SERVICES without the prior written approval of CLIENT. Such approval shall not release VENDOR from any of his obligations or liabilities under the CONTRACT.



**7 Completion and acceptance**

VENDOR shall advise CLIENT in writing when he considers the SERVICES completed. Within thirty (30) days after receipt of the notification, CLIENT shall inform VENDOR in writing as follows:

- a) that CLIENT accepts the SERVICES, without prejudice to clause 8;
- b) that CLIENT has concluded that the SERVICES or a part thereof have not been performed in accordance with the CONTRACT. In the latter case, VENDOR shall immediately take all necessary actions to remedy the defects in the SERVICES and to complete the SERVICES in accordance with the CONTRACT. The CLIENT shall be deemed to have accepted the SERVICES (further "Acceptance of the SERVICES") if CLIENT has not responded within the period as mentioned in the first part of this clause.

**8 Liability**

VENDOR is liable for and indemnifies CLIENT against all costs and/or damages arising from his whole or partial non-compliance with the CONTRACT. VENDOR's liability under this clause shall end five (5) years after Acceptance of the SERVICES. This limitation of the duration of the liability does not apply in case of wilful misconduct, gross negligence or in case of damages suffered by CLIENT as a result of VENDOR's infringement of intellectual property rights of third parties. CLIENT will give written notice to VENDOR of the nature and extent of the damages suffered. VENDOR will reimburse the damages within thirty (30) days after receipt of said notice.

**9 Changes**

CLIENT may at all times request VENDOR to change, increase or decrease (part of the) SERVICES. Any consequences will be agreed upon between CLIENT and VENDOR. No changes by VENDOR will be permitted except after specific written approval by CLIENT.

**10 CONTRACT price**

As full and complete compensation for the execution of the SERVICES, VENDOR shall be paid the contract price mentioned in the CONTRACT. The contract price may be determined based on time spent at the rates agreed upon, a lump sum price, or an amount calculated in another way. The prices and/or its price elements is/are fixed during the CONTRACT period and not subject to any escalation.

**11 Payment**

VENDOR's invoices will be paid in accordance with the payment terms included in the Purchase Order, or, in addition to or failing such payment terms, within 45 days computed from the date of CONTRACTOR's fulfilment of the specified conditions and the date of receipt of CONTRACTOR's invoice, provided such invoice is properly drawn and accompanied by the required supporting documents. If invoices and/or supporting documents require correction the time of payment will be computed from the date of receipt of the corrected invoice and/or documents.

CLIENT is entitled to balance all amounts due to VENDOR under the CONTRACT with amounts to recover from VENDOR under the CONTRACT.

**12 Termination due to default**

In case of VENDOR's failure to comply with any provision of the CONTRACT, the CLIENT may by giving written notice terminate the CONTRACT or a part thereof without further notice of default and without judicial or arbitral intervention and without cost or penalty to CLIENT. CLIENT shall be entitled in such case to take over wholly or partially the part of the CONTRACT already executed. In that case CLIENT shall pay and VENDOR shall accept payment of costs incurred prior to such termination that may under recognised accounting principles be reasonably allocated to the part of the CONTRACT taken over, less any prepayments made and less compensation for damage caused by VENDOR's default. In addition CLIENT shall be entitled to claims as provided for in the CONTRACT and/or in the applicable rules of law.



**13 Termination by CLIENT**

CLIENT may terminate the CONTRACT in whole or in part by written notice to VENDOR. In such event CLIENT shall pay and VENDOR shall accept payment of all costs incurred prior to such termination that may under recognised accounting principles be reasonably allocated to the execution of the CONTRACT plus a reasonable allowance for overheads and profit for the part of the CONTRACT executed less payments made.

In case of termination for cause or for convenience, VENDOR will at CLIENT's request assign to CLIENT - to the extent required by CLIENT - the sub-contracts to the CONTRACT entered into by VENDOR.

**14 Force Majeure**

Force Majeure is defined as any occurrence which cannot be reasonably foreseen, controlled and prevented by VENDOR and which materially affects the execution of the CONTRACT. Normal risks such as ordinary hazards of inclement weather, availability of labour, material or transport, rejection of material, strikes other than general strikes, fluctuation of prices or wages, bankruptcy, insolvency, etc., shall not be considered Force Majeure. VENDOR shall notify CLIENT immediately in writing of an occurrence of Force Majeure. VENDOR claiming an extension of time because of Force Majeure shall have the burden of proof of the existence of a situation of Force Majeure and that the occurrence affects the progress of the execution of the CONTRACT. Extra costs caused by Force Majeure encountered by VENDOR will not be compensated by CLIENT.

**15 Passing of ownership**

The ownership of documents drafted in relation to the SERVICES and/or goods shall at the latest pass to CLIENT at the date of delivery.

**16 Intellectual property**

All intellectual property rights of documents cum annexes created in relation to the SERVICES, the adjustments thereto, extensions thereto and/or relating (technical) information, documents, procedures, tasks, etc. will vest in CLIENT. As far as existing intellectual property rights to the SERVICES and/or (technical) information, documents, procedures, etc. are with VENDOR and/or third parties, VENDOR will arrange an irrevocable right to allow free and unrestricted use by and for the benefit of CLIENT.

VENDOR shall indemnify and/or hold harmless CLIENT against any action, claim, demand, costs, charges and expenses arising from or incurred by reason of any infringement of trade name and/or other intellectual property rights of third parties in connection with SERVICES or parts thereof. In the event of any claim being made or action brought against CLIENT arising out of the matters referred to in this clause VENDOR shall be promptly notified thereof and shall at his own expense conduct all negotiations for the settlement of the same and any litigation that may arise there from. CLIENT shall at the request of VENDOR afford all available assistance for any such purposes. CLIENT shall be reimbursed any expenses incurred in doing so.

**17 Confidentiality**

All engineering data, designs, drawings and other documents supplied to VENDOR by CLIENT are confidential and shall not be used for any purpose whatsoever other than for the execution of VENDOR's obligations under the CONTRACT.

**18 Publicity**

Without CLIENT's prior written approval VENDOR shall not make public any details of the CONTRACT, the SERVICES to be supplied or the purpose for which any SERVICES to be supplied hereunder are to be used.

**19 Laws and Regulations**

VENDOR shall comply with all applicable national, state, municipal, local and other laws, codes and regulations and any requirements, ordinances, rules and regulations of any authorities having jurisdiction in connection with the SERVICES in regard of but not limited to employees, social benefits, labour regulations, safety, environment, taxes and technical requirements. All VENDOR's employees shall carry valid identification.

VENDOR is obliged to comply with the Dutch Foreign Nationals (Employment) Act ("Wet arbeid vreemdelingen") and indemnifies CLIENT for penalties and/or sanctions imposed on CLIENT for violating this law.



**20 Derived liability**

CLIENT may pay social insurance premiums and wage tax related to the SERVICES and owed by VENDOR, into VENDOR's "G"- (blocked) account as described in the "Wet Ketenaansprakelijkheid" (Derived liability Act). Such payments are made for amounts for which CLIENT may be held jointly and severally liable under said legislation.

**21 Disputes**

All disputes arising in connection with the CONTRACT shall be finally settled by the competent civil court in The Hague, the Netherlands or, if CLIENT so prefers, by three arbitrators in accordance with the rules of the Netherlands Arbitration Institute (*Nederlands Arbitrage Instituut*). In case of arbitration, place of arbitration shall be The Hague, the Netherlands. Upon VENDOR's request CLIENT will inform VENDOR within one month of his choice.

Unless confirmed in writing by CLIENT, VENDOR shall not delay or postpone the execution of SERVICES because of disputes and/or procedures.

**22 Governing Law**

The CONTRACT shall be construed, interpreted and applied in accordance with the laws of the Netherlands.

**23 Language**

All correspondence and documents in connection with the CONTRACT shall be in the English language.