



Appendix–Terms &Conditions



1. GENERAL

1.1. These conditions, together with any Special Conditions set out in the Quotation or other contract documents shall be deemed to comprise the sole conditions under which FAHSS/TÜV Saudi Arabia (hereinafter called F/TÜV) offers its services to the Clients.

1.2. Where any conflict arises between these conditions and any Special Conditions advised by F/TÜV the Special Conditions shall prevail to the extent that they are inconsistent with these conditions.

1.3. Notwithstanding any documentation to the contrary, all contracts entered into and work undertaken will be done on the basis of our standard terms & conditions unless F/TÜV expressly agrees in writing to amend them in any way.

2. VALIDITY

2.1. The scope of the work shall not be changed without the written agreement of both parties. Except for agreed sub-contract work no rights or obligations arising between the parties as a result of this Contract shall be assigned to any third party without the written agreement of both parties.

3. SERVICES TO BE PROVIDED

3.1. F/TÜV provides a wide range of services. These Terms and Conditions are deemed to apply to all activities. The specific service area will be detailed in our quotation.

4. PRICE

4.1. Where the parties agree to vary the scope of work and/or delivery dates such agreement shall be recorded in writing, signed by the parties and F/TÜV shall be free to adjust the contract price to take account of such changes.

4.2. While F/TÜV will endeavor to maintain prices it reserves the right to increase prices proportionately to increases in the cost of labor or materials arising between quotation and completion.

4.3. In the event of the suspension of the work due to any act of omission of the Customer, any prices quoted may be increased by F/TÜV to cover any extra expenses incurred by it on this or any other contract by reason of such suspension.

4.4. All prices are usually quoted on the basis of the work being carried out during the normal hours of operation between 7.00 am and 5.00 pm. Saturday to Wednesday.

5. PAYMENT

5.1. The Customer shall make full payment to F/TÜV of the contract price (or the appropriate part thereof where payment is by installments) within 30 days of date of invoice.

5.2. In the event of suspension of work as described in clause 4.4 above for a period of 30 days or more F/TÜV shall be entitled to invoice the Customer for work done prior to suspension of work. Such invoicing shall not affect the remaining performance of the contract or liability of the parties, except as may be agreed in writing by them.

5.3. Once costs in excess of SR 30,000 have been accrued and where the expected end date is to be in excess of 30 days later, F/TÜV reserves the right to enforce stage payments.

5.4. If any sum payable under this agreement is not paid by the Customer on the due date for such payment then without prejudice to F/TÜV's other rights and remedies F/TÜV reserves the right to charge interest. Such interest together with all the Creditor's reasonable costs and expenses of recovering the late payment and interest shall be paid by the Customer on demand made by F/TÜV.

5.5. If any sum payable under this agreement is not under query and is not paid by the Customer on the due date for such payment then without prejudice to F/TÜV's other rights and remedies, F/TÜV reserves the right to withhold services provided as detailed in the quote /proposal. All Reports and Certificates remain the property of F/TÜV until the contract price has been paid in full. If payment is not forthcoming within the agreed payment terms, then all Reports (or their contents) or Certificates for whatever purpose, will be subject to withdrawal and be made invalid from that due date, until suitable resolution of payment has been made.

6. COMPLETION

6.1. All time scales quoted are the best available estimates, based on the information available at the date of the quotation and are subject to revision during the course of the work.

7. LIABILITY FOR DELAY, CANCELLATION OR SUSPENSION

7.1. For the purposes of this Contract time shall not begin to run until F/TÜV is in receipt of all items and information necessary to carry out the work or until a written order to proceed, on the terms stated in the quotation, has been received by F/TÜV, whichever is the latest.

7.2. F/TÜV shall have no liability for delay or non-performance caused by Force Major. "Force Major "means industrial dispute or any circumstances beyond F/TÜV's reasonable control including but not limited to any act or omission of the Customer (such as the Customer's failure to submit necessary materials or information within a reasonable time of being requested to do so).

7.3. Subject to 8.2, should the Customer suffer material loss as a direct result of F/TÜV's delay, the Customer may give notice to F/TÜV to complete the work within a reasonable period; should F/TÜV fail so to complete the Customer's sole remedy shall be the right to terminate the contract.

8. CANCELLATION OR DELAY OF SERVICES

8.1. F/TÜV reserves the right to make a cancellation charge if the Customer cancels or delays an Agreed Program.

8.2. Cancellation charges will apply as follows:

- a) 10% of contract payable when 21 –40 working days notice is provided.
- b) 20% of contract payable when 6 –20 working days notice is provided.
- c) 40% of contract payable when 1 –5 working days notice is provided
- d) 100% of contract payable when the booking is cancelled, delayed or abandoned within one working day of the date the agreed program is due to commence,

8.3. F/TÜV reserves the right to make a charge up to the amounts set out below for resource idle time if the Customer has to suspend work in progress due to a failure or problem with the Customers equipment, data or test sample as follows:

Resource idle time as a %of total time Charge to customer as a %of contract

- a) 20%–40%10%of contract payable
- b) 40.1%to 70%20%of contract payable
- c) 70.1%to 100%40%of contract payable

9. LIABILITY

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9.1. F/TÜV shall indemnify the Customer for all losses arising in respect of direct damage to the customer's property by the negligence of its employees under the terms of this Agreement.

9.2. The Customer shall indemnify F/TÜV for all losses arising in respect of direct damage to F/TÜV's property as a result of negligence by the Customer's employees or as a result of a breach of the Customer's obligations to F/TÜV.

9.3. Except as expressly stated in these terms & conditions, in no event will either party be liable to the other Party for any loss of or damage to profits, revenue, business goodwill or third party claims or loss of contracts arising out of or in connection with the work carried out (whether arising from breach of contract or by way of indemnity, tort, including but not limited to negligence)and each party specifically acknowledges that any such liability is hereby expressly excluded.

9.4.The total liability of F/TÜV under or in connection with this Agreement (whether arising for breach of contract or by way of indemnity, tort, including but not limited to negligence)shall not exceed the greater of the value of the contract or SR 2,500,000.

10. NOTIFICATION OF HAZARDOUS EQUIPMENT

10.1.Where tests or services are to be carried out at F/TÜV's work–place the Customer shall, prior to delivery, notify F/TÜV of any actual or potential health and safety hazards whether inherent in,or arising from, the present condition of such equipment, with particular reference to the proposed work program.

10.2. The Customer assumes full liability for any accident or damage to persons or property on F/TÜV's premises caused by or arising out of the condition or nature of the equipment not disclosed to F/TÜV. All electrical apparatus shall be suitably labeled to indicate that it complies with the requirements of the local safety regulations.

11. REPORTS OR CERTIFICATES

11.1. Any result or recommendations given in reports or certificates are correct to the best of F/TÜV's knowledge at the time and on the basis of the instructions and information provided by the Customer. F/TÜV shall not be liable for any claims, actions or consequential damages suffered by the Customer or any third party by use of such reports or certificates and the Customer hereby agrees to indemnify F/TÜV against such liability arising from the use of such reports or certificates.

12. COPYRIGHT

12.1.The rights either under Letters Patent, Registered Design, Copyright or otherwise to any inventions, designs, drawings or information produced or acquired in the performance of this contract shall vest in and shall remain the property of F/TÜV.

13. CONFIDENTIALITY

13.1. F/TÜV agrees to keep confidential all matters relating to this Contract. This covers every aspect of the relationship between the parties including but not limited to products tested, studies carried out, methods used, results of the work, the nature and contents of any reports and the existence of the Contract.

13.2. The Customer shall not by virtue of this Contract gain any rights in information wholly or partially owned by F/TÜV or any third party and used in the execution of this work. All such information shall be treated as confidential by the Customer and shall not be divulged to any other party without the prior written consent of F/TÜV.

a) The above shall not apply to information required by a Court of Law or which:

b) Is known to the receiving party at the start of contract negotiations.

c) Is in or comes into the public domain.

d) Is legitimately obtained from a third party.

14. TERMINATION

14.1. If the Customer shall break any provision of this or any other Contract with F/TÜV or suffer distress or execution or commit an act of bankruptcy, make arrangements with creditors or go into liquidation or have a receiver appointed, F/TÜV may, without prejudice to any other claim or remedy, suspend or terminate performance of this or any other contract by written notice and shall be entitled, without prejudice to any other claim or remedy, to payment for the work already completed, work in progress, at the contract rate and any other additional cost incurred, or if none, at a reasonable rate based on the contract price or the value of the work done.

In addition, F/TÜV can request that all certificates &reports issued to the Customer during the performance of the contract be returned to F/TÜV and any opinions given by F/TÜV during the performance of the contract can be withdrawn at the discretion of F/TÜV.

15. NON-SOLICITATION

15.1. All Parties agree that during the period of this Agreement and for twelve months after its conclusion, not directly nor indirectly to solicit for employment any of the staff of the other Parties without the prior written consent of the other Party. Where such employment is offered and accepted then the offering Party will pay to the other Party a sum equal to the current annual salary cost of the employee concerned

16. LAW

16.1. The Contract shall be governed by Saudi Arabian Law.

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