General Standard Terms and Conditions for Services of GSI – Gesellschaft für Schweißtechnik International mbH

1. Scope of these Terms and Conditions

1.1 These General Standard Terms and Conditions (GSTC) apply to all contractual and pre-contractual relations with companies, businessmen, legal entities of public law, or public-law special funds – henceforth referred to as clients – irrespective of whether the issue at hand deals with the fulfillment of primary or secondary duties. They also apply to all future business relationships with our clients.

1.2 These GSTC are subordinate to different or additional agreements stated in our written offers and/or the written order confirmations issued by us (see also 1.3).

These GSTC do not apply to services in context with the "Training and Examination of Welders," the teaching of classes, or examination procedures. The training and examination of welders is governed by our "Special Rules for Participation."

1.3 Different, additional, or contrary terms and conditions of the client shall not apply, even if in his order or his enquiry the client refers to the exclusive application of his GSTC.

Furthermore, different, additional, or contrary GSTC of the client shall not apply, even if we are aware of these terms and conditions and return a pre-formulated confirmation letter to the client or if we carry out our services without reservations. The GSTC of our clients shall only apply if an authorized body of GSI, a holder of commercial authority, or an employee with individual power of representation explicitly acknowledges them by means of a written or verbal confirmation.

2. Formation of Contracts

2.1 A contract with us is considered to be concluded and binding as soon as a client accepts our offer by means of a verbal confirmation, by a written confirmation, by fax, or by e-mail, when the client receives our written order confirmation in response to his order, or when we start performing our services.

If we accept the offer to conclude a contract (e.g. an order by our client), our order confirmation governs the content and scope of the contract, unless explicitly agreed otherwise.

2.2 We shall only be bound by verbal subsidiary agreements, confirmations, and other verbal agreements when they have been given by an authorized body of GSI, a holder of commercial authority, or an employee with individual power of representation.

3. Execution of Orders and Client’s Obligation to Cooperate

3.1 Unless explicitly agreed otherwise, we only invoice those services that have been explicitly agreed upon in the contract, which we perform in line with the generally accepted rules of the field and the regulations required by law. Our experts and qualified staff shall not be bound by any third-party orders when they work on assessments or write reports.

3.2 We are not liable for any damaged property of our clients that occurs as a direct consequence of our proper performance of services. If our own equipment is damaged or lost as a direct consequence of our proper performance of services and through no fault of our own, we are entitled to claim compensation from our client for lost value pursuant to Article 670 of the German Commercial Code (BGB). Our client bears the expenses and risks for the transportation of his property to a location (and possibly returning from the location); the return transportation however, only takes place upon the explicit request of the client. With respect to the storing of the property, our liability is only limited to our normal care and diligence.

3.3 The client has to fully inform us about all facts that are relevant for the performance of our services. We are not obliged to verify the completeness and accuracy of the data, information, and other services that the client provides to us, as long as there appears no need to do so, giving due consideration to the specific individual case.

3.4 In case the performance of our services requires one or several acts of cooperation from the client, the client is obligated to provide this cooperation at his own expense if we so request; expenses will only be reimbursed if this has been previously and explicitly agreed. If the client does not fulfill his obligation to cooperate, does not do so in time, or does not do so adequately in spite of a written request referring to the regulation of this provision (Section 3.4, sentence 2 of the GSTC), we are entitled to charge him for the additional expenses that we incur as a consequence of his negligence. We further reserve the right to enforce additional legal claims.

3.5 If we perform our services outside of our premises, the client is responsible for safeguarding all measures necessary to guarantee traffic safety, unless already provided for in the nature of the specific situation or otherwise agreed upon with the client. We reserve the right to refuse to perform our services as long as the necessary measures have not been taken. The necessary measures also include the client’s obligation to support GSI’s representatives in the assessment and removal of potential risks that may exist or emerge during the performance of our services outside of our premises, according to the Work Protection Act and the Accident Prevention Regulations that have to be considered during the performance of our services and that are stipulated by the accident insurance provider. Any waiting time that may result from this will be counted as regular working time.

3.6 If GSI is assigned to issue a quality control report (hereafter QC-report), the client is only permitted to forward this QC-report without any abbreviation or alteration to third parties. Forwarding of an abbreviated or otherwise altered QC-report to third parties is only permitted if it is written (also by fax or e-mail) approval from GSI or the assigned branch has been given beforehand. If the client forwards an abbreviated or otherwise altered QC-report without authorisation, GSI cannot be held liable for the content of this report.

3.7 If the client delivers material to GSI that is contaminated by radiation or material that otherwise poses a risk to health, the client is obliged to immediately collect this deliver-
Liability / Damages

8.1 GSI’s liability for delays or impossibilities are not covered by this section (Section 8). The provisions stipulated in Section 4.4 of these GSTC apply to this type of liability.

8.2 In principle, claims for damages from GSI are excluded. This does not apply in cases of gross negligence or willful misconduct and/or in cases where we are in breach of fundamental contractual obligations. Fundamental contractual obligations are those obligations the fulfillment of which is essential for due implementation of the contract and on which the contractual partner regularly relies and can reasonably expect to be able to rely. Similarly, the exclusion or limitation of our liability does not apply in cases where we have injured the life, body, or health of persons or in cases where we are mandatorily liable according to the Product Liability Act.

8.3 If GSI is liable for damages due to breaches of fundamental contractual obligations as a result of simple negligence, our liability is limited to the amount of our liability insurance of EUR 10,000,000.00 (in words: ten million). In rare cases this amount insured does not cover the typically expected damage, the amount of our liability is in any event limited to the typically expected damage.

8.4 We do not assume any liability for damages due to infringement of third parties’ rights, unless there is willful and grossly negligent violation of the duties by GSI and/or its supporting agents. If the result cannot be used at all or only to a limited extent due to interfering industrial property rights, we will, once we have learned about this, make adequate suggestions to the client for clarifying the legal situation and for further joint action against a third party with the objective of removing the interference.

8.5 In so far as the liability is excluded or limited according to Section 8, the same also applies to the personal liability of the bodies of GSI, its staff, workers, employees, representatives, contractors and subcontractors.

9. Industrial Property Right, Copyright, Right of Utilization

9.1 If results that are worthy of protection emerge during our provision of services that are subject of the contract, we shall be the owners of these rights. We shall bear the costs that are incurred during the copyright protection process.

9.2 If the client requires licensed copyrights or know-how from us that is worthy of protection in order to utilize our services, this know-how may only be utilized commercially based on a separate patent/know-how license agreement made with us.

9.3 We shall receive a free, non-exclusive right of utilization of all copyrights and/or industrial property rights for which the client is a joint author and that emerge during our provision of contractual services. We are entirely free to use these rights when we work on projects for other parties.

9.4 Passing on and utilizing our services beyond what is stipulated in the contract, in particular the publication of our services, shall only be permissible with our prior written consent. The client bears the sole responsibility for complying with the legal requirements governing the exploitation of our services (e.g. competition law), particularly with respect to the content of advertising campaigns; the client shall indemnify us against any and all related third party claims.

10. Secrecy

The parties commit themselves to keep secret from any third party all verbal and written information and statements that are part of our contract, unless such information has already become public in some way or unless the other party has waived this secrecy requirement in writing. Persons, institutions and the like shall not be considered unauthorized third parties if, for example, the passing on of information to such a group helps GSI to fulfill the objectives of the contract.

11. Termination

11.1 For good cause we have the right to terminate the contractual relationship, without notice.

11.2 Sufficient grounds for the termination for good cause are, among others:
- Defaults or delays with retainor payments or default on previously agreed payment deadlines by the client.
- Delay in acceptance by the client.

11.3 After the termination has become effective we hand over to the client the results we have achieved up to the termination, within a certain period of time to be agreed upon in such a case. The client is obliged to compensate us for our partial services and our expenses that we have incurred up to the termination. Furthermore, Article 649 of the German Civil Code applies, unless we are responsible for the termination.

11.4 In such a case each party shall immediately return to the other party the items and rights that had been provided by that party for the performance of the contract. This also includes the repayment of amounts paid to us in advance, in so far as they exceed our claims for compensation having incurred until then.

11.5 Further claims of the client do not exist.

12. Place of Performance and Prohibition of Assignment

12.1 The place of performance for all services shall be Düsseldorf or the location of the executing branch, subject to GSI’s discretion.

12.2 Under no circumstances may the client assign to another party the claims to which the client is entitled based on our business relationship.

13. Place of Jurisdiction and Applicable Law

13.1 The place of jurisdiction for all claims that arising from or in connection with the business relationship vis-à-vis merchants, legal entities of public law, or public-law special funds shall be Düsseldorf or the location of the executing branch, subject to GSI’s discretion. This also applies to claims in relation to checks, stock exchange and the existence of a third-party notice. However, we shall be also entitled to file suit at the client’s general place of jurisdiction.

13.2 In cases of the provision of transnational service Düsseldorf shall be the only place of jurisdiction for all legal disputes that arise from the contractual relationship. However, we reserve the right to file suit at the client’s general place of jurisdiction or to address any other court that has jurisdiction.

13.3 The law of the Federal Republic of Germany shall explicitly govern all business and the entire legal relations between the client and us.

14. Final Provision

14.1 If any of the provisions of this agreement is invalid or becomes invalid at some point in the future that shall in no way have an effect on any of the other provisions. The invalid provision will be replaced by a new and valid provision that reflects the economic intent of the originally invalid provision as closely as possible and that adequately safeguards the interests of both parties.

14.2 All previous General Standard Terms and Conditions for services by GSI are replaced by these GSTC. These GSTC apply to all GSI services that follow the date on which these GSTC become effective.