

# ENGINEERING SERVICES TERMS AND CONDITIONS

## 1.01 Basic Agreement

- A. Engineer shall provide, or cause to be provided, the services set forth in this Agreement, and Owner/Owner's Representative shall pay Engineer for such Services as set forth in the Engineering Services Agreement attached hereto. Issuance of a Work Order, Purchase Order, or the like thereof for the services described in the Services Proposal constitutes Owner/Owner's Representative acknowledgement of these Terms and Conditions.

## 2.01 Payment Procedures

- A. Preparation of Invoices. Engineer will prepare monthly invoices in accordance with Engineer's standard invoicing practices to Owner/Owner's Representative.
- B. Payment of Invoices. Invoices are due and payable within 30 days of invoice date unless otherwise agreed upon in writing by Engineer and Owner/Owner's Representative. If Owner/Owner's Representative fails to make any payment due Engineer for services and expenses within 30 days of Engineer's invoice date, the amounts due Engineer will be increased at the rate of 1.5% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day. In addition, Engineer may, without liability, after giving seven days written notice to Owner/Owner's Representative, suspend services under this Agreement until Engineer has been paid in full all amounts due for services, expenses, and other related charges. Payments will be credited first to interest and then to principal.
- C. Attorneys' Fees. In the event that any amounts owing under this Agreement by Owner/Owner's Representative are collected by or with any assistance from or consultation with an attorney at law, Owner/Owner's Representative shall pay to Engineer/Surveyor/Environmental Professional as Engineer's/Surveyor's/Environmental Professional's attorneys' fees fifteen percent (15%) of such amounts, plus court costs and other legal expenses, if applicable.

## 3.01 Additional Services

- A. If authorized by Owner/Owner's Representative, or if required because of changes in the Project, Engineer shall furnish services in addition to those set forth above.
- B. Owner/Owner's Representative shall pay Engineer for such additional services as follows: For additional services of Engineer's employees engaged directly on the Project an amount equal to the cumulative hours charged to the Project by each class of Engineer's employees times standard hourly rates for each applicable billing class; plus reimbursable expenses and Engineer's consultants' charges, if any.

## 4.01 Termination

- A. Termination by Engineer.
  - 1. Upon seven (7) days written notice to Owner (the "Notice Period"), the Engineer may terminate this Agreement for any of the following reasons: (a) Owner has failed, without justification, to make payments as required under this Agreement; (b) Owner has caused material delays to the Engineer in the performance of the services hereunder; or (c) Owner has otherwise committed a material breach its obligations under this Agreement; or (d) Owner has requested Engineer to perform services contrary to Engineer's responsibilities as a licensed professional engineer; or (e) The services for the Project have been suspended for a period of 30 consecutive days for reasons beyond the control of Engineer.
  - 2. The existence of any of the conditions listed in paragraph 1 (a) through (e) above, shall constitute a default by Owner of its obligations under this Agreement.
  - 3. If during the Notice Period, Owner eliminates the default, the previous existence of such default shall not be grounds for termination hereunder, and this Agreement shall continue in full force and effect.
  - 4. Upon termination by Engineer in accordance with paragraph 1 above for any of the reasons enumerated in subparagraphs (a) through (e) above, Engineer shall be entitled to recover from Owner payment for services performed as of the date of such termination and payment for expenses directly attributable to such termination for which the Engineer has not otherwise been compensated, plus an amount for the Engineer's anticipated profit on the value of the services not yet performed by the Engineer.