



FOR IMMEDIATE RELEASE

The Engineers Joint Contract Documents Committee Releases the 2015 edition of the EJCDC® E-525, *Agreement Between Owner and Engineer for Study and Report Professional Services*

ALEXANDRIA, Va., January 7, 2015—The Engineers Joint Contract Documents Committee today released the EJCDC® *E-525, Agreement Between Owner and Engineer for Study and Report Professional Services, 2015 edition*

EJCDC® E-525 is used to retain an engineer to prepare a study and report, for example, a feasibility study, facility needs, treatment options, or siting challenges. E-525 does not include design-phase or construction-phase engineering services. After receiving the report, if the Owner decides to move forward with the project, the parties can use EJCDC® E-500, *Agreement Between Engineer and Owner for Professional Services, 2014 edition*, seamlessly, to proceed.

To assure consistency with C-Series and E-Series documents, while considering industry and legal trends, the updates to E-525 benefit substantially from the update of EJCDC® E-500, 2014 edition, released in 2014.

Following is a brief summary of updates to the 2015 edition of EJCDC® E-525:

- E-525 generally follows the terminology, content and format of the 2014 version of E-500, abbreviated and consolidated as appropriate for the narrower study and report services included in E-525. Article numbering is the same for both E-525 and E-500. Except where modification was needed to limit services or context to study and report services, an effort was made to follow the most current language of E-500 as closely as possible.
- An exception to following the form for E-500, E-525 is limited to one exhibit (Exhibit A, Engineer's Services) and one appendix for standard hourly rates and reimbursable expenses. The Owner's Responsibilities have been relocated from a separate exhibit (previously Exhibit B) directly into Article 2 of the Main Agreement. This change recognizes that Owner's responsibilities are normally not subject to change or editing, particularly in the limited context of a study and report assignment. This approach results

in a simpler and more concise document, appropriate for the document's limited scope.

- To achieve maximum uniformity of documents, E-525 generally uses definitions that conform to other E and C Series definitions except as needed to clarify or limit applicability to study and report services.
- Article 4 on Invoices and Payments has been reorganized slightly to coordinate better the presentation of the topic.
- E-525 has been revised to recognize limitations on the Engineer's responsibility regarding legal, accounting, insurance and surety services. The Owner's Responsibilities include providing these services, as needed. The document also includes the newly-established standard disclaimer that the Engineer's services are those of a "municipal advisor" under the requirements of the Dodd-Frank Act and related SEC rules.
- Use of Documents (6.02) follows the content of E-500, adjusted for study and report purposes and recognizing that the Owner will need to provide report deliverables to Owner's design
- Use of Documents (6.02) follows the content of E-500, adjusted for study and report purposes and recognizing that the Owner will need to provide report deliverables to the Owner's design consultants.
- Use of electronic media or digital format information has been recognized in the same manner as used for E-500.
- E-525 uses the same approach to indemnification that EJCDC has used since 2008 in E-500 and other professional services agreements: a specific express indemnification of Owner by Engineer, and a "common law" indemnification of Engineer by Owner. In E-500 EJCDC also offers as an option an express indemnification of Engineer by Owner, in Exhibit I. However, because E-525 does not include the full complement of E-500 exhibits, a sample of an express cross-indemnification of Engineer by Owner is included in a Note to User.
- Professional liability carriers will normally not provide a defense to Owner and other indemnitees. In light of confusing and changing court rulings that imply a defense duty despite no such duty being stated, E-525 includes an explicit clause that excludes any defense obligation unless such is expressly stated.
- Recognizing the relative risks associated with the types of assignments for which E-525 may be used, the limitation of liability clause limiting the total

liability of the Engineer to the Owner has been increased to the greater of \$100,000 or total amount of compensation received by Engineer, from \$50,000 in previous editions. The Owner and Engineer are still free to negotiate whatever limitation of liability clause they desire commensurate with the nature of the project.

- In keeping with streamlining, E-525 requires general insurance coverages but does not include a detailed insurance exhibit, such as E-500's Exhibit G. Some Owners may want more detailed insurance provisions or have stand-alone insurance requirements, and a Note to User is included to advise users that such requirements can be added as an exhibit.
- E-525 Exhibit A closely follows E-500 Exhibit A for its Study and Report Phase services and includes a list of Additional Services applicable to study and report activities, closely following those in E-500.
- Exhibit A clarifies the Engineer's responsibilities during the study and report services relative to Owner furnished environmental assessments and impact statements.
- Exhibit A consolidates the Times for Rendering Services and deliverables into a separate subsection (A1.02) to simplify editing. This information was previously placed in several locations.

The 2015 edition of EJCDC® E-525 will remain in the legacy format and delivery system. Formatted in easy-to-use Microsoft Word, there is no software to install or learn, saving users precious time and money. The documents are downloaded at the time of purchase and saved directly to the user's computer. They can be customized easily to suit each project's unique goals and regulatory requirements.

The Engineers Joint Contract Documents Committee (EJCDC®) is a joint venture of major organizations of professional engineers and contractors:

- the American Society of Civil Engineers (ASCE);
- the National Society of Professional Engineers (NSPE); and
- the American Council of Engineering Companies (ACEC).

Since 1975, EJCDC has developed and updated fair and objective standard documents that represent the latest and best thinking in contractual relations between all parties involved in engineering design and construction projects.

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