

**General Terms and Conditions:**

- HEI shall commence the performance of scope of work on the commencement date and will carry out the services in a timely and professional manner, in accordance with the agreement and any agreed timelines once a purchase order has been issued.
- Terms on all quotes NET 10 with progress billing every 2 weeks unless otherwise stated. Late payments will be subject to a state max fee plus processing fee.
- Proposal/scope letter shall be made a part of any subcontract agreement entered into for this project and assumes execution of a mutually acceptable subcontract agreement.
- In the even that rates and markup are not agreed upon, changes to scope will be calculated using the NECA MLU level difficult and the NECA equipment list plus 15% OH and 15% Profit.
- Disputes not resolved by discussions between the parties shall be submitted to mediation. The parties shall select the mediator within fifteen days of the request for mediation. Engaging in the mediation is a condition precedent to any form of binding dispute resolution. In the case of disputes not resolved by mediation, both parties shall submit the matter to litigation in Cowlitz Co. WA. The prevailing party shall have the right to collect from the other party its reasonable costs and necessary disbursements and attorneys' fees incurred in enforcing this Agreement.
- The contractor shall not be held liable for errors or omissions in design by others, nor inadequacies of materials and equipment specified or supplied by others.
- Be advised, contractors retain the right to lien per state law.
- Equipment and material supplied by the contractor are warrantied only to the extent that the equipment is warranted by the manufacturer.
- Any and all warranty work shall be subject to HEI's warranty program found at <https://www.hamerelectric.com/warranty.html>. HEI must be informed formally of any and all warranty issues within 10 days of discovery in order for warranty to be valid.
- Anything (verbal or written) expressed or implied elsewhere, which is contrary to these conditions, shall be null and void.
- A single point of contact shall be established between HEI and the customer for all directives, contract concerns, and changes.

- Any alterations or deviations from the items stated explicitly in this proposal involving extra cost will be executed on written orders and will become an extra charge above and beyond the price of the original proposal.
- Escalation Clause. In the event of significant delay or price increase of material, equipment, or energy occurring during the performance of the contract through no fault of HEI (some examples being Tariffs, Global Shortages, supply chain interruptions), the Contract Sum, time of completion or contract requirements shall be equitably adjusted by Change Order in accordance with the procedures of the Contract Documents. A change in price of an item of material, equipment, or energy will be considered significant when the price of an item increases by 3% on wiring/conductors and 5% on all other materials/equipment between the date of contract and the date of installation.
- All cancellations subject to the following:
 - Cost of completion up to date of cancelation, end of business day based on SOV.
 - Committed costs up to date of cancelation end of business. All PO's where subcontractor has committed to costs shall be compensated plus profit and overhead.
 - Costs of making project safe for owner or public plus overhead and profit. This cost is subject to completion.
 - Cost to close out any and all permitting to Authority of Having Jurisdiction satisfaction plus profit and overhead.
 - Cost of demobilization plus any and all restocking fees.
- Force Majeure. Neither party shall be liable for any failure or delay in the performance of its obligations under this agreement to the extent such failure or delay is caused by events beyond its reasonable control, including but not limited to acts of God, natural disasters, fire, flood, war, terrorism, civil unrest, strikes or labor disputes, epidemics or pandemics, government orders, or failure of utilities or transportation networks ("Force Majeure Event"). The affected party shall promptly notify the other party of the Force Majeure Event and use reasonable efforts to resume performance as soon as practicable.

Contract Considerations:

2. Terms on all quotes NET 10 with progress billing every 2 weeks unless otherwise stated. Late payments will be subject to a state max fee plus processing fee.
3. This proposal/scope letter shall be made a part of any subcontract agreement entered into for this project and assumes execution of a mutually acceptable subcontract agreement.
4. Changes to scope will be calculated using the NECA MLU current year, level difficult and the NECA equipment list plus 12% OH and 10% Profit.

5. Disputes between HEI and customer not resolved by discussions between the parties shall be submitted to mediation. The parties shall select the mediator within fifteen days of the request for mediation. Engaging in the mediation is a condition precedent to any form of binding dispute resolution. In the case of disputes not resolved by mediation, both parties shall submit the matter to litigation in Cowlitz Co. WA.
6. The prevailing party shall have the right to collect from the other party its reasonable costs and necessary disbursements and attorneys' fees incurred in enforcing this Agreement.
7. The contractor shall not be held liable for errors or omissions in design by others, nor inadequacies of materials and equipment specified or supplied by others.
8. Be advised, contractors retain the right to live in line with state law.
9. Equipment and material supplied by the contractor are warranted only to the extent that the equipment is warranted by the manufacturer.
10. Any and all warranty work shall be subject to HEI's warranty program found at <https://www.hamerelectric.com/warranty.html>. HEI must be informed formally of any and all warranty issues within 10 days of discovery in order for warranty to be valid.
11. Anything (verbal or written) expressed or implied elsewhere, which is contrary to these conditions, shall be null and void.
12. A single point of contact shall be established between HEI and the customer for all directives, contract concerns, and changes.
13. Any alterations or deviations from the items stated explicitly in this proposal involving extra cost will be executed on written orders and will become an extra charge above and beyond the price of the original proposal.
14. Escalation Clause. In the event of significant delay or price increase of material, equipment, or energy occurring during the performance of the contract through no fault of HEI (some examples being Tariffs, Global Shortages, supply chain interruptions), the Contract Sum, time of completion or contract requirements shall be equitably adjusted by Change Order in accordance with the procedures of the Contract Documents. A change in price of an item of material, equipment, or energy will be considered significant when the price of an item increases by 3% on wiring/conductors and 5% on all other materials/equipment between the date of contract and the date of installation.
15. All cancellations subject to the following:
 - Cost of completion up to date of cancelation, end of business day based on SOV.
 - Committed costs up to date of cancelation end of business. All PO's where subcontractor has committed to costs shall be compensated plus profit and overhead.
 - Costs of making project safe for owner or public plus overhead and profit. This cost is subject to completion.
 - Cost to close out any and all permitting to Authority of Having Jurisdiction satisfaction plus profit and overhead.
 - Cost of demobilization plus any and all restocking fees.

Schedule:

- a. HEI will not begin execution without formal Notice to Proceed or PO has been provided. Scheduling may be impacted based on receipt of Notice to Proceed or PO.
- b. This proposal is based on working ten (10) hours per day, Monday through Thursday. (Holidays, Fridays, Saturdays, Sundays and after-hours are excluded.)
- c. Based on scope of work and tentative project duration, we have assumed labor costs and escalations for this project through current year. Labor required after this date will incur an additional cost.
- d. We shall be allowed input in regard to the construction schedule, more specifically, durations for electrical activities. The schedule shall allow HEI sufficient time to perform our work in an orderly and efficient manner.

End of Hamer Electric's General Terms and Conditions.