

## **TERMS AND CONDITIONS**

Unless Terms and Conditions are contained within the Proposal Agreement, these Terms and Conditions shall apply. Pricing is good for 30 days from the date of this Proposal. Numbering and headings are provided for convenience only, and shall not be used for interpretation.

### **01. JOBSITE REQUIREMENTS:**

Access to the areas where work is to be performed; electricity for equipment; water for cleaning; and parking for job trailers, vehicles and/or equipment. Generator and/or water truck may be arranged at Owner expense. In the event that an individual property owner within the Association, or their agents, contractors, employees, residents, tenants or guests prevent us from performing the contracted work then the full contract price shall be due regardless of completion of said work, and a \$500 remobilization fee will apply for each return visit. We are not responsible for damages arising from delay caused by circumstances outside our control such as strikes, fire, inclement weather, accidents, or delay in delivery of materials.

### **02. NOTICES & ORDER OF WORK:**

Notices to affected persons will be coordinated with Owner's Representative indicating the schedule of work and requesting the removal of items as necessary from the areas where work is to be performed. We will conduct the work in an order that allows us to achieve maximum management and operational efficiency. Work can be completed in an alternate order at additional cost.

### **03. COLOR SELECTION:**

Colors to approximate existing unless noted otherwise in which case Owner shall select and provide colors prior to commencement of work. Upon request we will apply color samples (up to three colors) of a total area not greater than 50 square feet. Additional and/or larger samples may be applied upon request at additional cost. In the event that approved colors require additional coats to cover then a change order will be submitted for review and approval prior to proceeding with work.

### **04. CONCEALED CONDITIONS & ADDITIONAL WORK:**

We have estimated this project based on what we can see; no allowance has been made for correcting concealed conditions such as asbestos, lead, rotted wood, mold or moisture problems, or multiple layers of wall covering. If we encounter these conditions we will notify the Owner's Representative prior to proceeding with additional work, which will be completed at Owner expense.

### **05. CHANGE ORDERS, MODIFICATIONS:**

This Agreement may be modified through a Change Order or other written instrument agreed to by both parties. Any waiver of a term or condition of this Agreement shall not affect any other terms or conditions. A waiver by either party as to any particular breach shall not be considered a waiver of any similar or other subsequent breach or default.

### **06. INSURANCE:**

We will carry general liability and workers' compensation in accordance with the laws of the State of Minnesota. Certificates are available upon request. All materials stored on the jobsite remain our property until installed.

### **07. HOMEOWNER CHARGEBACKS:**

Owner's Representative agrees to inform us prior to contract execution if the Common Interest Community Association ("Association") plans to assess portions of the work to individual unit owners. We reserve the right to adjust our price accordingly, and the Association has the right to accept the change or cancel the contract without further obligation to either party.

### **08. INDEMNIFICATION, HOLD HARMLESS:**

The Association agrees to the fullest extent permitted by law, to indemnify and hold harmless Stone Valley Painting, LLC ("Contractor"), its officers, directors, members and employees harmless from all liabilities, damages, losses and costs, including but not limited to reasonable attorneys' fees, as a result of any claims brought by a third party, including individual property owners within the Association, or their agents, contractors, employees, residents, tenants or guests.

<b>09. PAYMENT TERMS:</b>
Invoices are due upon receipt and any balance thirty days or older is subject to a service charge of 1.5% per month. For new customers and projects in excess of \$10,000 the following payment terms will apply: 35% at contract execution; 40% at half completion; and balance due at completion. Owner's Representative may withhold 5% retention from amounts invoiced provided that a list identifying outstanding punchlist items and their respective locations is provided to us in writing within ten days after job completion. In order to determine whether a surface has been 'properly painted' it shall be examined without magnification at a distance of thirty-nine (39) inches or more, under finished lighting conditions and from a normal viewing position. Amounts withheld are due upon completion of the punchlist items.
<b>10. DISPUTE RESOLUTION:</b>
The laws of the State of Minnesota govern this Agreement. Every effort will be made to amicably settle a dispute between the parties. We have the right to recover our collection costs, including reasonable attorneys' fees and costs, if we take action to collect monies owed pursuant to this Agreement.
<b>11. SITE SURVEILLANCE:</b>
To ensure jobsite security we may employ overt or covert surveillance methods, i.e. cameras, motion detectors, alarm systems, etc. If site surveillance is declined by Owner in writing and theft or loss occurs, the contract price shall be increased by the amount of the replacement value of the lost or stolen materials, supplies, equipment and tools, plus 20% mark-up. We may use a drone to assess conditions, monitor work, and ensure quality standards. Prior to drone use, notices to affected persons will be coordinated with Owner's Representative indicating the purpose and duration of the inspection and steps to take to ensure privacy. Drone will only be operated by a Remote Pilot certified with the FAA.
<b>12. WARRANTY:</b>
We warrant our labor and materials to be free from workmanship defects for a period of two years from the date of substantial completion, excluding horizontal surfaces, which are warranted for a period of one year. Our warranty excludes factors outside our control such as peeling of exterior surfaces in contact with materials on grade; failure of previous coating; latent defects in materials; and wood delamination. We will promptly return to complete warranted work at no additional cost to Owner. In the event that we are not paid in full in accordance with this Agreement all warranties are null and void.
<b>13. CANCELLATION:</b>
If prior to our performance of any work Owner cancels this Agreement after it has been accepted by the Owner, we are entitled, as liquidated damages (and not as a penalty), to any actual costs we incurred (including any restocking charges) plus 25% of the Agreement price. After work has begun, Owner is responsible for the entire Agreement price.
<b>14. MUTUAL WAIVER OF COVID-19 RELATED CLAIMS:</b>
Owner and Contractor each hereby release, waive, discharge, and covenant not to sue the other for any loss, damage, injury, illness or death resulting from a COVID-19 virus. Owner agrees to indemnify and hold Contractor, its officers, directors, members and employees harmless from all liabilities, damages, losses and costs relating to any claim or lawsuit by individual property owners within the Association, or their agents, contractors, employees, residents, tenants or guests, relating to the COVID-19 virus. Contractor agrees to indemnify and hold Owner, its officers, directors, members and employees harmless from all liabilities, damages, losses and costs relating to any claim or lawsuit by contractors, employees, or subcontractors, relating to the COVID-19 virus.
<b>15. PRE-LIEN NOTICE:</b>
<p>(A) ANY PERSON OR COMPANY SUPPLYING LABOR OR MATERIALS FOR THIS IMPROVEMENT TO YOUR PROPERTY MAY FILE A LIEN AGAINST YOUR PROPERTY IF THAT PERSON OR COMPANY IS NOT PAID FOR THE CONTRIBUTIONS.</p> <p>(B) UNDER MINNESOTA LAW, YOU HAVE THE RIGHT TO PAY PERSONS WHO SUPPLIED LABOR OR MATERIALS FOR THIS IMPROVEMENT DIRECTLY AND DEDUCT THIS AMOUNT FROM OUR CONTRACT PRICE, OR WITHHOLD THE AMOUNTS DUE THEM FROM US UNTIL 120 DAYS AFTER COMPLETION OF THE IMPROVEMENT UNLESS WE GIVE YOU A LIEN WAIVER SIGNED BY PERSONS WHO SUPPLIED ANY LABOR OR MATERIAL FOR THE IMPROVEMENT AND WHO GAVE YOU TIMELY NOTICE.</p>