

Blue Fabrication Inc.
Terms and Conditions of Proposal

Blue Fabrication, Inc. is to be furnished a copy of all prints, specifications, addendum, construction schedules and any other information that can affect the quality or quantity of the project merchandise. If not, Blue Fabrication, Inc. refuses to be responsible for any loss of time or damages incurred by lack of all information covering Blue Fabrication, Inc. responsibility.

Blue Fabrication, Inc. will not assume any damages or expenses including loss of profit, penalties, liquidated damages, etc. Nor do we assume liability for either incidental or consequential damages. We do not accept any design responsibilities.

Communications must be in writing and the name of person or persons and office held in company so noted on all communication. Communiqués must be dated and the time of day noted and signed by an authorized person stating position of just authority.

Pipe quantity is shown in plans. Shipment quantity will be made to the nearest full length of pipe and billings will be made in shipment quantity.

After drawings are signed-off and released, Blue Fabrication, Inc. shall purchase all material required for the project. Contractor will be invoiced only when finished materials are shipped to the jobsite.

Terms are net 30 days from invoice date. Blue Fabrication will not accept any type of retention. A service charge of 1 ½ % per month will be added to any unpaid balance on a monthly basis.

Blue Fabrication, Inc. will exercise any lien rights to assure payment of amounts due.

As a condition of proposal, no modification of any terms will be accepted whether purchase order or other document is used unless agreed to in writing by both parties.

Any controversy of claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the Arbitrator(s) may be entered in a Court having jurisdiction thereof.

If legal action is necessary to collect moneys due, buyer will pay and all collection costs including (but not limited to) attorney and collection agency fees.

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Buyer will provide adequate equipment and unloading facilities for all merchandise until project is complete. Any damages caused by careless installation or improper supervision will be at buyer's expense and Blue Fabrication, Inc. will assume no responsibility for labor on project beyond furnishing and checking material.

After merchandise is unloaded, buyer shall immediately upon arrival of material check and validate all fabrication in regard to angles, dimensions, and conformity with approved drawings. Buyer must assume all liability for any delays or failures of delivery resulting from strikes, lockouts, interruptions, work stoppage, labor disputes, war, civil disturbances, flood, acts of God, carrier's or supplier's defaults, or regulations of any government authority beyond our control.

Any goods not used on the project cannot be returned to the manufacturing company without consent of Blue Fabrication, Inc.

If shipping shortages do occur, Blue Fabrication must be notified in writing within five days after occurrence. Once materials arrive, the buyer must inspect them. Notifications of shortages must be accompanied by Bill of Lading noting shortages. Blue Fabrication will not be responsible for lost or stolen goods from the job site. Buyer will assume responsibility for all goods from the time of inspection until completion of project.

Fabrication will be made according to drawings and dimensions as released and signed-off by the contractor. We do not take responsibility for incorrect dimensions or errors on drawings that have been released by contractor. We will not accept any type of back-charges for any fabrication that is in conformance to released details as signed-off by the contractor. Blue Fabrication, Inc. will not accept any impact due to field revisions that were not indicated on contractor signed-off and released drawings. If contractor determines fabrication is not in conformance to released drawing details then Blue Fabrication, Inc. must be notified in written form with an explanation of the defect prior to repair work being performed. Photographic documentation of all non-conforming fabrication must also accompany the written explanation and show how the fabricated item is different than the released detail drawing as signed-off by the contractor. Any failure to submit proper documentation will result in contractor assuming full responsibility for repairs and associated costs. Blue Fabrication, Inc. is to receive first option to repair any incorrect fabrication at a location of the

Blue Fabrication, Inc. must be provided with complete information necessary for our shop to begin fabrication without delays. "Approved" drawings must be returned to Blue Fabrication, Inc. in a timely manner and in volume large enough to maintain an efficient flow of fabrication.

By accepting Blue Fabrication's quote you are agreeing to these terms and conditions.