- 1. <u>Definitions:</u> The terms defined in the body of these Terms and Conditions ("Terms") have the meaning assigned therein, and the following terms are defined as follows:
  - a. "Contract" shall have the meaning assigned in Article 2 of these General Terms and Conditions.
  - b. "Contractor" shall mean Alta Vista Roofing, LLC.
  - c. "Customer" shall mean Person authorized to execute the Proposal and be bound by the Contract Documents.
  - d. "Contract Documents" shall have the meaning assigned in Article 2 of these Terms.
  - e. "Contract Sum" shall mean the stipulated sum set forth in the Proposal.
  - f. "Contract Time" shall mean the estimated date of completion of the Work.
  - g. "Person" means any individual, partnership, corporation, trust, limited liability entity, unincorporated organization, association, Governmental Authority, or any other entity.
  - h. "Substantial Completion" shall have the meaning assigned in Article 3 of these Terms.
  - i. "Property" shall mean the real property and improvements where the Work will occur.
  - j. "Parties" shall mean Contractor and Customer and their respective successors, heirs, and assigns.
  - k. "Work" shall have the meaning assigned in Article 3 of these Terms.

## 2. <u>Contract Documents</u>

- a. The Contract Documents consist of the Proposal executed by Customer, these Terms, drawings (if any), specifications (if any), addenda issued prior to execution of the Proposal, and approved change orders and modifications (collectively "Contract Documents").
- b. The Contract Documents represent the entire and integrated agreement between the Parties ("Contract") and supersede prior negotiations, representations, and agreements, written and oral. The Contract may not be added to, modified, superseded, or otherwise altered except by written instrument signed by an authorized representative of Contractor. Customer's assent to these Terms shall be conclusively established by Customer's acceptance of any part of the Work or from payment by Customer for any part thereof.
- c. The intent of the Contract Documents is to include all items necessary for the proper execution and completion of the Work by Contractor. The Contract Documents are complementary, and what is required by one shall be as binding as if required by all.

## 3. <u>The Work</u>

- a. The term "Work" means all labor, materials, equipment, and services provided, or to be provided, by Contractor to fulfill Contractor's obligations.
- b. The "Scope of the Work" is limited to the description set forth in the Proposal.
- c. The term "Substantial Completion" shall mean that stage in the progress of the Work when the Work or a designated portion thereof is sufficiently complete in accordance with the Contract Documents so Client can occupy or utilize the Work for its intended use.

#### 4. <u>Payments</u>

- a. Customer shall pay Contractor within thirty (30) days of Customer's receipt of Contractor's invoice or application for payment.
- b. All amounts not paid within 30 days from the date of the invoice ("Late Payments") shall accrue interest at a rate of 18% per annum until paid in full.
- c. Late Payments shall also accrue a penalty of twenty-five dollars (\$25.00) per day until paid in full, which penalty will be increased to fifty dollars (\$50.00) per after 60 days until paid in full.

## 5. Obligations of Customer

- a. Customer shall (1) ensure that the Property is safe and complies with all federal, state, and local laws and regulations; (2) carry out all preparatory work at the Property as is necessary prior to the commencement of the Work; (3) ensure that Contractor and work vehicles and equipment have proper access to the Property; (4) warrant the correctness of the information provided to Contractor relating to the Work; (5) closely inspect the Work upon completion and immediately notify Contractor of any defect; (6) obtain all CC&R, HOA, or other approvals for the Work; and (7) indemnify, defend, and hold Contractor harmless from and against all liability, loss, or damage (including attorney's fees) arising from a breach of any of the foregoing obligations.
- b. Contractor shall be entitled rely on the plans, specifications, decisions, and information provided by Customer (collectively "Customer Provided Information"). To the extent there are errors or omissions in the Customer

Provided Information, Contractor shall not be liable therefor and shall be entitled to compensation for additional time and costs expended to remedy any errors or omissions.

- c. Customer shall pay for all permits, fees, licenses, inspections, approvals, easements, assessments, and charges for the Work.
- d. Prior to commencement of the Work, Customer shall, upon request, furnish to Contractor sufficient evidence in the sole opinion of Contractor that Customer has a present financial ability to fulfill Customer's contractual obligations. Contractor will not commence the Work until Customer provides such evidence.

### 6. Limited Warranty

- a. The Contractor warrants to the Customer, for a period of twelve (24) months from Substantial Completion, that: (1) materials and equipment furnished under the Contract will be new and of good quality unless otherwise required or permitted by the Contract Documents; (2) the Work will be free from material defects not inherent in the quality required or permitted; and (3) the Work will substantially conform to the requirements of the Contract Documents.
- b. This Limited Warranty excludes damage caused by (1) failure to follow instructions from Contractor; (2) lack of maintenance; (3) acts, omissions, or negligence by Customer or any third party, including roof penetrations; (4) work and materials (including repairs and alterations) not supplied by Contractor; (5) acts of God (including hail, snow, and ice); (6) ice dams (including any water intrusion or other damage caused by ice buildup on the roof); and/or (7) any other cause beyond Contractor's reasonable control.
- c. Customer understands and acknowledges that (1) Contractor is performing the Work in a mountainous environment with varied and harsh weather conditions, and (2) Contractor cannot control the formation of ice or ice dams on Customer's roof. Customer unconditionally waives and releases any claim for damage or injury to persons or property arising from or relating to snow and ice, including consequential property damage.
- d. <u>Limited Warranty</u>. THE WARRANTY SET FORTH IN THIS AGREEMENT IS THE SOLE WARRANTY GIVEN BY CONTRACTOR WITH RESPECT TO THE WORK AND MATERIALS. CONTRACTOR DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, HABITABILITY, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND ANY WARRANTIES ARISING OUT OF USEAGE OR TRADE. This Limited Warranty and the Contract Documents only apply to and are for the benefit of the original Customer and not to any subsequent owner or third-party absent Contractor's prior written consent, which may be withheld in Contractor's sole discretion. Any attempted assignment in violation of this paragraph is void for all purposes and unenforceable against Contractor.
- e. Contractor's liability under the Limited Warranty is limited to re-performing the Work that is alleged to be nonconforming and pursuant to the warranty provisions set forth in these Terms. Failure to give Contractor written notice of a warranty claim and an opportunity to inspect shall constitute a waiver of all claims relating to the Work. In the event Customer fails to pay the full amount due to Contractor, any warranty is void and of no effect. The foregoing CONSTITUTES THE SOLE REMEDY OF CUSTOMER AND THE SOLE LIABILITY OF CONTRACTOR relating to the Contract Documents, Work, and Property. This Warranty supersedes all prior and contemporaneous agreements, representations, and understandings, oral or written, relating to the same subject matter.
- f. Contractor's total liability to Customer shall in no case exceed the total consideration paid by Customer for the Work. IN NO CASE WILL CONTRACTOR BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF USE, OR DAMAGE TO PROPERTY, ARISING OUT OF THE WORK. THIS LIMITATION OF LIABILITY APPLIES TO ANY CLAIM ASSERTED BY CUSTOMER, WHETHER WARRANTY, CONTRACT, TORT, OR UNDER ANY OTHER LEGAL OR EQUITABLE THEORY. Customer hereby unconditionally WAIVES AND RELEASES any claim for such damages. No action, regardless of form, relating to the Contract Documents or Work may be brought MORE THAN TWELVE (12) MONTHS after Substantial Completion.
- g. Contractor does not warrant materials covered by a manufacturer warranty,
- h. Contractor does not warrant products or materials covered by a manufacturer warranty and any claim relating to those materials must be pursued directly with the manufacturer.

# 7. <u>Performance</u>

- a. Contractor will undertake reasonable efforts to provide the Work within the Contract Time, subject to the ability of Contractor to obtain labor and materials from its normal source of supply. Contractor reserves the right to cancel or postpone performance due to acts of God, weather conditions, war, disease, pandemic, fire, breakdown of machinery, strikes, unavailability of transport, or any other unexpected or exceptional cause beyond Contractor's reasonable control. Contractor is not responsible for costs caused by unexpected conditions. Contractor shall have no liability for any loss, damage, or delay or for any consequential damage or loss as a result of the foregoing conditions or the delay, untimely, postponement, or cancellation of performance.
- b. The Customer may, without invalidating the Contract, request changes, additions, or deletions in the Work within the general scope of the Contract, which may alter the Contract Sum and Contract Time and may be rejected by Contractor for any reason. If accepted, the changes must reflected in a written change order signed by Contractor. Absent such a writing, changes are not binding unless Contractor performs the changes in reliance on Customer's request.
- c. The Contractor may, in its professional judgment, execute minor changes in the Work consistent with the intent of the Contract Documents.
- d. If concealed or unknown physical conditions are encountered at the site that differ materially from those indicated in the Contract Documents or Customer Provided Information, the Contract Sum and Contract Time shall be subject to equitable adjustment, and Contractor shall issue a written change order to memorialize the adjustment.

# 8. <u>Electronic Notice</u>

- a. Written notice to or consent from Contractor under the Contract Documents shall be given to or obtained from the Contractor Representative, John Wright, via email at john@avroofs.com.
- b. Written notice under the Contract Documents shall be given to the Customer via email at Customer's email address included on the top of the Proposal. Notice by email is deemed given when sent.

### 9. <u>Termination of the Contract</u>

- a. <u>Termination by the Contractor for Cause</u>. If the Customer fails to make any payment to Contractor for a period of 30 days after coming due, or fails to make timely payment three times within a period of nine calendar months, the Contractor may immediately terminate the Contract and recover from the Customer payment for Work executed, including reasonable overhead and profit, profit on the Work not executed, and costs incurred by reason of such termination.
- b. <u>Default by Contractor</u>. The following shall constitute a default by Contractor (each a "Default"):
  - i. repeatedly refusing or failing to supply enough properly skilled workers or proper materials;
  - ii. failing to make payment to subcontractors for materials or labor in accordance with the respective agreements between the Contractor and the Contractor's subcontractors;
  - iii. persistently disregarding laws, ordinances, rules, regulations, or orders of a public authority having jurisdiction; or
  - iv. substantially breaching a material provision of the Contract Documents.
- c. In the event of Default, Customer may terminate this Contract if Contractor fails to cure the Default within ten (10) days after written notice from Customer. This is the only circumstance under which Customer may terminate the Contract
- **10.** If the unpaid balance of the Contract Sum exceeds costs of finishing the Work, such excess shall be paid to the Contractor. If such costs exceed the unpaid balance, the Contractor shall pay the difference to the Customer. This obligation for payment shall survive termination of the Contract.

## 11. Dispute Resolution

- a. <u>Mediation</u>. As a condition precedent to initiating any litigation, the Parties shall mediate any claim or dispute.
- b. <u>Litigation or Arbitration</u>. Any claim, subject to, but not resolved by, mediation shall be governed by the laws of the State of Utah, and at Contractor's sole discretion, any claim shall either be subject to litigation in the Third Judicial District Court, Summit County, State of Utah or shall be administered by the American Arbitration Association (AAA) in accordance with their Construction Industry Arbitration Procedures in effect on the date of filing. The Parties each knowingly and intentionally, to the greatest extent permitted by applicable law, unconditionally, irrevocably, and expressly WAIVE TRIAL BY JURY in any legal proceeding arising out of or related to the Contract Documents, Work, or Property. The prevailing party in any proceeding shall be

entitled to recover its expenses and costs, including, without limitation, attorney's fees and all costs of arbitration (including the arbitrator's costs and fees).

- 12. <u>Interpretation and Severability.</u> In interpreting this Contract, there shall be no presumption or standard of construction in favor of or against either Contractor or Customer. Invalidation of any provision of this Contract shall not affect the enforceability of any other provision of this Contract.
- 13. <u>No Third-Party Beneficiaries</u>. This Contract is entered into by the Parties for the exclusive benefit of the Parties and their respective successors, assigns, and affiliated persons referred to herein. Except and only to the extent provided by statute, no creditor or other third party shall have any rights under this Agreement.
- 14. <u>Assignment.</u> These General Terms and Conditions, the Contract Documents, and all other agreements between the Parties may be assigned <u>only</u> with the written consent of Contractor, which may be withheld in Contractor's sole discretion. Any attempted assignment in violation of this paragraph is void for all purposes and unenforceable against Contractor.
- **15.** Non-Disparagement. Customer will not, directly or indirectly, criticize, defame, be derogatory toward, or otherwise disparage Contractor, its products, services, or Contractor's past, present, and future officers, directors, managers, stockholders, members, attorneys, agents, representatives, employees, or affiliates, or its or their business plans or actions, to any third party, either orally or in writing, including through electronic means like social media. For purposes of this Agreement, "social media" refers to online blogs, forums, chat rooms, and social networking sites like Yelp, Facebook, Twitter, LinkedIn, Instagram, Pinterest, and YouTube, and similar sites, communications, or activities. Notwithstanding the foregoing, this Section 22(d) does not prohibit Owner from making honest consumer assessments consistent with the Consumer Review Fairness Act, 15 U.S.C. § 45b, that (i) do not contain confidential or private information; (ii) are not libelous, harassing, abusive, obscene, vulgar, sexually explicit, or inappropriate with respect to race, gender, sexuality, ethnicity, or other intrinsic characteristic; (iii) are unrelated to the company's products or services; and/or (iv) are clearly false or misleading.
- 16. <u>Entire Agreement.</u> The Terms and the written documents referred to herein, constitute the entire understanding and agreement between the parties, and supersede all proposals, oral or written, and all other communications between the parties relating to the subject matter of the agreement between Contractor and Customer. Any modification to the Terms and Contract Documents must be in writing and signed by all parties.