

STANDARD TERMS & CONDITIONS OF THIS PROPOSAL

The following terms and conditions are part of this Proposal:

1. **This Proposal's prices are based on the current average posted price for asphalt cement as listed in the "Asphalt Weekly Monitor" published by Potent & Partners, Inc. If this average posted price increases at the time Contractor commences performance of the work covered by this Proposal, we reserve the right to adjust the Proposal prices consistent with the increase in the price of the asphalt cement.**
2. All material is warranted to be as specified. All work is to be completed according to this Proposal and in a workmanlike manner. Unless otherwise provided in this Proposal, Customer, at its expense, shall provide a properly compacted and stable subgrade or subbase (proof rolling or other testing satisfactory to Contractor) upon which any material is to be placed.
3. **OTHER THAN AS EXPRESSLY PROVIDED FOR IN THIS PROPOSAL, CONTRACTOR MAKES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. CUSTOMER'S SOLE REMEDY FOR BREACH OF WARRANTY IS LIMITED EXCLUSIVELY TO REMOVAL AND REPLACEMENT OF THE DEFECTIVE WORK. OTHER THAN REMOVAL AND REPLACEMENT, RIETH-RILEY HAS NO OTHER LIABILITY FOR ANY TYPE OF DAMAGE, WHETHER INCIDENTAL, CONSEQUENTIAL OR OTHERWISE.**
4. Any express performance warranty provided in this Proposal shall be waived in the event Customer, either verbally or in writing, directs Contractor to place its paving materials over a subgrade or a subbase the condition of which Rieth-Riley has advised Customer is unacceptable.
5. Contractor will not be liable for delays caused by labor disturbances, weather conditions, acts of God, acts of governmental agencies, accidents, shortages of necessary materials and supplies, or any other cause beyond our control.
6. Any damage to or caused by appurtenances, including but not limited to stumps, buried concrete slabs or footing, septic tanks, sprinkler systems or utilities not specifically described on the plans or accurately marked on the jobsite so as to make us aware of their exact location and depth, will be the Customer's responsibility; and any extra work involved will become an extra charge over the quoted price.
7. Extra work not included in this Proposal will be performed at the direction of the Customer or his authorized representative. Customer shall promptly issue an appropriate written change order to cover the authorized work.
8. If no sales tax is included in this Proposal, Customer is required to provide a valid sales tax exemption certificate; otherwise, sales tax will be added when completed work is invoiced.
9. Contractor will not proceed with the work as specified in this Proposal until satisfied of the Customer's ability and intent to pay according to the terms outlined herein.
10. **PAYMENT IS DUE UPON CUSTOMER'S RECEIPT OF INVOICES** issued, whether progress or final, for work completed to date. If prompt payment is not received, Contractor will suspend work in progress.
11. Nothing herein contained shall be construed as a waiver or modification of Contractor's statutory lien rights, which lien rights Contractor will exercise if payment by Customer is not promptly made.
12. **A SERVICE CHARGE OF 1½% PER MONTH**, which is an annual percentage rate of 18% per annum, will be made on all account balances not paid as provided for herein, together with costs of collection and reasonable attorney fees and expenses.
13. **Customer represents and warrants that there are no hazardous substances or hazardous wastes located on or within the jobsite.** Customer agrees to defend, indemnify, and hold harmless Contractor, its officers and employees from any type of loss and/or liability, including reasonable attorney fees and expenses, arising from a breach of this representation or warranty or Customer's violation of environmental law, regulation, or policy.
14. The following sentence only applies if the parties intend that their contractual relationship will be governed by a written contract other than this Proposal: **This Proposal is submitted subject to entering into a written contract, the terms and conditions of which are acceptable to both parties.**

"LICENSE NO. A residential builder or a residential maintenance and alteration contractor is required to be licensed under Article 24 of the occupational code, 1980 PA 299, MCL 339.2401 to 339.2412. An electrician is required to be licensed under the electrical administrative act, 1956 PA 217, MCL 338.881 to MCL 338.3511 to 338.3569. A Mechanical contractor is required to be licensed under the Forbes mechanical contractors act, 1984 PA 192, MCL 338.971 to 338.988.