



WOODSTONE® POLICY

BEFORE YOU SIGN THE CONTRACT...

The Woodstone Proposal has important legal consequences. Please be certain you understand the details and specifications designated in the Woodstone Proposal. Consultation with an attorney, professional architect and/or contractor is encouraged with respect to the contract's completion or modification. If you do not consult a professional advisor, Woodstone will not accept responsibility for perceived errors in your approval of the Proposal and/or Shop Drawings, except as provided by law, even if you later determine that you did not understand the contract and/or the specifications provided to and approved by you. All current Woodstone Policy positions are included with each submitted proposal and we do our best to include all necessary information. If a detail or specification is not included in the proposal, the work may not be executed. Do not hesitate to call us for clarification of details and specifications. We are here to assist you. If you *believe* you have a question ... call us.

ACCEPTANCE PROCEDURES: The Woodstone Proposal document is the principal contract recognized by Woodstone. There are no verbal agreements. The Woodstone Proposal document, as a contract, does not take effect until an authorized proposal is returned to and accepted by Woodstone, at its Vermont or New Hampshire office, with the appropriate deposit.

THE WOODSTONE CONTRACT SUPERSEDES ALL OTHER CONTRACT AND PURCHASE ORDER TERMS AND CONDITIONS AND IS GOVERNED BY THE LAWS OF THE STATE OF VERMONT.

The initial deposit represents a budgeted amount for the creation and exchange of three copies of one comprehensive shop drawing submittal. Changes in detail and/or the scope of work that occur during or after the first shop drawing submittal may result in additional charges. Subsequent deposits and payments are based upon the products specified in the approved shop drawings. Changes after approval of shop drawings will be made only when approved in writing.

Woodstone reserves the right to cancel any agreement within 30 days after receipt of an accepted proposal and deposit for shop drawings from the customer. Upon cancellation by Woodstone the deposit will be returned to the customer. Woodstone will accept cancellation of a proposal by the customer within 30 days of its acceptance by Woodstone and will return the deposit less accrued expenses within 60 days of cancellation. Should accrued expenses exceed the deposit, the customer agrees to pay the difference to Woodstone. Cancellations received after 30 days from acceptance by Woodstone render all payments and deposits to Woodstone nonrefundable and the customer will be responsible for any additional accrued expenses over the deposit and progress payments. Woodstone will not accept a proposal document unless details and specifications, the Schedule of Values, the Project Questionnaire and deposit are returned approved by the customer and accepted by Woodstone.

Woodstone does not accept responsibility for strikes, accidents, acts of God or other circumstances beyond Woodstone's control. Woodstone employees and subcontractors are covered by Workers' Compensation Insurance and Woodstone carries comprehensive General Liability and Vehicle Liability insurance as required by law.

WOODSTONE® POLICY – continued:

PAYMENT SCHEDULES: A 10% deposit on each proposal or project phase is required to initiate Shop Drawings; A 25% deposit with approved Shop Drawings is required to prepare Cut-lists, submit material requisitions, and reserve production time. A 35% Progress Payment is due mid-way through Production. A 30% Final Payment is due upon Substantial Completion or 7 days prior to delivery. Storage fees may be charged for product substantially complete and not delivered. Holdbacks are not allowed unless specified in the approved and accepted Woodstone Specifications. Woodstone reserves the right to require that all payments be made by Certified or Guaranteed bank drafts. Should any account require collection services, the client agrees to pay any and all attorney fees, collection fees and court costs associated with the collection as allowed by law. The client agrees to pay a finance charge of 1 ¼% per month on any balance outstanding for 30 days from the due date.

SALES TAXES: are collected in accordance with the laws of the state into which the product is delivered.

Approval and Acceptance of the Woodstone Proposal, Schedule of Values and Project Questionnaire authorizes Woodstone to produce only Shop Drawings of the listed products. Changes, as designated in the Shop Drawings approved by the Customer for fabrication, including but not limited to quantity, format, materials, operation and size, may change the Woodstone Proposal prices.

Woodstone reserves the right to amend or withdraw its proposal when:

- Changes in details & specifications occur after the Proposal date;
- Woodstone does not receive and accept an approved proposal, including but not limited to the Woodstone Specification description, Schedule of Values, completed Project Questionnaire and the associated Deposit in full within 30 days of the date of this proposal;
- Production does not begin within 30 days from the first submittal date of Shop Drawings;
- Progress Payments and/or Final Payments are not received by the specified due dates.

COMPLETION DATES: Woodstone maintains a comprehensive overview of all manufacturing schedules. The completion of a project can be affected by availability of materials not manufactured by Woodstone, changes in details and specifications after a project is scheduled and other acts beyond our control. Therefore, delays can and do occur.

It is our intention to provide only the highest quality product. Woodstone will not allow a product to leave its control until it meets Woodstone's quality control criteria or other arrangements are made and approved in writing.

Upon Woodstone's initial contact with a prospective customer regarding a specific project, Woodstone will report the current Production backlog and update it from time to time. This backlog is determined by calculating the amount of time necessary to complete work currently scheduled. Please do not assume that this reported backlog will apply to your project. There are many proposals that have been submitted to customers at any given time and are pending acceptance. The current backlog is, therefore, subject to change on a daily basis. We offer the information to provide the customer and ourselves the opportunity to forego lengthy discussions and negotiations that may be precluded due to obviously unacceptable scheduling.

Estimated completion dates are determined only after Woodstone receives and accepts a signed proposal with approved Shop Drawings and the appropriate deposit. The estimated completion date is a nonbinding date. Generally, we are able to complete work on schedule and have an excellent record for doing so.

WOODSTONE® POLICY – continued:

GUARANTEED COMPLETION DATES: Should your project require a guaranteed completion date, stringent contractual provisions are available and usually involve added cost. Guaranteed completion dates are specified in written detail only within the Woodstone contract document.

Requirements for guaranteed completion dates include but are not limited to the determination that:

- ✓ All design services, Shop Drawings and any other services deemed necessary by the customer and/or Woodstone for the determination of any details and specifications necessary to a project be described and performed under the jurisdiction of a separate and preceding proposal from that which contracts Woodstone to actually perform the fabrication of that project.
- ✓ Woodstone will provide Shop Drawings only as specified in the proposal.
- ✓ Shop drawings submitted by others must be specified in the proposal and accepted by Woodstone.
- ✓ Details and specifications and the inclusion of those details and specifications in the proposal document contracting Woodstone to perform the fabrication of the specified product must be accepted by Woodstone.
- ✓ Changes in detail or specifications of a project after acceptance by Woodstone will render the completion date for that project null and void.
- ✓ Work not specified in the proposal is not included.
- ✓ A guaranteed completion date may include specific contingencies including but not limited to extra overtime costs and extra costs for arranging alternate sources of supply of materials not produced by Woodstone.

CRATING & DELIVERY: Estimated crating and delivery costs are based upon *least-cost* formulations and are included in the Estimated Delivery section of the Woodstone Proposal unless otherwise specified. Delivery & Crating costs are subject to change for various reasons including but not limited to schedule acceleration or postponement, rerouting, segmentation into multiple deliveries or consolidation of segmented deliveries, restricted vehicle sizes, weekend or holiday deliveries, spotted trailers, special crating, fuel costs and other circumstances unique to a specific delivery. C.O.D. deliveries will include an additional service fee unless otherwise specified. Cancellation or postponement of scheduled deliveries must be received and acknowledged in writing by Woodstone within five working days before shipment date to avoid additional delivery charges. Storage fees may be charged for product held by Woodstone for more than five working days after scheduled deliveries.

CLAIMS MADE UPON DELIVERY: Claims for shortages, errors, or damages on units delivered by common carrier must be resolved through the claims department of the common carrier. The common carrier is responsible for all units commencing at the time the units are accepted by the common carrier for shipment. Woodstone warrants that all units are in good condition when they leave the shop. All shipments are insured for the valuation amount shown on the bill of lading. Claims for shortages, errors or damages on units delivered by Woodstone trucks must be noted on the bill of lading at the time of delivery. To make a claim on units delivered by Woodstone trucks, contact the installing contractor or Woodstone Customer Service. Woodstone reserves the right to inspect, in the field, any unit claimed as defective.

WOODSTONE® POLICY – continued:

CUSTOMER INDEMNIFICATION: The Customer shall defend, indemnify and hold harmless Woodstone for all losses, claims, suits, actions, damages, fines, penalties, costs, expenses and liabilities (including, but not limited to, costs and expenses of defending against any of the foregoing) arising from either of the following circumstances (the “Indemnity Circumstances”):

1. any injury or death of any person (including, without limitation, injury or death of Customer’s agents, invitees, assignees, contractors or subcontractors) or damage or destruction of the property of any person or entity which occurs in connection with the Customer or the Customer’s agents’, employees’, invitees’, contractors’, subcontractors’, or assignee’ performance of services related to Woodstone’s execution of the Woodstone Proposal or otherwise provided by the Customer or the Customer’s agents, employees, invitees, contractors, subcontractors or assignees to the property; and
2. any alleged or actual violation by the Customer or the Customer’s agents, employees, invitees, contractors, subcontractors or assignees of any law, ordinance, rule or regulation governing or otherwise affecting the business operation of the Customer or the Customer’s agents in the performance of services and obligations related to the Woodstone Proposal.

The Customer’s obligation to indemnify Woodstone in the Indemnity Circumstances shall not extend to nor include an indemnification of Woodstone for: (a) the consequences of Woodstone’s grossly negligent acts or omissions or willful misconduct (if such gross negligence or willful misconduct is adjudicated to be the sole proximate cause of Woodstone in a final, non-appealable judgment); or (b) with respect to Woodstone, the willful breach of any express provision of the Woodstone Proposal (if such willful breach is adjudicated to be the sole proximate cause of the Indemnity Circumstances in a final, non-appealable judgment).

CODE COMPLIANCE: It is the Customer’s responsibility to inform Woodstone of all provisions of federal, state, county, municipal, local and departmental laws, ordinances, rules, regulations and orders that would affect any product or service fabricated by or provided by Woodstone pursuant to the Woodstone Proposal. The Customer or the Customer’s agents, employees, invitees, contractors, subcontractors or assignees of any law, ordinance, rule or regulation governing or otherwise affecting the business operation of the Customer or the Customer’s agents in the performance of services and obligations related to the Woodstone Proposal shall be deemed to have obtained, in their own name, any permits or licenses required to allow such property to be so affected.

TRADEMARK REGISTRATION

The name "THE WOODSTONE COMPANY" and "WOODSTONE" are registered trademarks of The Woodstone Company. All references to the products and services provided by The Woodstone Company must be accompanied by an appropriate declaration of the source of the products and services and notice of the trademark registration.