

Plumbing Solutions LCC Service Agreement and Scope

Revised 01-01-2017

Purpose of Agreement:

The purpose of this agreement is to outline the service to be expected in consideration for the bids provided by Plumbing Solutions LLC and the acceptance of those bids. This agreement shall be considered valid and in effect on all work until one or both parties cancels in writing or work ceases. Upon cancellation any open items would remain valid by the terms of this agreement. Where this SA and Builder specific written agreements conflict, the Builder written agreement shall supersede this SA, but only on such items as agreed in writing between both parties. Conflicts on items within this SA and Builder specific written agreement do not void other items within this SA. Only the CEO of Plumbing Solutions LLC may obligate the company to any agreements.

Contractual Obligation of Payment and This Agreement:

Where work is requested, it is understood that the builder/customer shall agree to pay in full the amount of such services. In the event work is to cease, it is the customer/builders responsibility to notify Jeff@plumbingsolutionsllc.com. Any work began prior to such notifications will fall under this agreement. In Lieu of official PO's Plumbing Solutions LLC will begin standard work that has been quoted on a Per Unit, Per Plan, or Per Line item basis per request. Such items are agreed to be paid in full the amount determined on the quote by the due date. Where an item has not been quoted in advance, a VPO or PO will be required before work begins. Acceptance of this agreement is made upon acceptance as Plumbing Solutions LLC Bid and/or Services.

Requested Work (PO's, Work Orders, etc.):

In determining specs for a Project Plumbing Solutions will use information in the following priority:

- 1. PO's or Specs issued from your office will take highest priority
- 2. Verbal from your Builder or Staff
- 3. Previous discussed Specs &/Or Plans in lieu of further direction

<u>Plumbing Solutions LLC is not responsible to know or assume any information that has not been passed to us.</u> We are not liable for Builders staff miscommunicating project requirements. We rely on the staff you field to provide such information and must not be held liable for your staffs errors.

Scheduling:

Jobs must not be considered "scheduled" until all information required to do our job has been communicated to our team. We ask that your team allow for these lead times in your production schedule so we can properly service the account. Each service requires appropriate planning. Its important to request scheduling only after insuring the necessary pre-requisites are met for our trade. We will not begin projects prior to pre-requisites being met, the job will be rescheduled. Please provide us proper notice in advance so we can avoid schedule delays. We are not responsible for scheduling delays that result in prematurely scheduling jobs or dry runs. We accept no monetary liability for scheduling delays under any circumstance.

Correction Period:

Plumbing Solutions LLC will correct defect of Workmanship provided for term specified within the builder's contract or a period of 1-year. Correction period will cover defects/errors of our **Workmanship only**. Correction period shall not cover damages caused by another party (ie. Another sub-contractor, home owner neglect, manufacturer, etc.). **Correction period will not cover Manufactured products**, such defects will be covered in accordance with Manufacturer's warranty terms. By selecting such specified products Builder agrees to notify their end customer and allow for such Manufactured defects to be warranted by the manufacturer in accordance with the manufacturers policies. Plumbing Solutions LLC accepts no liability for Manufactured Products or damages that result from a manufactured product.

Plumbing Solutions LLC's Correction period will cover workmanship only and will be expressly limited to workmanship. As well it will not cover loss or damage due to the following:

- Theft/Vandalism
- Damage caused by negligence, failure to cut off water, or mitigate damage
- Improper use and/or failing to follow Manufacturer recommendations
- Clogged drains due to improper use/maintenance
- Clogged drains after 90-days of move in
- Any damage to home due to clogged drain regardless of time in home
- Broken water or sewer mains
- Frozen lines or hose bibs
- Disposal damages due to improper use/maintenance
- Items modified by anyone other than Plumbing Solutions LLC
- Damages done by another party or resulting from connected situations
- Finishes damaged after Trim Out
- Repairs made by another contractor or damages/incidents that result
- Tub unit damage/defect/re-setting after Rough-in
- Home Maintenance items
- Damage or loss due to Manufacturers item or defect
- Items resulting in Use including, but not limited to: Loose handles/seats, drains working loose, drains clogging, fixtures becoming loose or rocking, finishes or caulking joints, fixture maintenance, etc. resulting after 30-days of move in.
- Tank less water heater issue will be resolved in accordance to tank less manufacturer recommendations. Plumbing Solutions LLC DOES NOT warranty tank less water heaters from freezing.

Plumbing Solutions LLC must be given the ability to remedy any warranty situation. We will not incur any liability that arise from situations we not allowed to access and properly remedy using proper procedures and mitigation steps. We will not be liable for any damages caused due to after the fact or negligence. Or team is aware of industry standard methods and must be notified and allowed to access the situation prior to alteration. Failure to do so voids our obligation and puts the obligation on the party interfering with such procedures. *It is the builders responsibility to set proper expectations with their end customer.

Delivered Units:

Where units are required to be delivered to site, Plumbing Solutions LLC will insure the unit to arrive and be installed in working new condition. Once the unit is delivered, liability for theft transfers to the builder/customer. Once the unit becomes attached to the structure, the unit becomes the property of the builder. Plumbing Solutions LLC does not warranty against theft, vandalism, or damage to units after they have been properly delivered and/or installed in new working order.

Special Considerations: Tub units are inspected after installation to be defect free.

Further repairs or alterations will require a VPO.

Plumbing Solutions LLC will refer all tub defects/damages to the manufacturer and the manufacturers process will be followed. Plumbing Solutions LLC will not accept liability or cost incurred due to defective tub units or units that have been damaged after installation.

VPO/Change Orders:

For items Requesting VPO/Change Orders work will not commence until we have received a written verification. No project will begin without Selections being verified and VPO/Change Orders properly approved via signature or e-mail.

Selections:

Selections will be verified with your superintendent or builder via either PO's provided from your system or an email confirmation sent by our project manager. Builder/Superintendent is responsible for Selection choices. Changes after initial selections have been installed will be considered an additional service or Change Order.

Back Charges/Credits:

We understand and acknowledge from time to time back charges are an unfortunate reality in the construction industry. However, we do request that back charges be handled fairly and in a manner in which we can verify the necessity of the charge by a detailed description or accompanying bills from other vendors. It is agreed that back charges will cover the cost to builder and shall not be marked up and we will issue our back charges under the same fairness. Plumbing Solutions LLC must have an opportunity to clearly verify what the back charge is for and how we are liable. As well that the back charge is not in excess or a markup. Any Back Charge not meeting this criteria that is forced will be considered a breach of this agreement.

Model Homes/Discounts/Credits:

Plumbing Solutions LLC would always like to assist your company in saving money where applicable. As well there may be many times where a Model Home Discount or another type of Credit may be available. We will work with your company to assist you whenever these items arrive. However, we ask that these items be discussed prior to the work beginning so we can insure we receive proper discounts from our Vendors. We cannot issue such credits where communication was not proactive allowing us to receive necessary reimbursement from the manufacturers.

Payment Terms:

Plumbing Solutions LLC does not add contingencies in our pricing for late and past due invoices so we can be as competitive as possible. Because of this we must ask that you be prompt with your payments and understand we are extending credit to your company based on the below terms. These terms cannot be edited or adjusted unless in writing by both parties. Plumbing Solutions LLC reserves the right to cease work on any invoice/account that is 7+ days past due and will commence work again after all due and past due invoices are paid in full. Plumbing Solutions LLC does not authorize for any funds to be withheld in reserve at anytime.

Special Considerations: Invoices that are late will be subject to a 1.5% per day late fee.

Upon termination of services all payments due must be paid on time.

Service Interruptions:

Where service is interrupted due to lack of payment, current account standing, or lack of Pre-requisites in place so we can properly perform our service; Plumbing Solutions LLC is not responsible for delays, damages, or inconveniences. Such interruptions or delays will not be eligible for back charges or credits toward invoices.

Alterations of Agreement:

At no time can either party make changes to this agreement on "the fly" or without written change to this agreement. Any changes to agreement shall take place only as it pertains to items from the date of the change forward. This includes service level agreement, payment terms, etc. No such change will affect previously agreed upon terms and mutually agreed upon in writing.

Termination of Agreement:

Upon termination of agreement it is understood that all open invoices are to be paid per payment terms and subject to the same late charges. Plumbing Solutions LLC will continue to service all open work orders, contingent upon payment terms continuing to be met. Any change of Payment terms after Termination will be considered a breach and may interrupt future requests. Any open jobs, invoices, etc. will be handled in a manner in line with the most current agreement in place until such jobs, invoices, etc. have been closed/handled according to this agreement. In Short, Termination of Agreement does not constitute a reason for either party to abandon their responsibilities as held under this agreement for invoices, etc. currently open or unsettled.

Base Bids & Pre-Requisites:

All bids, estimates, etc. are based on the understanding that we will receive the necessary Pre-Requisites to properly service the account. We are not responsible for our inability to service your jobs if these items are not properly provided. Additional trips & costs due to pre-requisites not being met are not covered under our bid rates. The below outlines pre-requisites and scopes in our base bids. This scope may be further broken down by the builder's specific scope requirements, but the below serves as an outline for what services are "standard" or "included" as it applies to bids:

Slab

Pre-Requisites:

- A. Proper Notice 3-Days Lead Time
- B. Plans Delivered, Prior to Arrival
- C. Site Prepped & Ready for Work: Form Boards, Backfilled, Water On-Site
- D. Access to Usable Water for Required Test*
- E. Saw Pole

Scope:

Plumbing Solutions will mark off, excavate, and lay the Slab under material. As well all material will be tested to against defect and to meet code requirements. Site will be cleaned of Plumbing related debris *if a dumpster is provided*. Pipes will be bedded as to prevent movement during backfilling.

Limitations:

Crews pull measurements off the back corner of the non-garage side. Framers should do the same as standard to eliminate slight deviations due to foundation/blueprint issues. We are not responsible for insuring the Foundations/Boxes are square to satisfaction. Water must be available onsite for proper testing, if we must provide water tanker service, there is an additional charge.

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Pre-Requisites:	A.	Proper Notice 3-4 Days
	В.	Plans Delivered, Prior to Scheduling for Tub Ordering
	C.	Framing 100% Complete (Including Half/Knee Walls, Tub Bases, Roof sheathing
	D.	Stairs must be installed prior to start
	E.	Access to Usable Water for Required Test
	F.	Available Power
	G.	Pre-bat behind Tubs prior to start
	H.	Garage floor is poured for level work area

Scope:

Plumbing Solutions will perform all drilling, cutting, running of materials including the setting of tubs & valves. Proper material will be provided for protecting installation and meeting code requirements. Test will be performed to verify water test. House will be cleaned of plumbing related debris.

Plumbing Solutions will Quality Control the project 1-2 days after completion. Punch items will be scheduled the day after QC. Tubs will be checked for defects during QC. Tub defects after QC is not the responsibility of Plumbing Solutions LLC.

Limitations:

Floor trusses, TGI's, and Floor joist should be installed as to not hinder plumbing. Otherwise, they will be cut in order to install, this is not to result in a charge or Liability to Plumbing Solutions LLC under any circumstance. It is not our responsibility to move framing. We will notify you and work with your team when this happens. If carpenter's header a joist, please insure it does not come in contact with plumbing so it does not squeak during expansion. Plumbing must be installed per code measurements. HVAC and Electrical is to be installed after the plumbing. Working around HVAC and Electrical will result in additional charges and most likely a need to remove their work to make a proper install. Plumbing Solutions LLC is not responsible for builder scheduling out of order in any circumstance.

Safety rails and fall protection must be in place for safety of crews.

Sewers

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Pre-Requisites:	A.	Proper Notice 3-Days
	В.	Water Meter Available for Connection
	C.	Taps properly protected and Visible
	D.	Yard clear of obstruction for installation

Scope:

Plumbing Solutions will make necessary excavation up to 50' in length and up to 3' in depth, additional excavation is not covered in bid pricing. After excavation we will make the necessary installation and test if and as required by local code. Inspections will be called into appropriate agencies.

Limitations:

There is additional charges for time required to locate taps, deeper taps then 3', or having to relocate taps. Water meters must be installed as early as possible in construction process for proper testing of all phases. Special testing or material requirements in certain local counties will result in a VPO.

Pre-Requisites:

- A. Proper Notice 4-Days: Required for Fixture Selection Procurement
- B. Water Meter Installed & Working
- C. Counters Installed
- D. Floors Down, Tile Surrounds Up
- E. Siding on House
- F. Selection Choices Verified
- G. Sink holes properly cut, under mounts installed
- H. Finish grade in yard

Scope:

Plumbing Solutions will install the selected fixtures. The plumbing system will be thoroughly tested and all debris cleaned prior to leaving. Testing will include fill all units up multiple times to test water system and dropped multiple times through the drainage system. Additional steps will be taken to insure the plumbing system has been properly installed and is ready for home owner occupancy. Plumbing Solutions will Quality Control the project 1-2 days after completion. Punch items will be scheduled the day after QC.

Limitations:

A single trip is to be made on all trim outs to complete all work with the exception of the ½ baths when hardwood floors are to be installed. We do not start partially ready trims due to quality, warranty, and work flow restraints.

Jobs are not completed, covered under warranty, or ready for move in until we have Quality Controlled. We must have adequate time to fully install, test, and Quality Control project prior to home owner move in. No one else is permitted to turn the water onto the system without assuming full responsibility. Water is never to be left on an unoccupied home. Water will be shut down always after leaving an unoccupied home and we ask that you follow this policy or assume responsibility for damages that result of not following best practices.