



CROSSFIRE CONSTRUCTION™

LICENSED & INSURED LIMITED LIABILITY COMPANY



TERMS OF ENGAGEMENT

VERSION 1.4

Section 1) Walkthroughs, Work Orders, Retainer:

The first phase of any project is scheduling a time for crew members of Crossfire Construction to meet face-to-face with the client for an initial consultation at the location where the work will be performed. A Walkthrough consists of discussing the Scope of Work in its entirety, discussing different products/options to best suit the clients' needs, taking all necessary measurements, taking photos of the work area and surrounding areas, discussing scheduling (including possible starting and completion dates), and discussing potential future projects. If a client wishes to retain the services of Crossfire Construction, the client must sign these Terms of Engagement. The client will receive a completed Work Order (Agreement Form, Estimate, Quote, Bid) within ten (10) business days after retaining the services of Crossfire Construction.

Potential clients who do not retain the services of Crossfire Construction by signing these Terms of Engagement will receive their projects completed Work Order at the convenience of Crossfire Construction. If the client agrees to the Work Order provided, along with the Notes and Terms (**Section 8**) of said Work Order, a tentative start date will be scheduled. Additional rates may apply if a client does not accept the agreement or backs out of an agreement at any point (**Section 9[d]**) before the Scope of Work is complete. Consultations for measurements are subject to billing at Service Call rate (**Section 3**). The payment for the Service Call will be deducted from the billable total at the time of installation of the proposed project. The payment for the Service Call is not subject to reimbursement if Crossfire Construction is not hired for installation/completion of the proposed project.

Section 2) Deposit:

A Deposit in the amount of thirty to sixty-five percent of the Quote Total will be specified in the Notes and Terms (**Section 8**) of each Work Order (**Section 1**). The Deposit amount varies depending on project-specific factors including but not limited to: material cost, phases requiring subcontracting, travel distance, etc. The Deposit will be paid in full by the client within 24 hours of signing their work order. Labor will not be commended until a Work Order is signed and a deposit is paid. The Deposit will be deducted from the Quote Total. All Deposits are non-refundable.

Section 3) Service Calls, Troubleshooting, Hourly Pay Rates:

In the event of any Service Call, whether it be emergent and requiring immediate attention, or scheduled in advance with Crossfire Construction, the client understands that without a signed Work Order (**Section 1**), the availability and response from Crossfire Construction will be invoiced to them during normal business hours at a base rate of \$170⁰⁰ (single-man rate) per hour. Service Calls and Troubleshooting requiring more than one team member will be subject to pay at rates increased by \$30⁰⁰ per man, per hour. Service Calls are billed from the time of arrival until the time of completion, in full 1-hour increments for diagnosis, troubleshooting, repair, and installation. Commutes to and from the store to purchase necessary material are billable and subject to the above-listed hourly rates. Material costs and/or material reimbursement (**Sections 5[a], 5[d]**) will be charged to the client.

A Work Order (**Section 1**) that specifies a portion of the Scope of Work requiring Troubleshooting will be billed at a minimum rate of \$170⁰⁰ (single-man rate) per hour in addition to the agreed-upon Quote Total. Service Calls performed outside normal business hours will be charged an after-hours service fee (**Section 9[a]**). All Service Calls are subject to Mileage Fees (**Section 9[i]**). Priority rate for immediate dispatch will be an additional \$100⁰⁰. Crossfire Construction reserves the right to request a Deposit (**Section 2**) in the amount of \$170⁰⁰ for Service Calls with an anticipated timeframe of two or more hours. Service Calls may be prorated at the discretion of the dispatched technician. Payment information regarding Service Calls can be found in **Section 14**. Crossfire Construction reserves the right to request a written waiver of liability release for any work requests that contradict any professional recommendations or guidance.

TROUBLESHOOTING DOES NOT GUARENTEE REPAIR.

Section 4) Progress Payments:

All projects agreed to between a client and Crossfire Construction will involve a minimum of two payments: a Deposit (**Section 2**) and a Remaining Balance (**Section 15**). According to each project's individual timeline, Crossfire Construction may require a progress payment or multiple progress payments to prevent any halt in labor. Progress payments in the amount of 15-20 percent of the Remaining Balance (**Section 15**) will be paid to Crossfire Construction by the client within 24 hours of the request.

Section 5) Material, Material Reimbursement:

(a) Provision:

Each individual agreement details the material being provided by the client, the material being provided by Crossfire Construction, and delivery methods for the entirety of the project. If additional material is required under contracted projects, reimbursement for said material will be factored into the Change Order Invoice (**Section 9[e]**). Crossfire Construction works under the assumption that all clients own full-size towels to provide upon request for any Service Calls (**Section 3**) requiring removal, installation, or adjustment to any plumbing fixtures, supply lines, drains, or appliances that use them.

(b) Valuations:

Clients of Crossfire Construction recognize all material is subject to inflation and agree to reimburse the difference in pricing between the time of estimation and time of completion. Material delivered by suppliers may be subject to additional rates. Material is always purchased in excess to minimize trips to the store and material costs are never prorated. All paint and stain valuations are subject to material reimbursement if initial values become surpassed at any point in a project.

(c) Product Matching:

Crossfire Construction can accommodate most product matching in most project applications. Crossfire Construction encourages that all clients have all previous renovation records and/or original building planning/design records before product matching is requested. If product-matching is required, Crossfire Construction reserves the right to charge Design Fees (**Section 9[g]**).

(d) Special-Order Parts, Online Purchases:

All special-order parts will be confirmed by the client before a purchase is made. Crossfire Construction will shop for and order model-specific parts on behalf of the client. Any parts purchased out-of-pocket by Crossfire Construction will be billed to the client. If, for any reason, a part is defective, incorrect, or unnecessary (in troubleshooting [**Section 3**] scenarios), the client assumes full responsibility for the cost of the products purchased. Most special-order parts are eligible for return, minus any shipping and restock fees. Returns on special order parts can take varying amounts of time to process and any refunds issued to Crossfire Construction will be passed onto the client upon receipt.

(e) Custom Fabrication:

All material, including but not limited to, existing home material, client-purchased material (**Section 5[a]**), and material being provided by Crossfire Construction, will require verbal consent before altering. The client understands and takes full responsibility for all alterations that are made, that the alterations have been made at their request, and they have been verbally approved. Any change in decisions are not to be blamed onto staff members of Crossfire Construction after the fact.

Section 6) Disposal Fees:

The base price of a haul-off is \$100⁰⁰ for appliances, small items, and debris. All Quote Totals provided by Crossfire Construction include the cost required to dispose of old material that requires demolition. The disposal costs may vary, depending on the magnitude of the project. For any project in which the cost of disposal exceeds Crossfire Construction's \$1,000⁰⁰ Disposal Fee threshold, the client will be held responsible for any additional disposal expenses. These fees will be waived if the client provides a roll-off dumpster on-site and reorders dumpsters accordingly for the duration of the project. Disposal fees are never prorated.

Section 7) Craftmanship Warranty:

Most work performed by Crossfire Construction that is signed to in a Work Order (**Section 1**) by both parties is backed by a 365-day craftmanship warranty. Craftmanship warranty covers completed projects, itemized in the Scope of Work in each Work Order (**Section 1**). Exceptions to work covered under craftmanship warranty may include, but are not limited to:

- Projects that require building off of existing substructures
- Projects that require salvaging existing material (such as framing, electrical, plumbing) that will not be exposed until after the demolition phase is completed
- Projects that require re-framing to accommodate different replacement product specifications (examples being doors, windows, etc.)
- Kit products (step-by-step accessory structures such as carports, pergolas, etc.)

Any Change Orders (**Section 9[e]**) may void Craftmanship Warranty as well. Crossfire Construction reserves the right to void any and all warranties at the technician's discretion.

Section 8) Notes and Terms:

The Notes and Terms section of a Work Order (**Section 1**) cover the terms of the Deposit (**Section 2**), Progress Payment(s) (**Section 4**), Material, Material Reimbursement (**Section 5**), Disposal Fees (**Section 6**), Craftmanship Warranty (**Section 7**), and terms of deliveries. Additional terms may be included to cover issues such as abatement fees, hazardous material removal and disposal.

The Notes and Terms section of an Invoice (**Section 15**) cover the breakdown of billable items (**Section 15[b]**) including hourly labor rates (**Section 3**), Material Reimbursement (**Section 5**), Disposal Fees (**Section 6**), Mileage Fees (**Section 9[k]**), and previous payments applied (**Section 4**).

Section 9) Additional Costs and Fees:

(a) Business Hours:

Crossfire Construction has set business hours of Monday-Friday from 8am - 5pm and Saturdays from 8am - 2pm (excluding national holidays). Clients who have a project or service call performed outside of service hours will be charged at an hourly Service Call rate (**Section 3**) for each member of Crossfire Construction, or subcontractors of Crossfire Construction, who is on-site performing labor outside of business hours. This work may be subject to \$100⁰⁰ per day After-Hours Service Fee on top of the hourly rate. Walkthroughs (**Section 1**) are excluded from after-hours service fees.

(b) Convenience Fees:

Upon verbal scheduling of a project Walkthrough (**Section 1**), regardless of unforeseen circumstances, the client agrees to pay Crossfire Construction an additional \$100⁰⁰ Travel Fee should the walkthrough exceed the scheduled appointment time by 15 minutes or more, delaying the time allotment.

This agreement assumes the work site will be in a safe and workable condition at the time of Crossfire Construction's arrival to begin work. Job sites deemed, by Crossfire Construction personnel, to be unsafe and/or unworkable, will result in additional fees and/or cancellation of the project. Examples of project sites that may be subject to Convenience Fees include: areas where obstructions need to be cleared or additional preparation needs to take place in order to access the designated work area (including vehicle obstructions), areas where furniture/personal belongings need to be relocated, areas where snow removal is necessary, work requiring extra trips to stores/supply houses for specialty parts, work requiring cleanup and/or supplies for cleanup, and/or project sites with unsupervised children and/or pets in work areas that may affect performance.

Convenience Fees can be incurred if a financial discrepancy in payment arises between Crossfire Construction and a client. Partial payments, returned payments, attempted chargebacks, and any other scenario in which the client attempts to inconvenience the Administrative or Collections Departments of Crossfire Construction are subject to these additional fees.

Crossfire Construction approaches all new business relationships with the expectation of being mutually forthright, where honesty and transparency dictate all communications from beginning to end. Convenience Fees can be incurred if a client of Crossfire Construction willingly withholds information with the intent of deceiving Crossfire Construction or being provided a lower quote. For example, giving a property address and withholding an apartment number or failing to mention that a property has tested positive for asbestos.

Section 9(b) applies to initial consultations (**Section 1**), project site conditions, as well as post project accommodations made by Crossfire Construction.

(c) Hazard Fees:

Work areas with hazardous material, including but not limited to: household or industrial chemicals, debris (wood, glass, ceramic, metal, or plastic), impeding flora and/or foliage, structurally unsound concrete or masonry in the work area will be subject to Hazard Fees.

Work areas with biohazardous material, including but not limited to: human, pet, and/or pest waste (including parts containing, contaminated by, or subjected to human, pet, and/or pest waste), or deceased remains in the work area will be subject to Hazard Fees. Hazardous material that needs to be relocated or disposed of will be subject to additional Hazard Fees.

Mold, lead, and asbestos testing and associated remediation or abatement will be subject to Hazard Fees. Hazard Fees will be charged circumstantially, daily or by project.

(d) Overhead Fees:

Crossfire Construction provides free consultations for the purpose of building long-lasting business relationships with their clients. Crossfire Construction reserves the right to charge an Overhead Fee if a client does not agree to their Work Order (**Section 1**).

If the client (and/or a third party in correlation with the client) is responsible for the termination of a project, the client will be charged an Overhead Fee of \$350⁰⁰ (minimum cost; prices are subject to higher rates when the Scope of Work consists of multiple phases (in increments of \$100⁰⁰ per phase) or Blueprints and 3D Rendering [**Section 9(f)**] are involved) per estimate to cover the overhead involved in putting a project together including but not limited to material valuation, scheduling start/progress dates, outreach to subcontractors for schedule coordination and pricing, negotiating the scope of work, scheduling any follow-ups to review the final plans, etc. regardless of if the labor has begun.

Work Orders (**Section 1**) requiring additional information to accommodate properties located under a homeowners association jurisdiction are subject to Overhead Fees.

(e) Change Orders:

Change Order is defined as "work that is added to or deleted from the original scope of work of a contract. However, depending on the magnitude of the change, it may or may not alter the original contract amount and/or completion date. A change order may force a new project to handle significant changes to the current project." [1]

Each individual Work Order (**Section 1**) clearly states in the Notes and Terms (**Section 8**) at the bottom of the form, "Any change orders outside of the initial Scope of Work will be billed to the client." The client's signature (handwritten or digitally written) acknowledges that any labor discussed and/or performed that is not typed into the initial agreement is not free and will be billed to them accordingly in a Change Order Invoice. ✱ THIS TERMS OF ENGAGEMENT ACTS AS A WAIVER OF WRITTEN CHANGE ORDER AGREEMENT. I ACKNOWLEDGE CHANGE ORDERS DO NOT HAVE TO BE SIGNED BY MYSELF AS THE CLIENT. ✱

Crossfire Construction does not run credit checks for smaller projects valued at under \$100,000⁰⁰. Crossfire Construction holds its clients to be financially prepared to account for any contingencies to occur, up to 200 percent of the value of each Quote Total (**Section 13**).

(f) Blueprints/3D Rendering/Digital Modelling:

On projects that need blueprints and/or 3D renderings drawn out for personal reference of a completed project, city permits, and/or homeowners associations approval, clients will be charged at a rate of \$150⁰⁰ per hour for additional office work. (**Section 9[d]**)

(g) Planning/Development Fees, Drafting Fees, Design Fees:

Drafting site plans and permit plans, attending meetings with any city entity regarding permit plans, negotiating zoning inquiries, etc. are subject to Planning/Development Fees, incurred at a rate of \$150⁰⁰ per hour. Planning/Development Fees are typically waived when the client of Crossfire Construction agrees to their Work Order (**Section 1**).

When floor plans and/or plot plans for a project site are not readily available by the client, their architect, or on file with the city or county recorder, Crossfire Construction reserves the right to charge their client for drafting floor plans and/or plot plans at a rate of \$150⁰⁰ per hour. Designs or plans drafted by Crossfire Construction can be made available to any third party, including but not limited to city clerks, planning and zoning departments, architects, subcontractors, or surveyors at an additional charge.

Clients who have an idea of what they want but want the decisions in making material choices to be left to Crossfire Construction will be subject to Design Fees. This includes but is not limited to time spent online or in-person shopping, design consulting with professionals at supply houses, product matching (**Section 5[c]**), and color and/or texture scheme coordinating. Design Fees will be factored into the Change Order Invoice (**Section 9[e]**) at a rate of \$150⁰⁰ per hour.

(h) Project Delay Fees, Contract Renegotiation:

Any project that is halted by a client of Crossfire Construction for any reason is subject to a Project Delay Fee. Projects requiring unanticipated delays for 811 underground surveys for utility locate services, including but not limited to Xcel Energy or any other electrical or natural gas supplier, Comcast, CenturyLink, any other cable/internet provider, Denver Water, any other water supplier are subject to a Project Delay Fee. Project Delay Fees will be charged at a daily rate of \$300⁰⁰. Project Delay Fees are subject to higher daily rates when rental equipment (portable waste containers, dumpsters, scaffolding, machinery, etc.) is on the project site.

Clients of Crossfire Construction have thirty days from the signed date on their Work Order (**Section 1**) for labor to commence before the Work Order is subject to Contract Renegotiation. After 30 calendar days from date the client signed their work order, all material, labor, projected timelines, etc. are all subject to price adjustment.

(i) Mileage Fees:

Clients who live outside the City and County of Denver may be subject to Mileage Fees. Service calls outside of Crossfire Construction's 15-mile service radius (calculated from Zip Code 80219) are subject to Mileage Fees. Contracted projects that face delays, prolonging the project completion date are subject to Mileage Fees. Mileage reimbursement is charged at a rate of 70 cents per mile, per vehicle. Mileage Fees for Service Calls (**Section 3**) will be due at the time of service. Mileage Fees for contracted work will be factored into the Change Order Invoice (**Section 9[e]**) at the end of a project.

(j) Jobsite Security, Maintenance Expenses:

Uninhabited project sites requiring additional security from the condition they are left in by the owner before labor begins is subject to additional Jobsite Security Expenses. Security fencing, gates, locks, traffic-detering signs, etc. are all subject to Material Reimbursement (**Section 5**) and labor billed at a Service Call Rate (**Section 3**).

Projects requiring Maintenance Expenses including but not limited to portable waste container rentals, propane costs for jobsite heaters, air mover expenses (for projects with below suitable ventilation conditions), water supplied from offsite locations, gasoline costs for generators, etc. are all subject to reimbursement.

(k) Non-Compliance Fees:

Non-Compliance Fees are charged at a daily rate of \$150⁰⁰.

(l) Cancellation Fees:

Clients under contract with Crossfire Construction understand same day appointment cancellations are subject to \$100⁰⁰ Cancellation Fee.

(m) Miscellaneous Fees, Assumed Responsibilities:

Clients under contract with Crossfire Construction understand that personnel will take clients at their word about jobsite location accommodations and assume full responsibility for any potential violations employees of Crossfire Construction are subject to. Clients assume full financial responsibility for any parking tickets, vehicle towing, toll road charges, etc.

Clients are required to manage all preliminary accommodations such as parking passes, informing visitor management kiosk attendants of Crossfire Construction's arrival into gated communities, providing Crossfire Construction gate/building/lock box access codes prior to the arrival of any personnel.

Section 10) Project Site Preparation:

Crossfire Construction operates with the expectations of all clients having all work areas of the project site in a condition ready to begin labor with no additional preparation necessary, unless specifically stated in the client's Work Order (**Section 1**). Clients are expected to provide employees and subcontractors of Crossfire Construction with ample workspace. Level of necessary preparation will vary on a job-to-job basis but in most scenarios, Crossfire Construction will require a minimum of six feet of full clearance from every location work is being performed. Examples include locations of wall and ceiling work, locations where ladders or scaffolding are to be placed, areas where tools need to be placed or staged, and walkways where project material such as lumber, drywall, and decking will be transported.

If additional storage space is needed at a project site, Crossfire Construction can coordinate scheduling and placement of on-site storage solutions (PODS®, Mobile Mini®, etc.). Crossfire Construction can provide moving services at an additional charge if necessary. The cost of storage will vary depending on the volume of items, and the duration of storage. Time spent to relocate or store the client's property will be invoiced at Service Call rate (**Section 3**). Crossfire Construction will assume responsibility for entrusted items for the duration of the storage time. Any items damaged in the moving process will be repaired at no cost.

Any property left in the vicinity of Crossfire Construction's work area will be considered an obstruction and subject to Convenience Fees (**Section 9[b]**). Any obstruction will be deemed as client negligence and Crossfire Construction assumes no liability for any obstructions that get damaged in an active work area.

If a client is unable to relocate possessions a reasonable distance from the project site, Crossfire Construction will aid in moving possessions as well as providing temporary or mobile storage. The cost of storage will vary depending on the volume of items, and the duration of the need for storage. Time used to relocate or store client property will be invoiced at Service Call rate (**Section 3**). Crossfire Construction will assume responsibility for entrusted items for the duration of the storage time. If items become damaged in the moving process, Crossfire Construction will, in good faith, do the best we can to repair said item at no cost.

Section 11) Jobsite Cleanup, Client Safety:

At the end of each workday, 30-40 minutes prior to departing from the property being worked on, Crossfire Construction begins Jobsite Cleanup. We assure all demolished old work, work material, ladders, and all tools being left overnight are stored in a designated area on the property. All clients (including housemates, family members, and children) and subcontractors alike, are expected to keep a safe distance from all property

of Crossfire Construction, as well as a safe distance from employees and the work area, both during and after business hours.

Crossfire Construction is committed to ensuring the safety of their clients, including family members and guests. By agreeing to the terms set forth by Crossfire Construction's Terms of Engagement, the client agrees to maintain a reasonable distance from all unfinished work areas, equipment, and materials that could cause potentially serious bodily injury if tampered with. The client acknowledges they are to refrain from the designated area(s) pertaining to the Scope of Work and storage areas and that they are waiving all grounds for potential lawsuits provoked by tampering with unfinished work and/or property of Crossfire Construction.

Any access plans need to be established before labor begins. Failure to comply with terms set forth in **Section 11** will also result in Non-Compliance Fees (**Section 9[k]**). Crossfire Construction is not liable for any injuries or damages to property caused by failure to abide by terms set forth in **Section 11**.

Section 12) Tenant-Occupied Properties:

Properties owned by a landlord and occupied by a tenant (or tenants) are still contractually bound by all terms set forth in this Agreement. Private owners retaining Crossfire Construction for work on their rental property/properties are required to ensure that all occupants abide by all terms set forth in Crossfire Construction's Terms of Engagement. It is encouraged that a copy of this document is forwarded to all occupants, and communication is kept open between the client and their tenants during the entirety of Crossfire Construction's occupation of the property. All property owners are solely responsible for the actions, habits, and behavior of all occupants of the property. Landlords under contract with Crossfire Construction understand that they are responsible for any violations of Crossfire Construction's Terms of Engagement by their tenants, including all children, guests, and pets. Crossfire Construction reserves the right to require clients who are not occupying the project site to provide their physical address and mailing address for their Client File. Crossfire Construction requires clients who are not occupying the project site to provide a verified debit card to keep on file.

Any client of Crossfire Construction who rents, leases, or manages the property where work is to be performed assumes full responsibility of the property owner when agreeing to this Terms of Engagement. Crossfire Construction will not be held responsible for any breach of contract within the terms of the rental, lease, or management agreement with the property owner and the agreeing party. The agreeing party hereby assumes full liability and waives any recourse against Crossfire Construction by acting as the property owner.

Section 13) Insurance Claims:

Crossfire Construction works with insurance providers to get their clients paid and their clients' property repaired promptly. Before any assessment can be made, providers are called, or Invoices (**Section 15**) are sent, Crossfire Construction requires their client to be under retainer (**Section 1**).

(a) Assessment/Valuation:

Crossfire Construction will assess and evaluate all damages whether the clients' insurance provider has already dispatched an in-house assessor/appraiser.

(b) Council:

Crossfire Construction will file a claim on behalf of their client, submit required documentation, provide required Invoices (**Section 15**), speak with assigned adjusters, etc.

(c) Invoice Payouts:

Crossfire Construction will submit Invoices (**Section 15**) to adjusters to expedite prompt payouts to their clients. All payments from insurance providers for labor are expected to be forwarded to Crossfire Construction within 48 hours of receipt from their clients insurance provider.

Section 14) Payments:

The Quote Total is the price of the project stated in each Work Order (**Section 1**). Payment agreements are made on a job-to-job basis and signatures from both the client and authorized representative of Crossfire Construction are required to finalize the agreement. The Notes and Terms (**Section 8**) section of each form details the percentage amount owed for a Deposit (**Section 2**), Progress Payment(s) (**Section 4**), and Remaining Balance (**Section 15**). Any labor that is not formally agreed upon in its own dedicated Work Order (**Section 1**) will be invoiced (**Section 15**) to the client at an hourly Service Call rate (**Section 3**).

Payment of the Remaining Balance for all contracted work is to be paid within 48 hours of the departure of Crossfire Construction staff members from the project site. Payment of invoices for work bill outside of a dedicated Work Order (**Section 1**), including but not limited to: hourly Service Call labor rates (**Section 3**), Material reimbursement (**Section 5**), Disposal Fees (**Section 6**), Mileage Fees (**Section 9[k]**), is to be paid within 24 hours of the departure of Crossfire Construction staff members from the project site.

Crossfire Construction accepts payments in cash, by personal or cashier's check, credit or debit card via Crossfire Construction's online checkout system (payxfc.com), Zelle, and PayPal. A receipt will be delivered via email for cash payments within 4 business days. Receipts for checks or digital payments are provided upon request. Any digital, online, and third-party hosted transactions are subject to processing fees.

Section 15) Invoices, Chargebacks:

(a) Initial Invoicing:

An Invoice will be sent upon completion of work or denial of a Work Order (**Section 9[d]**) with the amount of any Quote Total or Remaining Balance. Any outstanding balances will be paid within 2 calendar days. Any outstanding balances left unpaid for more than 14 calendar days will be subject to a 10-20 percent late fee. Any outstanding balances and/or unpaid late fees after 28 calendar days will be referred to collection services which may impact the client's credit score. Crossfire Construction reserves the right to place liens on homes and businesses with unpaid debts.

(b) Billable Items/Discounts:

Crossfire Construction invoices their clients with integrity and fairness. When projects become more complicated than anticipated due to the state of the property, material, or other factors, discounts may be provided at the administrative level. Each Notes and Terms section (**Section 8**) details any discounts in labor, material, inventory costs, fees, or a combination thereof. All discounts are subject to expiration if the invoice is not paid within 24 hours of the departure of Crossfire Construction staff members from the project site (**Section 14**).

(c) Chargebacks:

Clients of Crossfire Construction understand that all payments are final. Any attempt at fraudulent chargeback claims with their creditors are subject to recharges for unpaid balances, Convenience Fees (**Section 9[b]**), penalty fees and/or legal action.

Section 16) Legal Expenses:

In the event a client of Crossfire Construction chooses to leave a debt unpaid, the course of action taken by Crossfire Construction will vary by client and debt amount. Crossfire Construction reserves the right to hold their clients accountable for the remuneration of, but not limited to existing balances, lien filing fees, lien release fees, attorney expenses, court filing fees, document filing fees, and document processing fees, as well as an enforcement fee of 18 percent of total costs.

Section 17) Permitting:

Projects requiring permits for building, roofing, plumbing, and electrical phases will be obtained by Crossfire Construction and/or its affiliates in most circumstances. Crossfire Construction reserves the right to request that the client applies for a homeowners permit if needed. Permitting and inspection costs may be factored into a Work Order (**Section 1**) and mentioned in the Notes and Terms section (**Section 8**), depending on the magnitude of the Scope of Work.

Project permitting will not be addressed by Crossfire Construction until a client has both retained the services of Crossfire Construction and has a signed Work Order (**Section 1**) for the project that the permit pertains to. Additional permits that were unaccounted for in the initial Work Order (**Section 1**) of a project will be factored into A Change Order Invoice (**Section 9[e]**). Reinspection costs will be factored into a Change Order Invoice (**Section 9[e]**).

Section 18) Subcontracting, Client/Subcontractor Confidentiality:

All subcontracting arrangements, including but not limited to hiring and scheduling, will be made strictly through Crossfire Construction. All subcontractors of Crossfire Construction are reputable businesses, in good standing with the Colorado Secretary of State's office, licensed, and insured. All subcontractors of Crossfire Construction are required to provide a Certificate of Insurance (general liability coverage minimum) & Proof of Workers Compensation coverage for any employee of a subcontractor on a job site overseen by Crossfire Construction.

All agreements made through Crossfire Construction and their subcontractors are on a strict job-to-job basis. All business between Crossfire Construction and their clients will remain between them. Subcontracting agreements made between Crossfire Construction and outside parties will occur with the understanding that subcontractors will not market, promote, distribute, or advertise to clients of Crossfire Construction and

vice versa. Any subcontracting agreements requiring supervision by a member of Crossfire Construction in which subcontracting labor is performed outside of an active Work Order (**Section 1**) are subject to be billed for any applicable hours.

Section 19) Audio, Video, Photographic Consent:

Consent to record, film, or photograph Crossfire Construction, their staff, employees, subcontractors, property including vehicles, material, and equipment must be obtained in writing until a project is completed with all debts paid in full. Failure to obtain a consent form may result in fines or legal action. Crossfire Construction reserves the ownership rights to any photographic or videographic material containing potential project areas, progress, completion, material, clients, family members, or pets that were present at the time of photography or videography.

Section 20) Contractor Rights:

Crossfire Construction is protected by contractor rights in the State of Colorado to ensure the client is held accountable to all payments requested, balances due, and punctuality regarding meeting payment deadlines. Crossfire Construction works with the third-party agency, Levelset. "Express Lien, Inc. dba Levelset ('we,' 'Levelset,' or 'Company'), is a software platform through which customers ('you,' or 'Customer') can exchange, collaborate on, create, and manage documents, information, and payment related to construction projects, construction financial management, and otherwise; rate, share, and obtain information on contractor payment practices, requirements, and behaviors; and provide and obtain expert help." [2]. By agreeing to **Section 20**, the client grants permission to Crossfire Construction and Levelset to allow Levelset to distribute a preliminary notice via USPS stating that a third-party vendor is involved in the project throughout its entirety, recording the dates of material and labor being contributed to the project by Crossfire Construction.

Crossfire Construction reserves the right to sever all communication with truculent, unruly, or aggressive clients. Crossfire Construction reserves the right to void all warranties at their discretion. Crossfire Construction reserves the right to walk away from projects that are hostile in atmosphere, with all debts billable according to progress status, and material costs reimbursed. Crossfire Construction is not liable for buyer's remorse and reserves the right to refuse refund requests. Administrative staff of Crossfire Construction will hold themselves accountable for what they have stated but cannot take responsibility for what a client interpreted or understood. Crossfire Construction assumes no liability for any miscommunication between any client and their co-inhabitants who share financial institutions or capital. The signed client assumes sole responsibility for any charges incurred and financial discrepancies within their partnerships or institutions are their own to bear.

Section 21) Document Rights:

The client acknowledges Crossfire Construction solely owns the rights to all information provided in this document as well as any other document with the **CROSSE FIRE CONSTRUCTION** name header, "reticle sawblade" logo, or 3D "reticle sawblade" logo. This document is to be used by no party except for Crossfire Construction and its subsidiaries. Duplication of any of these documents in whole or in part is strictly prohibited. This agreement holds no expiration and a client's signature certifies that they agree to the current agreement along with future revisions and addendums to those documents.

I have read and acknowledged all 21 sections of this Terms of Engagement. I agree to all Terms of Engagement set forth by Crossfire Construction. I understand failure to abide by terms set forth by Crossfire Construction may result in financial compensation and/or legal action. I acknowledge that this Terms of Engagement applies to not only myself as the client, but all partners, roommates, tenants, occupants, guests, children, and pets present on the property.

X
Client Initial

X

Client Signature

X

Client Printed Name

X

Date Signed

[1] "Change Order" definition from https://en.wikipedia.org/wiki/Change_order#cite_note-2 cited from <https://pmhut.com/project-management-process-phase-3-implementing-change-control>
[2] Cited from <https://www.levelset.com/terms-of-use>