



BASSETT MECHANICAL GENERAL CONDITIONS AND INSTRUCTIONS

Updated 4/9/2018

1. Identification of Shipments. Bassett, Inc. (d/b/a "Bassett Mechanical" and/or "Thermatech") (the "Purchaser") cannot and will not be responsible for any material received unless each package, case, etc., is clearly identified on its outer covering as to: 1. Seller. 2. Purchase Order Number. If Purchaser furnishes shipping tags for direct shipment to Purchaser's customer, Seller assumes responsibility of non-acceptance of shipments by Purchaser's customer in the event such shipping tags are not attached to packages, cases, etc. On shipments direct to Purchaser's customer where no shipping tags are furnished, packages, cases, etc., must be marked as specified on face of order.
2. Boxing, Packing or Cartage. No charges for boxing, packing or cartage will be allowed unless stated hereon or later agreed to by this company in writing.
3. Invoices. An invoice showing the Purchase Order Number, irrespective of whether shipment is in part or in whole, shall be submitted by one of the following options: E-mail: accountspayable@bassettmechanical.com (Preferred), Fax: 920-759-2528 or Standard mail to Bassett Mechanical 1215 Hyland Ave, Kaukauna, WI 54130.
4. Inspection. The material or apparatus to be supplied against this Purchase Order shall, at the Purchaser's option, be subject to inspection and test at the maker's works.
5. Rejected Material. Rejected material shall be returned to the Seller at the Seller's expense.
6. Time of delivery of this order is of the essence, and Purchaser reserves the right to cancel without cancellation charges, all or any part of this order if not filled within the specified time. Exercise of such right of cancellation shall not be deemed a waiver of any other right reserved to the Purchaser herein, or by law, for any delay or failure to deliver as specified.
7. No partial shipments accepted unless agreed upon by both parties.
8. The Seller agrees to comply with any and all Federal, State, County and Municipal and/or other local regulations, laws, ordinances and enactments of whatever kind, applicable at the time of sales or which may become effective during the period of construction or fabrication, shipping and/or installation (if installation is included) of the materials comprising this Purchase Order.
9. The price or prices of this order are not subject to change or any surcharges resulting from the imposition now or in the future of any sales taxes, Federal, State, Municipal or otherwise, unless agreed to or requested by Purchaser.
10. In the event approval is not secured from the Owner, or if the Owner's order to the Purchaser is canceled, cancellation of this order shall occur automatically, without cancellation charges by the Seller; and no obligation of any description, whatsoever, shall exist on the part of the Purchaser toward the Seller.
11. The contract price appearing on this Purchase Order is final as to payment for the material covered by the specifically listed items, as defined by the enumerated specification paragraph numbers, with exceptions as noted, and there shall be no additions to or other modifications of such contract price, except as such modifications may result from actual change in the specifications. If such changes become necessary, any alteration of the contract price shall be covered by separate order, which shall be issued to cover such charges. Seller shall not proceed with changes affecting contract price without specific authorization in WRITING from the Purchaser.
12. Payment and discount periods shall commence only upon receipt of both the material and proper invoice or invoices at designations specified in this Purchase Order. The Purchaser reserves the right to return to the Seller for correcting any and all invoices containing error and/or not in agreement with this Purchase Order.
13. The Purchaser reserves the right to return to Seller at the invoice price, all items which are regularly carried in Seller's stock.
14. Seller represents and warrants to Purchaser that all material and/or equipment rented, leased or purchased under this purchase order meets all standards of the Occupational Safety and Health Act of 1970 and Construction Safety Act of 1969, as amended from time to time, and of applicable State and Local laws, regulations, standards or requirements pertaining to safety, as amended from time to time.
15. All material and/or equipment furnished under this order shall be guaranteed by the Seller against defects in material, workmanship or design, and Seller agrees to replace without charge to Purchaser any non-complying material and equipment or remedy any defects, latent or patent, not due to ordinary wear and tear, or not due to improper use or maintenance, which defects may develop within one year from date of acceptance by Owner, or within the guarantee period set forth in applicable plans and specifications, whichever period is longer.
16. All material and equipment furnished under this order shall be subject to the approval of the architect, engineer, or any other party designated, and Seller shall furnish the required submittal data and/or number of samples for said approval. In the event such approval is not obtained, the order is cancelled, with no liability on the part of either Purchaser or Seller, unless the order is placed with the understanding that the material and/or equipment is to be supplied of the type and in such a manner as to meet requirements of plans and specifications. In the latter case Seller shall comply without further cost to Purchaser.
17. All material and equipment furnished hereunder shall be in strict accordance with plans, specifications and general conditions applicable to the contract of Purchaser with the Owner or another contractor, and Seller shall be bound thereby in the furnishing of material under this Purchase Order. A redacted copy of such contract with the Owner or other contractor is available for Seller's review upon request.
18. Seller hereby guarantees equipment covered under this purchase order to produce capacities or meet design specifications and function: (1) as called for in the plans, specifications or addenda; and (2) as herein set forth; and (3) as published or warranted by the manufacturer for the equipment involved. In the event the equipment does not meet the foregoing requirements (a "deficiency"), Seller shall immediately on notice replace same, or remedy any deficiency, without expense to the Purchaser; and further, Seller shall pay to Purchaser all loss, cost or damages resulting therefrom.
19. The Seller hereby agrees to indemnify and save harmless the Purchaser from and against all claims, liability, loss, damage or expense, including attorney's fees, by reason of (i) any deficiency in the materials or equipment purchased hereunder or in Seller's performance of its obligations under the applicable purchase order, (ii) any negligence of Seller or of Seller's employees or others for



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whom Seller may be liable and (iii) any actual or alleged infringement of trade secrets, trademarks, copyrights or other proprietary or confidential information, or of letters patent, and any litigation based thereon covering any article or process purchased hereunder.

20. The insurance requirements outlined in this section are in addition to and separate from any other requirements in the Bassett Subcontract Documents. Unless higher limits are required by the Bassett Contract Documents, Subcontractor shall procure, maintain during the life of this Subcontract (and for two years thereafter in the case of completed operations for coverage or such longer period as Bassett may be required to maintain such coverage under the Bassett Contract Documents), and pay for, and shall require its sub-subcontractors to procure, maintain during the progress of their portion of the work (and for two years thereafter in case of completed operations coverage), and pay for the following types and minimum amounts of insurance.
- (a) Commercial General Liability insurance and Completed Operations/Product Liability covering occurrences within the policy period with minimum Per Project Occurrence Limits of \$1,000,000 and General Aggregate Limits and Products Completed Operations Aggregate Limits of \$2,000,000.
 - (b) Commercial Automobile insurance policies with a \$1,000,000 Combined Single Limit for Liability for Owned, Non Owned, and Hired Automobiles.
 - (c) Umbrella form excess liability insurance with minimum limits of \$2,000,000 for subcontract amounts totaling less than \$100,000 and \$3,000,000 for subcontract amounts totaling more than \$100,000.
 - (d) Worker's Compensation insurance in a form prescribed by the laws of the State in which the Project is located shall have Statutory Worker's Compensation coverage. This policy must also include Employer's Liability coverage with limits of \$500,000 per Occurrence for Bodily Injury, \$500,000 per Employee for Bodily Injury by Disease, and \$500,000 policy limit for Bodily Injury by Disease.
 - (e) Contractors Pollution Liability insurance with minimum limits of \$1,000,000 each claim (if claims made coverage) or \$1,000,000 per occurrence (if occurrence coverage) and \$1,000,000 annual aggregate.
 - (f) Professional Liability insurance, if Subcontractor is providing professional services, with minimum limits of \$1,000,000 each claim and \$1,000,000 annual aggregate.

All insurance required hereunder shall be with insurance companies with A.M. Best Rating of A- and a size category of VII or better, and on forms acceptable to Bassett. Certificates of Insurance or copies of policies shall be furnished to Bassett before performance of the work and release of any funds from Bassett in connection with the work. If additional limits or coverages are required by the Bassett Contract Documents, Subcontractor will obtain such limits or coverages at no additional cost. Each Contract of Insurance shall contain clauses to the effect that the same may not be reduced or cancelled on less than 30 days prior written notice to Bassett. Each liability policy required by this Subcontract (Commercial General Liability, Automobile Liability, Umbrella Excess Liability and Contractors Pollution Liability) shall name as additional insureds the Owner, the Prime Contractor and Bassett and their respective officers, directors, agents, employees and assigns. The Commercial General Liability and Umbrella Excess Liability policies shall be endorsed with ISO Additional Insured forms CG 20 10 07 04 and CG 20 37 07 04. The insurance required shall be primary and non-contributory with respect to any other insurance available to said additional insureds. Any policy of insurance issued shall include an endorsement providing that the insurers waive their rights to subrogation against the Owner, the Prime Contractor and Bassett, and the respective officers, directors, agents, employees and assigns of each. The Subcontractor hereby waives, and it shall require its sub-subcontractors to waive, any and all rights of recovery which they or any of them may now or subsequently have against the Owner, Prime Contractor or Bassett, and their respective officers, directors, agents, employees and assigns, in connection with any losses covered by insurance provided hereunder.

21. To the extent of coverage afforded by Builder's Risk or any other property or equipment floater insurance applicable to the work or the project or equipment used in the performance of the work or project, regardless of whether such insurance is owned by or for the benefit of Seller, Purchaser, owner or their respective subcontractors, suppliers/vendors and agents, the Seller agrees to waive all rights against (1) Purchaser and any of its subcontractors, sub-subcontractors, suppliers/vendors, agents and employees, each of the other, and (2) owner and any of its contractors, subcontractors, suppliers/vendors, agents and employees, whether under subrogation or otherwise, for loss or damage to the extent covered by such insurance, except such rights as they may have to the proceeds of such insurance. If policies of insurance referred to in this paragraph require an endorsement to provide for continued coverage where there is a waiver of subrogation, then the owners of such policies will cause them to be so endorsed. A waiver of subrogation shall be effective as to a party even though that party would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the party had an insurable interest in the property damaged.
22. Seller shall furnish all necessary lien waivers, affidavits or other documents, required to keep the Owner's premises free from liens or claims for liens, arising out of the furnishing of the material or equipment herein, as payments are made from time to time under this purchase order.
23. All prior representations, conversations, or preliminary negotiations shall be deemed to be merged in this order, and no changes will be considered or approved unless this purchase order is modified by an authorized representative of Purchaser in writing.
24. In the event of default of any of the terms or conditions set forth herein, the Seller agrees to pay all costs resulting therefrom, including but not limited to, reasonable attorneys' fees.
25. Any provision of any document of Seller which is in addition to or different from the terms of this Purchase Order shall not operate as a rejection of this Purchase Order, but shall be deemed to be a proposed material alteration and this Purchase Order shall be deemed to be accepted without such additional or different term(s), any such additional or different term(s) being hereby objected to and rejected.
26. This purchase order, when accepted by Seller, shall constitute a valid and binding contract.
27. The terms of this contract will be governed by the laws of the State of Wisconsin.