



Fire Tower Engineered Timber, Inc.

104 5th Street ◦ Calumet, MI 49913 ◦ 906.379.0520

1 January 2019

HOURLY RATES (USD)

Principal	\$180/hour
Senior Engineer engaged in Ph.D. related analysis	\$180/hour
Senior Engineer	\$150/hour
Engineer	\$90/hour
Timber Designer	\$80/hour
Engineering Technician	\$70/hour
Clerical Assistant	\$40/hour

Any legal or expert witness work will be billed at 1.5 the above rates. While under oath the work will be 3.0 times the above rates. Travel time will be billed at straight rates.

REIMBURSABLES

The following will be billed at cost + 15% administrative expense:

- Research Fees
- Printing/Reprographic Costs
- Special Materials, Services & Equipment

Mileage	Per IRS Standard Mileage Rate
Postage	Cost
Travel (Including Air Fare)	Cost



Terms and Conditions

Fire Tower Engineered Timber (FTET) shall perform the services outlined in this Agreement for the stated fee arrangement.

Fee

The total fee, except stated lump sum, shall be understood to be an estimate, based upon Scope of Services, and shall not be exceeded by more than ten percent without written approval of the Client. Where the fee arrangement is to be on an hourly basis, the rates shall be those that prevail at the time services are rendered.

Billings/Payments

Invoices will be submitted monthly for services and reimbursable expenses and are due when rendered. Invoices shall be considered past due if not paid within 30 days after the invoice date and FTET may, without waiving any claim or right against Client, and without liability whatsoever to the Client, terminate the performance of the service. Retainers shall be credited on the final invoice. A service charge will be charged at 1.5% (or the legal rate) per month on the unpaid balance. In the event any portion of an account remains unpaid 90 days after billing, the Client shall pay cost of collection, including reasonable attorneys' fees.

Access To Site

Unless otherwise stated, FTET will have access to the site for activities necessary for the performance of the services. FTET will take precautions to minimize damage due to these activities, but has not included in the fee the cost of restoration of any resulting damage.

Hidden Conditions and Hazardous Materials

A structural condition is hidden if it is concealed by an existing finish or if it cannot be investigated by reasonable visual observation. If FTET has reason to believe that a structurally deficient condition may exist, FTET shall notify the Client who shall authorize and pay for all costs associated with the investigation of such a condition and, if necessary, all costs necessary to correct said condition. If (1) the Client fails to authorize such investigation or correction after due notification, or (2) FTET has no reason to believe that such a condition exists, the Client is responsible for all risks associated with this condition, and FTET shall not be responsible for the existing condition nor any resulting damages to persons or property. FTET shall have no responsibility for the discovery, presence, handling, removal, disposal or exposure of persons to hazardous materials of any form.

Indemnification

FTET shall indemnify and hold harmless the Client and its officers, members, directors, partners, agents, employees, and subconsultants against any and all claims, damages, losses and expenses to the extent they are caused by the negligent acts, errors, or omissions of FTET or its employees in the performance of its services under this Agreement, subject to the Risk Allocation provisions. The Client shall indemnify and hold harmless FTET and its officers, members, directors, partners, agents, employees, and subconsultants from and against any and all claims, damages, losses and expenses arising out of or resulting from the performance of the services, provided that any such claims, damage, loss or expense is caused in whole or in part by the negligent act or omission and/or strict liability of the Client, anyone directly or indirectly employed by the Client (except FTET) or anyone for whose acts any of them may be liable. This indemnification shall include any claim, damage or loss due to the presence of hazardous materials. Neither party shall have any obligation to defend or pay for the defense costs of the other party until such time as there is a determination of fault of the party and, in that event, the party found at fault shall only be obligated to reimburse the other party for its reasonable defense costs on a percentage basis in direct proportion, as determined by the court, to the percentage of fault of the party who was found at fault.

For third party claims, to the fullest extent permitted by law, the Client hereby agrees to indemnify, hold harmless and defend FTET, including its officers, members, directors, partners, agents, employees, and subconsultants from and against all third party claims, including bodily injury, property damage, products liability, demands, damages and losses, causes of actions, judgments, fines, penalties and claims expense including attorney fees, caused or alleged to have been caused by anything other than negligent performance by FTET of services under the agreement related to this project. Said indemnification shall also apply to any deductible that FTET may be obligated to pay under its Professional Liability Policy resulting therefrom.

Risk Allocation

In recognition of the relative risks, rewards and benefits of the Project to both the Client and FTET, the risks have been allocated such that the Client agrees that, to the fullest extent permitted by law, FTET's total liability to the Client or any third party for any and all injuries, claims, losses, expenses, damages or claim expenses rising out of this Agreement, from any cause or causes, inclusive of all costs including attorney and expert fees, shall not exceed the amount of \$50,000 or the amount of FTET's fees, whichever is greater. Such causes include, but are not limited to, FTET's negligent acts, errors, omissions, strict liability, breach of contract, breach of expressed or implied warranty, or any other theory of legal liability. This limitation of liability shall apply to FTET and its officers, members, directors, partners, agents, employees, and subconsultants.



Termination of Services

This Agreement may be terminated upon 10 days written notice by either party should the other fail to perform its obligations hereunder. In the event of termination, the Client shall pay FTET for all services rendered to the date of termination, all reimbursable expenses, and reasonable termination expenses.

Ownership Documents

All documents produced by FTET under this Agreement shall remain the property of FTET and may not be used by the Client for any other endeavor without the written consent of FTET.

Dispute Resolution

FTET and the Client agree to negotiate any claim(s) or dispute(s) arising out of or related to the agreement between them in good faith prior to exercising any other provision of this Agreement. If a claim or dispute between FTET and Client cannot be settled within 30 days by good faith negotiations FTET and Client agree to submit it to mediation in accordance with the Construction Rules of the American Arbitration Association. If the claim or dispute cannot be settled by good faith negotiations or mediation then either party may exercise their rights under law. In no event shall a claim or dispute be made or sustained if it would be barred by the applicable statute of limitations.

FTET has engineers licensed in the following jurisdictions (subject to change):

