



GENERAL CONDITIONS FOR CONSTRUCTION BUDGET ESTIMATES AND PROPOSALS

AWC Construction Services | DIRTT
April 12, 2017



CELEBRATING
150 YEARS OF
SERVICE





GENERAL SCOPE CONDITIONS AND ASSUMPTIONS

Pricing provided in any AWC Construction Services' proposal package is based on a set of project conditions and assumptions. Changes in project conditions and assumptions will have a direct impact on project cost, in which case AWC Construction will provide an updated quote to the client. Our general conditions and assumptions are:

- Pricing is based on preliminary drawings and dimensions provided by the client or client representative. Pricing is not final until dimensions have been either verified by Alfred Williams & Company and approved by the client or client representative. Where field dimensions cannot be obtained, verified, and approved, the client will agree to "hold-to dimensions" instead. All DIRT designs will then be specified to fit in hold-to dimensions, to be accurately provided by the client or client representative (e.g. general contractor).
- Pricing assumes a DIRT construction specific project sequence, meaning that all flooring, ceiling grids and other ceiling conditions, and conventionally built-out wall painting has been applied and completed. DIRT installation is assumed to happen immediately before furniture installation, with all other trades significantly completed to ensure a smooth and efficient DIRT installation.



INSTALLATION SPECIFIC ASSUMPTIONS AND REQUIREMENTS

- Pricing provided in any AWC Construction Services' proposal package assumes a continuous installation period. Highly trained and certified installation crews will travel to the job site prior to the project's DIRT installation and additional work days or additional work trip to site will increase the project cost for installation.
- Any AWC Construction Services' quote assumes a fixed installation period, defined in the budget estimate or proposal. Scheduling changes and adjustments beyond this period will increase installation cost due to crew availability and/or mobilization.
- The client shall designate a resource to serve as primary point of contact for AWC Construction Services' Project Manager. If requested by the AWC Construction Services' Project Manager, the client or client representative shall be available for a coordination meeting to discuss install specific circumstances (e.g. loading dock rules and regulations, freight elevator coordination, etc.). AWC Construction Services' Project Manager shall receive invitations to project relevant meetings (e.g. construction meetings, etc.) and will make every effort to attend regularly.
- Client shall be available at the end of the installation period specified above to conduct a walk-through to collect potential punch items and conduct a formal hand-over of the space. AWC Construction Services will provide a written punch list for approval and sign-off within one work day of the walk-through. If no punch items are identified during the walk-through, the project shall be considered complete and the space shall be officially handed over. If punch items are identified, AWC Construction Services will immediately initiate punch resolution per the approved punch list. The client shall be available to conduct a final walk-through upon completion of the approved punch list and provide sign-off on all resolved punch items. With the conclusion of the final walk-through, the project shall be considered complete and the space shall be officially handed over.
- AWC Construction Services assumes one comprehensive clean-up immediately upon completion of the installation and prior to the client's walk-through. Should, because of any circumstances (e.g. other trades on site, etc.), an additional installation trip be necessary, additional cost will apply.
- Safety instructions, if necessary, shall be made available to installation crew and training shall be completed on day one (1) of the install period specified above.
- Badging or any install crew registration, if necessary, shall be completed prior to installation begin (day one (1) of the install schedule specified above). A badge shall be made available to AWC Construction Services' Project Manager, if necessary.



LEAD TIMES AND ORDER SEQUENCE

DIRTT's industry leading manufacturing and delivery lead times are a main contributor to DIRTT's reputation as a viable construction alternative to conventional construction. Unlike the common perception of long manufacturing lead times for pre-fab construction, DIRTT's innovative process centered around the ICE technology has established the DIRTT approach as a significantly more efficient and faster method of construction.

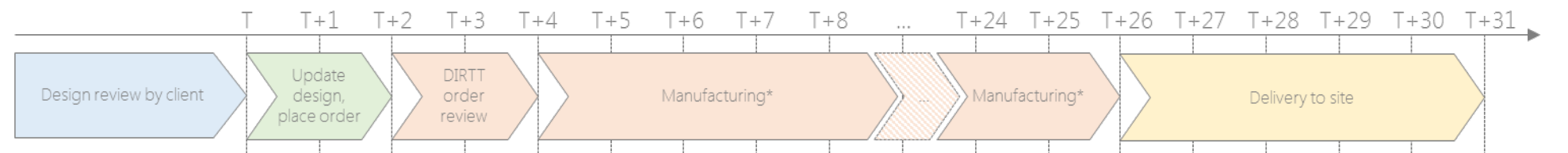
DIRTT's standard manufacturing lead times are:

- DIRTT aluminum and glass: 10 days
- DIRTT solid tiles (e.g. MDF): 14 days
- DIRTT Millwork: 21 days
- Shipping time from DIRTT factories: < 7 days (shipping can be expedited at additional charge (10% of total project cost))

Manufacturing lead times are calculated from the time of the official DIRTT acknowledgement of any order placed by AWC Construction Services, usually within 24-48 hours of order entry, depending on the size and complexity of the construction project.

Orders are placed after receipt of formal approval of all DIRTT designs and dimensions by the client or client representative. In certain cases, AWC Construction Services may require an additional, updated quote to be signed by the client to reflect scope changes and adjustments, prior to submitting an order to DIRTT.

Example timeline of a standard project (T = day of formal design and dimension sign-off by client):



* Scenario assumes a comprehensive DIRTT construction project with all components of DIRTT manufactured interior construction.



DESIGN APPROVALS

In order to successfully deliver a manufactured construction project, timely decision making is essential. AWC Construction Services will support clients and client representatives in making design decisions early to ensure a timely order process to fully capitalize on DIRT's re-sequencing of the construction process. Our team will work closely with our clients to communicate requirements early and coordinate collaboration to ensure a smooth project delivery.

Standard requirements include:

- Access to design decision makers, in person or through frequent email/phone conversation;
- Timely design decisions from the client or client representative;
- Access to project space for dimensioning, or approval of hold-to dimensions;
- A formal review of the client of final designs, shop drawings, and elevations. AWC Construction Services can help facilitate understanding of those documents, if necessary.
- Other, project specific requirements.



CHANGE ORDERS

AWC Construction Services understands that projects can change during the construction phase. In order to accommodate changes throughout the construction project, AWC Construction Services utilizes a formalized change order process to maintain schedule efficiency and cost transparency. Change Orders are designed to manage the financial impact of changes and set the right expectations for AWC Construction Services and other stakeholders.

AWC Construction Services will require an approved and signed Change Order Form in the following instances:

- General change of scope (new design, change in necessary construction materials, if change is not captured through a new and updated cost proposal);
- Change of schedule;
- Change of design intent (e.g. new finishes, different layout, change in materials);
- Change of verified field dimensions or previously agreed hold-to dimensions;
- Significant changes to site conditions or site not ready for install per agreed schedule (e.g. floor not ready, no power or light available);
- Significant changes to site conditions for install and delivery (e.g. unanticipated loading dock restrictions, changes in freight elevator availability, etc.);
- Other unforeseen circumstances increasing AWC Construction Services cost at no fault to AWC Construction Services.

AWC Construction Services' Project Manager will assist the client or client representative navigating the Change Order process and advise the client when a change order is necessary. AWC Construction Services will strive to quickly provide updated cost for client approval to avoid any unduly schedule delays.



PAYMENT TERMS

AWC Construction Services requires, upon award of the construction project, a deposit in the amount of 50% of total project cost.

The remaining balance, less a retainer of 10% of total project cost, will be due upon delivery of the construction materials on site. The final payment of 10% is due upon completion of punch. AWC Construction Services takes great pride in our organization's history of outstanding client service, and completion of punch can be expected within 2 weeks, unless other conditions have been negotiated or a significant amount of new construction materials are necessary. If additional materials are required, punch shall be completed within 2 weeks of receipt of such materials at AWC Construction Services' warehouse or the client site.

Anticipated payment schedule (summary):

Award of Construction Project:	50% of total project cost
Delivery of Construction Materials:	40% of total project cost
Completion of Punch:	10% of total project cost



WARRANTY

DIRTT upholds a warranty of ten (10) years for all new DIRTT construction solution materials, installed by a certified DIRTT installer. Third-party parts (e.g. hardware), including Customer Owned Materials (COM), as well as existing, previously bought and installed DIRTT materials (i.e. stock materials and assemblies) are not included in DIRTT's warranty commitment and subject to third party providers' warranty conditions.

AWC Construction Services will uphold a one (1) year warranty period for labor related to DIRTT warranty incidents.

Warranty period will start upon DIRTT construction completion and client approval of installation.



OTHER CONDITIONS

Installation time clarifications: AWC Construction Services provides a number of installation days to complete a construction project with the a budget estimate or proposal. Our estimate for labor cost is based on normal business hours (five weekdays, eight hours/workday). Installation time can be decreased through overtime or the simultaneous running of multiple labor crews or shifts at an additional cost to the client, not included in the proposal.

Expedited manufacturing/shipping: upon request, AWC Construction Services can request expedited manufacturing and shipping from DIRTT. If expedited manufacturing and shipping is requested by the client, an additional cost of 10% of total project value will be chargeable to the client.

Pricing changes: Pricing in any AWC Construction Services' proposal package is based on preliminary plans and often times, not fully developed construction documents (e.g. schematics design drawings). Changes in project scope may affect project cost and mandate a new, updated proposal package or a change order. Installation costs are estimated and provided as a budgetary price, unless otherwise specified in any AWC Construction Services' proposal package. Exact pricing for installation will be confirmed upon receipt of final project scope and information.

Site conditions: All labor pricing are estimates and contingent on the following conditions:

- Loading dock is available and accessible;
- Freight elevator is available and useable, if needed;
- Final floor is installed;
- Ceiling grid (or other ceiling condition) is fully installed or built out;
- Final paint on conventionally built out construction elements is applied.

AWC Construction Services will closely work with all relevant stakeholders (e.g. general contractors, project managers, facilities manager, other sub-trades, etc.) to ensure timely delivery, installation, and completion of construction projects.

Quote validity: AWC Construction Services' cost proposal packages are valid for thirty (30) days from submission date.



THANK YOU!

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OUR GREEN LEARNING CENTER LOCATIONS

RALEIGH, NC (Corporate HQ):

AWC Construction Services
410 S. Salisbury Street, Suite 200
Raleigh, NC 27601

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F: 919.832.7626

CHARLOTTE, NC

AWC Construction Services
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Charlotte, NC 28202

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COLUMBIA, SC

AWC Construction Services
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Columbia, SC 29201

P: 803.767.4220
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NASHVILLE, TN

AWC Construction Services
2960 Sidco Drive
Nashville, TN 37204

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DIRTT ENVIRONMENTAL SOLUTIONS

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info@dirtt.net

AWC Construction Services has the privilege to share all work spaces with Alfred Williams & Company, which has additional offices in Durham NC, Greensboro NC, Greenville SC, and Charleston SC.

DIRTT operates out of multiple Green Learning Centers all across North America, including a large manufacturing facility in Savannah GA.