



## CONTRACT

### 1. Contract Documents

The Contract Documents consist of this Contract and attached Estimate(s), including all general provisions, special provisions, specifications, drawings, addenda, change orders, or other written interpretations.

### 2. Scope of Work and Estimates

The general project description is contained in the attached document and related documents from herein referred to as the Estimate. The specific Work to be performed by Contractor is the installation of the specified system as outlined in the Estimate. All Estimates expire thirty (30) days following the date stated on the top of this agreement. No work will be scheduled without a deposit plus a signed copy of this Contract. All drawings and specifications contingent on agreement. Work not covered by contract documents will not be required unless it is required by reasonable inference as being necessary to produce the intended result. The costs associated with any related work or materials, including, but not limited to electrical, drywall, painting, cabinets are not included unless specifically documented in the proposal. Contractor is not responsible for any underground trenching or laying or supplying of rough plumbing.

### 3. Contract Price and Payment Schedule

The Contract Price to be paid by the Owner for the performance (subject to additions and deductions by written change order) shall not exceed the total specified in the Estimate plus all applicable sales taxes. Progress payments will be made according to the payment schedule below. Certain materials will not be ordered until the Material Deposit has been submitted. These times are subject to the timing of the construction and the lead times required for the ordered equipment to be delivered.

Payment Schedule	Amount	Due Date
(1) Initial Down Payment / Materials Deposit		
(2) Final Payment		

The above Payment Schedule is a guideline and approximation. Payment is due immediately after invoicing. Payments may not be withheld under any circumstances. Unpaid balance beyond ten (10) days after invoicing of completed tasks as outlined above shall bear interest payable to Contractor at a rate of 1.5% per month simple interest. Final payment of the balance of the Contract Price and any adjustments shall be due immediately following completion of the Project. In the event Owner defaults on payment, Owner shall be liable to Contractor for the reasonable attorney's fees, costs, and disbursements necessary to obtain or collect payment, in addition to the



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amounts owed. Contractor will hold Owner harmless with respect to payment claims of subcontractors and materials suppliers.

#### 4. Pre-Lien Notice

This notice is given to pursuant to Minnesota Statutes Section 514.011:

**ANY PERSON OR COMPANY SUPPLYING LABOR OR MATERIALS FOR THIS IMPROVEMENT TO YOUR PROPERTY MAY FILE A LIEN AGAINST YOUR PROPERTY IF THAT PERSON OR COMPANY IS NOT PAID FOR THE CONTRIBUTIONS.**

**UNDER MINNESOTA LAW, YOU HAVE THE RIGHT TO PAY PERSONS WHO SUPPLIED LABOR OR MATERIALS FOR THIS IMPROVEMENT DIRECTLY AND DEDUCT THIS AMOUNT FROM OUR CONTRACT PRICE, OR WITHHOLD THE AMOUNTS DUE THEM FROM US UNTIL ONE HUNDRED AND TWENTY (120) DAYS AFTER COMPLETION OF THE IMPROVEMENT UNLESS WE GIVE YOU A LIEN WAIVER SIGNED BY PERSONS WHO SUPPLIED ANY LABOR OR MATERIAL FOR THE IMPROVEMENT AND WHO GAVE YOU TIMELY NOTICE.**

#### 5. Time

The Contract Time is the period of time allotted under these Contract Documents for Substantial Completion of the Work as defined in paragraph 2 and any authorized adjustments thereto per paragraph 10 or otherwise. With respect to schedule completion of the tasks in paragraphs 2 and 3, time is of the essence.

#### 6. Delays and Extensions of Time

If Contractor is delayed by any act or negligence on the part of Owner or Owner's agent or by changes in the Work, labor disputes, fire, unavoidable casualties, disease, acts of God, failure of Owner to make scheduled payments, any other delay caused by governmental authorities, including delays for inspections of work or permit issuance, or any other cause beyond Contractor's control, then the Contract Time shall be extended by the length of such delay. This Work and Substantial Completion date may be delayed or impacted specifically by the effects of, or governmental regulations related to, COVID-19 and related strains.

#### 7. Substantial Completion

Substantial Completion means the date when the Work is sufficiently complete in accordance with the contract documents so that the Owner can occupy or utilize the Work for its intended use.



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### 8. Final Inspections and Liens

Upon notification by the Contractor of substantial completion of the work, the Owner and the Contractor will inspect the work performed, and at that time the Owner will prepare a punch list that identifies any incomplete work or deficiencies in workmanship or materials. The Owner may retain the agreed upon value of the punch list work from the final payment until the punch list items are complete. When the punch list items are completed, the Owner accepts all work and materials and thereby waives any and all claims related to the Contract other than the warranties related to the Project. At that time, Contractor will deliver to the Owner a release of all applicable liens.

### 9. Allowances

If any portion of the Contract Price includes an allowance, then Owner may select the quality and/or quantity of items covered thereby. Whenever costs are more than the allowance amount, the contract price shall be adjusted accordingly by change order. Contractor shall be entitled to additional compensation for the difference between actual costs and the allowance amount, including, where applicable, additional: taxes, shipping, handling, overhead, profit, labor and installation costs, as well as delays associated therewith.

### 10. Insurance

Contractor agrees to keep in force at his own expense during the entire period of construction on the Project such liability insurance as will protect him from claims, under workers' compensation and other employee benefit laws, for bodily injury and death, and for property damage, which may arise out of the Work.

### 11. Changes in the Contract

The Owner may order changes, additions, or modifications without invalidating the Contract and Contract Documents. Such changes must be in writing and signed by the Owner and Contractor. The Contractor shall provide the Owner in writing the amount of additional costs or cost reductions resulting from changes ordered within fifteen (15) working days unless this requirement is waived in writing by the Owner. Change Orders shall be paid in full upon acceptance of change and shall not alter the Contract's payment schedule. In case of product unavailability or discontinuation, contractor reserves the right to substitute equipment of equal or better quality with client's approval. Contractor will not be held liable in case of product unavailability or discontinuation.

### 12. Warranties

Contractor guarantees the work will meet trade standards of good workmanship. Contractor will make every effort to blend existing textures, colors, and planes, but exact duplication is not guaranteed. Owner understands that Contractor is not responsible for existing conditions including



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plumb, square and levelness of interior framing and construction. Owner acknowledges existing conditions may affect final outcomes for the project. Contractor warrants that all materials are of good quality. Contractor's warranties are limited to the cost of labor and materials only, and exclude ordinary wear and tear or abuse by others.

### 13. Manufacturer Warranties

Many materials and equipment sold by Nordic Tile comes with its original manufactures OEM warranty unless stated otherwise prior to installation. These warranties vary per manufacturer, but in most cases are 1-year warranties depending on the manufacturer and the product. The Owner is limited to the manufacturers' remedies for warranties related to defects in the manufacture of materials. Any work performed to service your warranty items after the initial 1-year system installation will be invoiced on a time and materials rate including all shipping charges that may occur.

### 14. Site and Unforeseen Conditions

It is the responsibility of the Owner to take reasonable steps to provide a work area free of household obstructions and to remove or protect household items in areas where it may be reasonably anticipated by the Owner that the items may be subject to dust, damage, or vibrations. Owner acknowledges that this contract is based upon the Contractor's observations of conditions. Conditions which could not be known by a reasonable inspection such as termite damage, hidden water damage, hidden code violations, or other concealed conditions, may require extra labor or materials, which are not part of this contract. If such hidden conditions are discovered, the Owner accepts that there may be inconveniences from time to time and the Contractor agrees to keep such inconveniencies to a reasonable minimum. If Contractor encounters conditions at the Project that are (1) subsurface or otherwise concealed physical conditions that differ materially from those indicated in the Contract Documents or (2) unknown physical conditions of an unusual nature, that differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of this nature, the Contractor shall notify Owner of those conditions as soon as practicable. Contractor shall be entitled to additional compensation and/or time necessary for the correction of any differing site condition, and a change order will be issued therefor. Owner agrees that he/she will be charged at a rate of \$\_\_\_\_\_ per man, per hour for all extra labor involved in completing the job plus the costs of any and all materials for the correction.

### 15. Obsolescence, Discontinuation, or Unavailability

Contractor reserves the right to replace proposed materials and products in the case of obsolescence, discontinuation, or unavailability with a comparable product of equal or greater value upon customer approval. Contractor will not be held responsible or liable in any way for any said product's obsolescence, discontinuation, or unavailability.



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### 16. Disputes

In the event there arises between Owner and Contractor any claim, dispute, or other matter (“Conflict”) in question related to these Contract Documents or breach thereof, Owner and Contractor will cooperate with each other to resolve conflicts informally. If informal attempts are unsuccessful, the Owner and Contractor shall first attempt to mediate any Conflicts in Hennepin County, Minnesota. If mediation is unsuccessful, the Conflict should be resolved by arbitration and decided according to the Construction Industry Rules of the American Arbitration Association.

### 17. Governing Law

This Contract shall be governed by, construed, and enforced, in accordance with the laws of the State of Minnesota.

### 18. Entire Agreement

This Contract shall constitute the entire agreement between the parties and any prior understanding or representation of any kind preceding the date of this Contract shall not be binding upon either party except to the extent incorporated in the Contract Documents.

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Owner:

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Contractor: Nordic Tile, LLC

\_\_\_\_\_  
Date: