

TERMS AND CONDITIONS

The Client hereby accepts the following general terms and conditions (“Terms and Conditions”) applicable to Carter & Sloope, Inc.’s performance of the services described in the attached Proposal (the “Services”):

1. **Method and Terms of Payment:** Invoices will be submitted by Carter & Sloope, Inc. (“Carter & Sloope”, “C&S”, or “Engineer”) monthly in proportion to services performed and are due upon receipt. Any amounts not paid by the Client within thirty (30) days of the date of such invoices shall be considered past due and shall accrue interest at a rate of one-and-one-half percent (1.5%) per month or the maximum allowed by law, whichever is less, of the past due amount per month until such time as such amounts are paid in full. Payment thereafter shall first be applied to accrued interest and then the unpaid principal. If the Client fails to make payment to the Engineer in accordance with the payment terms herein, this shall constitute a material breach of this Agreement and the Engineer shall have the right, upon seven (7) days written notice, to suspend performance of all or part of the Services in accordance with Paragraph 2 “Suspension” until 1.) all past due amounts are paid, and 2.) satisfactory assurance of prompt future payment is received by the Engineer. The above right is in addition to all other rights and remedies Engineer may have at law or in equity including termination of this Agreement by the Engineer for cause in accordance with Paragraph 3 “Termination” herein.
 - A. *Collection Costs:* If the Client fails to make payments when due and the Engineer incurs any costs in order to collect overdue sums from the Client, the Client agrees that all such collection costs incurred shall immediately become due and payable to the Engineer. Collection costs shall include, without limitation, legal fees, collection agency fees and expenses, court costs, collection bonds and reasonable Engineer staff costs at standard billing rates for the Engineer’s time spent in efforts to collect. This obligation of the Client to pay the Engineer’s collection costs shall survive the term of this Agreement or any earlier termination by either party.
 - B. *Set-offs, Backcharges, Discounts:* Payment of invoices shall not be subject to any discounts or set-offs by the Client unless agreed to in writing by the Engineer. Payment to the Engineer for services rendered and expenses incurred shall be due and payable regardless of any subsequent suspension or termination of this Agreement by either party.
 - C. *Disputed Invoices:* If the Client objects to any portion of an invoice, the Client shall so notify the Engineer in writing within seven (7) calendar days of receipt of the invoice. The Client shall identify in writing the specific cause of the disagreement and the amount in dispute and shall pay that portion of the invoice not in dispute in accordance with the other payment terms of this Agreement. Any dispute over invoiced amounts due which cannot be resolved within ten (10) calendar days after presentation of invoice by direct negotiation between the parties shall be resolved within thirty (30) calendar days in accordance with the Dispute Resolution provision of this Agreement. Interest as stated above shall be paid by the Client on all disputed invoice amounts that are subsequently resolved in the Engineer’s favor and shall be calculated on the unpaid balance from the date of the invoice.
 - D. *Legislative Action:* If after the Effective Date of this Agreement, any governmental entity takes legislative action that imposes taxes, fees or charges on Engineer’s services or compensation under this Agreement, then the Engineer may invoice such new taxes, fees, or charges as a Reimbursable Expense to which a factor of 1.0 shall be applied. Client shall reimburse Engineer for the cost of such invoiced new taxes, fees and charges in addition to the compensation agreed to herein.
2. **Suspension:** The Client may suspend all or part of the Project for up to ninety (90) days upon seven (7) days written notice to the Engineer. The Engineer may, after giving seven (7) days written notice to the Client, suspend services under this Agreement if Engineer’s performance has been substantially delayed through no fault of the Engineer. In the event the Project is suspended for period(s) totaling more than ninety (90) days, Client agrees to pay reasonable costs incurred by the Engineer in: 1.) preserving and documenting services performed or in progress, and 2.) demobilizing and remobilizing services. The Engineer shall have no liability whatsoever to the Client for any costs or damages as a result of such suspension caused by any breach of this Agreement by the Client. Suspended projects may change in many ways due to the passage of time, changes in the size or environment, regulatory modifications, or other issues outside of Engineer’s control. Engineer is not and shall not be responsible for any such changes, except to the responsibility or otherwise becomes aware of such issues and the Engineer may rely on information received from the Client or others regarding such issues. Upon payment in full by the Client, the Engineer shall resume services under this Agreement; however, a reassessment of the project scope, fee, and project schedule may be performed by the Engineer as an Additional Service. Upon the conclusion of the project reassessment, the time schedule and Engineer’s compensation shall be equitably adjusted to compensate for the period of suspension plus any reasonable time and expense necessary for the Engineer to resume performance.