

GENERAL TERMS & CONDITIONS FOR CONSTRUCTION BUDGET ESTIMATES AND PROPOSALS

AWC Construction Service + DIRTT

Version 2.0 – November 2022



build better™
DIRTT



PROJECT ASSUMPTIONS AND GENERAL SCOPE CONDITIONS

Pricing provided in any Alfred Williams & Company/AWC Construction Services' (henceforth called AWC) 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, or a change order if the change is communicated after a contract has been executed. Our general conditions and assumptions are:

- Pricing is based on preliminary drawings and dimensions provided by the client or client representative and represent a good faith effort on AWC to accurately capture the full scope. Pricing is not final until dimensions have been either verified by Alfred Williams & Company or agreed to by the client or client representative. Also, pricing shall not be final until the client or client representative formally confirms and approves AWC's scope understanding.
- Pricing assumes a DIRTT 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. DIRTT installation is assumed to happen immediately before furniture installation, with all other trades significantly completed to ensure a smooth and efficient DIRTT installation.



INSTALLATION SPECIFIC ASSUMPTIONS AND REQUIREMENTS

- Pricing provided in any AWC's proposal package assumes a continuous installation period. Highly trained and certified installation crews will travel to the job site prior to the project's DIRTT installation and additional work days or additional work trip to site will increase the project cost for installation.
- Any AWC 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's Project Manager. If requested by the AWC's 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's 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 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 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 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's Project Manager, if necessary



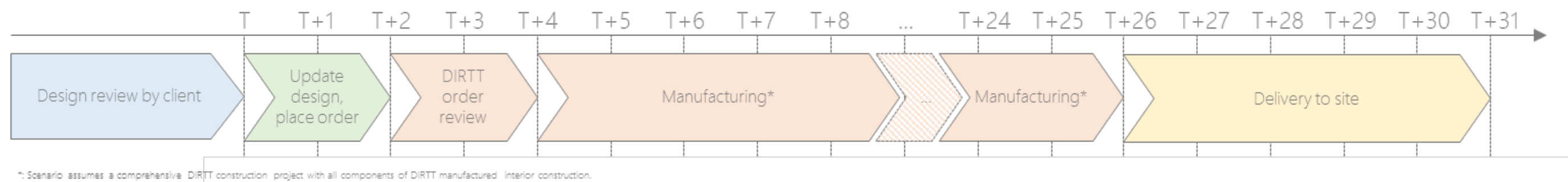
INSTALLATION SPECIFIC EXCLUSIONS

Standard pricing provided in any AWC's proposal package excludes the following conditions, unless specifically called out in AWC's proposal.

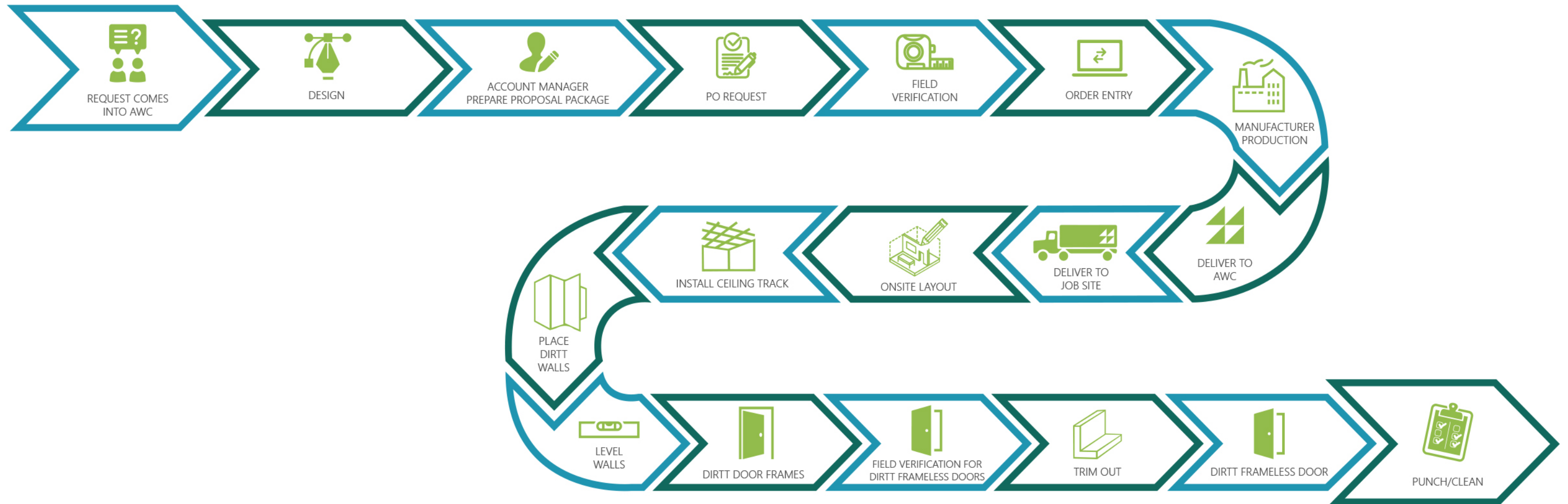
- After hours and weekend installation;
- Equipment rentals (i.e. forklift, LULL) to unload and stage materials;
- Equipment rentals for specialty equipment such as flood lights, cranes, generators, scissor lifts, etc.;
- Changes to building to accommodate oversized delivery (i.e. window removal);
- Site protection materials beyond estimated installation duration;
- Specialty training for non-DIRTT specific qualifications (i.e. asbestos mitigation, other hazardous material handling, etc.)
- Site-specific access requirements for installation crews (i.e. elevated background check, extended health screenings, etc.)

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 lead time, however, are subject to industry-wide trends and availability of raw materials.
- AWC presents pricing based on good faith lead time estimates provided by DIRTT's operation team at the time of the quoting. Changes in manufacturing lead times may be applied during the project at no additional cost to AWC, if lead time changes are caused by supply chain challenges or circumstances beyond AWC & DIRTT's control ("act of God" situations).
- Expediting: in some instances, shipping can be expedited at additional charge (10% of total material cost). However, expediting availability is contingent on DIRTT's situational manufacturing capacity and project sequencing. Not all projects can be expedited.
- Manufacturing lead times are calculated from the time of the official DIRTT acknowledgement of any order placed by AWC, usually within 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 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):



LEAD TIMES AND ORDER SEQUENCE - CONTINUED





DESIGN APPROVALS

In order to successfully deliver a manufactured construction project, timely decision making is essential. AWC will support clients and client representatives in making design decisions early to ensure a timely order process to fully capitalize on DIRTT'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 can help facilitate understanding of those documents, if necessary.
- Other, project specific requirements.



CHANGE ORDERS

AWC understands that projects can change during the construction phase. In order to accommodate changes throughout the construction project, AWC 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 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 cost at no fault of AWC.

AWC's 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 will strive to quickly provide updated cost for client approval to avoid any undue schedule delays.



PAYMENT TERMS

AWC 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 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's warehouse or the client site.

AWC standard 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 TERMS

AWC/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, glass), 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.

On new DIRTT construction, third party items such as glass, hardware, and other custom items are subject to one (1) year of warranty.

AWC 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.



MISCELLANEOUS TERMS AND CONDITIONS

Installation time clarifications: AWC 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 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 material cost will be chargeable to the client.

Pricing changes: Pricing in any AWC's proposal package is based on preliminary plans and often, 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's 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 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's cost proposal packages are valid for thirty (30) days from submission date.



THANK YOU

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