



Terms of Engagement for Professional Services
Effective April 1st 2018

This Standard Engagement Letter (form) describes the terms upon which Mason and Associates Ltd will provide professional services to you and bill you for those services.

1. **Professional Services** – Our goal is to provide you with quality services, in a timely manner, on schedule and at a reasonable cost. We agree not to undertake work that is outside of our field of expertise but reserve the right to use our professional judgment to engage and coordinate any assigned work to other personnel that we deem appropriate under certain circumstances.
2. **Fees** – Billable hourly fees are based on project specific time for design, consultation, communication and coordination efforts, including travel to and from the site at the below stated rates unless otherwise mutually discussed and agreed to in writing.
 - Philip Mason, (P.Eng.) \$210/hr
 - Kelly Harris (P.Eng) \$210/hr
 - Project Engineer/Manager \$175/hr
 - Project Manager (General) \$140/hr
 - AutoCAD Draftsmen \$ 95/hr
3. **Initial Consultation** - Initial site or phone consultations are free of charge. At the time of this initial consultation the parties can agree on the further scope of professional services required, fee structure and any specific payment arrangements.
4. **Other Fee Arrangements** – On occasion we may agree to a fee arrangement other than on an hourly basis, such as a fixed fee for a specifically defined project. In such cases, the fee and payment schedule will be set forth in our cover letter to you or in a separate agreement or addendum to this agreement, but all other terms of this Standard Engagement Letter will apply.
5. **Inspection Services & Reports** – Fees for conducting certified inspections of residential (structural surveys) and commercial properties (PCA's) shall be paid in full prior to delivery of the final report. Similarly for post hurricane inspection reports we ask that all fees be paid in full upon delivery of the final report. In some cases a retainer may be requested to cover the inspector's time for field data collection.
6. **Factors** - The professional fees are based upon several factors, the most important of which includes the time involved both in the field and in the office. It also accounts for the skill requisite to perform the services correctly, any special circumstances imposed and any required investigation, research and review of applicable codes, historic drawings and site data collection.



7. **Additional Items**

Changes in project scope which cause a structural change or verification of integrity of the original design may involve additional fees. The Client shall make timely decisions so as not to delay the Engineer's continuous and uninterrupted performance of his services. If the continuous progress of the Engineer's services is unduly delayed, interrupted or suspended, the rates and amounts of the engineer's compensation shall be adjusted equitably.

8. **Estimates of Fees** – An estimate of fees is not a quotation or fixed fee arrangement. Estimates are given based on the initial perceived scope of the work and the effort (hours) required to complete the professional service. Variances in the scope will be charged for unless specific arrangements have been mutually agreed.
9. **Direct Expenses** – Reimbursable expenses such as material purchases, drawing reproductions, plotting, permit fees, etc. will be invoiced at cost.

10. **Inflationary Adjustments**

Fixed fee agreements for projects exceeding six (6) months in duration may be adjusted by the rate of inflation as measured by the US CPI and reported in the Wall Street Journal.

11. **Billing Statements** – Generally our invoices are prepared and mailed on a monthly basis and are payable upon presentation. They may be considered overdue if not paid by the due date set forth on the invoice. Invoices for short duration projects may be generated and presented to the client upon completion of the work.
12. **Late Payment** – If you fail to pay in full on or before the Due Date set forth on the statements we reserve the right to assess you with a monthly service charge equal to 1.5% of all fees and disbursements which are past due. This monthly service charge will be billed to you at the end of each month in which a late payment occurs. Accounts outstanding after 90 days may be sent to a debt collection service with all costs paid by the client. Late payments may also negate any discounts offered on fees at the time of service.
13. **Retainer** – Frequently we require payment of a retainer before we render professional services. Our cover letter to you specifies the amount of any retainer required by us. The retainer will be used to pay the final balance on accounts outstanding at the end of our involvement.
14. **Termination** – Either party may terminate this Agreement at any time with written notice to the other. If this Agreement is terminated all fees due at the time of termination will be due and payable by the client immediately. Consultant will return any unearned, prepaid fees within thirty days of written request by the Client.
15. **Disputes** – The parties agree to try and resolve their disputes by mediation. Disputes not resolved through mediation shall be resolved by binding arbitration with a mediator appointed by the Bermuda Mediation and Arbitration Center.
16. **Court Related Services** – Should Clients require us to provide legal testimony as professional witnesses in support or defense of civil claims we will bill on an hourly basis at \$400/hr for pre-trial preparation and court appearances.



- 17. **Other Matters** – If our company is engaged to provide structural advice in the form of stamped drawings, calculations or hand sketches we must be afforded the opportunity to inspect the work as it progresses. If we are not accorded the privilege of inspecting the work on site before it is covered up or otherwise hidden, or if variations to the original details are made without written approval by the engineer of record, Mason and Associates Ltd. will assume no responsibility for the design.

- 18. **Electronic Drawing Files** – In the event clients or authorized third parties request fully editable electronic drawing files (Autocad, .dwg etc), MAL shall be released from any liability resulting from errors arising as a result of modifications , duplication or transmission of the electronic files.

If you have any questions or concerns regarding our standard Terms of Engagement please contact us before signing. Signed in Agreement by:

Client (signature) :..... Dated

Printed Name:

Contact Address:

Contact Email Phone:

Addendum:

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