

Back Charge Policy

All references on this form to “RBS” refer to Rainbow Building Systems, a dba of Akidco Inc.

SHORT MATERIAL: Immediately upon delivery of material, actual quantities shipped are verified by the Buyer against quantities billed on the shipping documents. Neither RBS nor the Carrier is responsible for material shortages against quantities billed on the shipping documents if such shortages are noted on the shipping documents upon delivery of materials and acknowledged by the Carrier’s agent. When the Carrier’s is RBS, claim shortage is made by the Buyer directly to the Common Carrier. If the material quantities received are correct according to the quantities billed on the shipping documents, but are less than the quantities that are necessary to complete the Metal Building System according to the Building Purchase Order Contract, claim is to be made to RBS.

DAMAGED OR DEFECTIVE MATERIAL: Damaged material, regardless of the degree of damage, shall be noted on the shipping documents by the Buyer and acknowledged in writing by the carrier’s agent. RBS is not responsible for material damaged in unloading or for packaged or nested materials, including but not limited to, fasteners, sheet metal, trim, “C” and “Z” sections and cladding that become wet and/or damaged by water while in the possession of others. Packages or nested materials that become wet in transit shall be unpacked, unstacked, and dried by the Buyer. If the Carrier is RBS, claim for the damage shall be made by the Buyer to RBS. If the Carrier is a Common Carrier, claim for damage shall be made by the Buyer to the Common Carrier. RBS is not liable for any claim whatsoever including but not limited to, labor charges or consequential damages resulting from the Buyer’s use of damaged or defective goods that can be detected by visual inspection.

EXCESS MATERIAL: RBS reserves the right to recover any material delivered in excess of those required by the Building Purchase Order Contract Documents.

WAITING TIME: The cost of the Buyer’s time and equipment spent waiting for a shipment that is unavoidably late is not claimable to RBS.

LOST TIME: RBS is not responsible for Buyer’s lost time in completing a project due to RBS’s errors in fabrication, shortage of materials, or delivery of defective product.

CORRECTION OF ERRORS AND REPAIRS: The correction of minor misfits by the use of drift pins to draw building components into line, moderate amounts of reaming, chipping, cutting, shimming, and the replacement of minor shortages of materials are a normal part of erection and are not subject to claim. RBS will not pay claims for error corrections unless the following claims and authorization procedure is strictly complied with by the Buyer. If erection is not by the Buyer, the Erector must provide the Buyer with all necessary information for the Buyer to make a claim to RBS as outlined below. RBS is not liable for any claim resulting from the use of any drawings or literature not specifically released for construction of the project. RBS is not responsible for any claim resulting from the Erector’s use of any improper material or material containing defects which can be detected by visual inspection. Costs of disassembling such improper or defective material and costs of erecting replacement materials are not subject to claim. The cost of equipment (rental or depreciation), small tools, supervision, overhead, and profit are not subject of claim.

INITIAL CLAIM: In the event of a claimable error, the Buyer shall promptly make a written “Initial Claim” must include:

1. The description of the nature and extent of the errors including quantities.
2. The description of the nature and extent of proposed corrective work including estimated man hours.
3. The material to be purchased from a third party other than RBS including estimated quantities and cost.
4. The maximum total cost of proposed corrective work and materials to be purchased from other than RBS.

AUTHORIZATION FOR CORRECTIVE WORK: If the error is the fault of RBS, an “Authorization for Corrective Work” shall be issued in writing by RBS to authorize the corrective work at a cost not to exceed the maximum total cost set forth. Alternative corrective work other than that proposed in the “Initial Claim” may be directed by RBS in the “Authorization for Corrective Work.” Only certain persons specifically designated by RBS may authorize corrective work. No claim will be paid without an “Authorization for Corrective Work.”

FINAL CLAIM: The “Final Claim” shall be forwarded to RBS in writing from the Buyer within ten days after completion of corrective work authorized by RBS the “Final Claim” shall include:

1. The actual number of man-hours by date of direct labor used on corrective work and actual hourly rates of pay.
2. The payroll taxes and insurance on total actual direct labor.
3. The cost of materials (not minor supplies) authorized by RBS to be purchased from other than RBS, including copies of paid invoices.
4. The total actual direct cost of corrective work (sum of 1, 2, and 3). The “Final Claim” shall be signed and certified as true and correct by the Buyer. “Final Claims” are to be paid to the Buyer by RBS. The amount will not exceed the lessor of the maximum set forth in the written “Authorization for Corrective Work” or the actual direct cost of the corrective work.