



Application for Determination of Sole Source Procurement

This form, with one or more categories completed, must accompany a purchase requisition for equipment, supplies or services exceeding \$20,000. Select the category or categories appropriate for this procurement. Attach all documentation necessary to support the application. Procurements of \$20,000 and greater shall be posted to the NM Tech Purchasing website for the mandatory thirty (30) day period per NMSA 13-1-126.1

Requesting Department:	FM	End User's Name:	FM
Proposed Contractor:	Taft Engineering	Estimated Cost:	\$350,000.00
Product Description:	Hot Water Boilers	Date:	06/19/2023

I am requesting a sole source procurement based on the following reasons:

- Compatibility of existing equipment or supplies; provide details in *Explanation*. Include manufacturer, model number and NMT PCN of existing equipment.
- Item specifically required for use in conjunction with grant or contract. Attach applicable grant or contract page and provide justification of why it is required for grant / contract and why other substitutes are not acceptable.
- Requirement is of a proprietary / copyright / licensing nature which is explained below.
- The requested product has unique design / performance specifications or quality requirements which are essential to my work, research protocol or teaching needs, and are not available in comparable products. Please discuss this uniqueness / performance below.
- NMT Staff has specialized training and / or extensive experience. Retraining would incur substantial cost in money / time as explained below.
- I have contacted other suppliers or service providers identified below and have considered their product, however, their products / services are not acceptable because they are lacking one or more technical capabilities as discussed below.
- The requested product is essential in maintaining / continuing experiments. Other investigators have used this product in similar research and for comparability of results, I require it.
- Contractor is the sole manufacturer and sole distributor and has unique features / characteristics not available from other sources (provide explanation and attach applicable documents).
- Product is a prototype; contractor offers a trade-in allowance; availability of service, parts or maintenance as discussed below.

Explanation: Boilers are the same make and similar model to those at the main NMT heat plant. Staff is familiar with repair operations and replacement parts are kept in stock. This is critical infrastructure and it is imperative that operation is reliable and repairs can be made quickly.

By signing below, requestor certifies that the information provided is accurate to the best of their knowledge.

	Jason Hebert	06/19/2023
End User Signature (actual signature required)	Printed Name	Date
Chief Procurement Officer (signature required)	Date	

For use by Purchasing:
 Date application received in purchasing: 6/19/23 NMT Web Posting date: 6/19/23 Expiration date: 7/17/23



A WATTS Brand

100 Oritani Drive | Blauvelt, NY 10913 | T: (845) 580-8000 | Toll Free (800) 526-0288

Sept 12, 2022

Cory Hesterwerth
Taft Engineering
12650 E. Briarwood Ave.
Unit #203
Centennial, CO 80112

To Whom It May Concern,

AERCO has appointed Taft Engineering as the exclusive representative for sales, validation of proper installation & start-up and post-sales support of AERCO products throughout their defined territory for:

- All of Colorado
- All of New Mexico
- Texas west of and including Reeves, Pacos & Terrell counties
- Nebraska west of and including Rushville, Garden & Deuel counties
- Wyoming counties east of and including Park, Fremont and half of Sweetwater east of Rock Springs (82336, 829420)

Regards,

A handwritten signature in black ink, appearing to read 'D. Garner'.

David Garner
Regional Sales Manager
AERCO International



Miller, Kimela <kimela.miller@nmt.edu>

Aerco Boiler Sole Source

1 message

Hebert, Jason <jason.hebert@nmt.edu>

Fri, Jun 9, 2023 at 9:12 AM

To: Kimela Miller <kimela.miller@nmt.edu>

Cc: Robby Montgomery <robby.montgomery@nmt.edu>, Carol Chavez <carol.chavez@nmt.edu>

Morning Kimela,

Attached is a sole source letter from Aerco stating that Taft Engineering is the sole provider of Aerco boilers for our region, as well as a quote for replacement boilers for the Jones Annex heat plant. Is this enough to proceed with a sole source procurement?

Engineer III/Project Manager

Facilities Management

New Mexico Tech

801 Leroy Place

Socorro, NM 87801 USA

O: 575-835-5832 • M: 575-518-8019

2 attachments

 **Exclusive Representative - Taft Engineering_9-12-22.pdf**
75K **TAFQ7679-01.pdf**
930K



TAFT ENGINEERING

Quotation

Manufacturers' Representative for
High Efficiency HVAC & Plumbing Products

12650 E Briarwood Ave Ste 203, Centennial, CO 80112 | t. (303) 753-4584 f. (720) 941-1199

Date: 05/08/23
Quote Number: TAFQ7679-01

Project Name: NM TECH JONES ANNEX
BOILERS

Company: All Bidders
Attention:
Phone:
Fax:
Email:

Project Number: 31816
Location: Socorro, NM
Engineer:
Payment Terms: Net 30 Days
Freight Terms: FOB Factory

Quotation valid for 30 days

**Quotation and sale subject to conditions and terms accompanying this quote.
Prices are exclusive of Sales tax where applicable. All orders subject to manufacturers acceptance.**

We are pleased to quote the following equipment for your consideration:

Code	Qty	Description
		****The below Aerco boilers were quoted as the basis of design selection on Mechanical Schedule M107 dated 12-9-22.****
B-1-4	4	Aerco Benchmark Model BMK5000N GWBF-3TC Condensing Boiler, 5000 MBH Input, Natural Gas Firing, to include the following features: - Boiler Sequencing Technology (BST) - Fully Modulating - 20:1 Turndown - Stainless Steel Firetube Heat Exchanger - Capable of variable primary flow installations - NOx Emissions capable of 9PPM or less @ all firing rates *depending on capacity - Compact Footprint (34"W x 63"D x 78"H) - Sealed Combustion - 12" AL29-4C or PP Vent Material Required - Not included within quotation unless specifically shown. - Gas Pressure Requirements: 14" WC Maximum / 4" WC Minimum at Full Load - Min/Max Water Flow: 35 / 500 GPM - Pressure Rating: 160psig at 210F - NOx Emissions Certifications: SCAQMD, TCEQ - UL, CUL, ASME CSD-1 - Gas Train: FM Compliant - 460V/3Ph/60Hz, 12 FLA - Pressure Relief Valve Setting: XX PSI (Customer to Confirm)
	4	Spare Parts Kit, 75psi Relief Valve
	4	BST - 6" Motorized Valve 24V w/ Electrical Failsafe
	1	Header Temperature Sensor for Onboard BST
	1	PROTONODE GATEWAY (BACNET/METASYS N2) - AUTO DISCOVER

Code	Qty	Description
	1	Gateway 120V/24V Transformer
	1	RS 232/RS-485 Converter
	4	Condensate Neutralizer Kit - Up to 6000MBH
	1	Factory Certified Start-up Included: (1) Jobsite Visit for equipment startup and Owner's Training.
	1	Freight Charge to Jobsite

Continued On Next Page ...

Standard Exclusions & Warranty Information:

This quotation includes the Standard Manufacturer's Warranty only, unless explicitly stated otherwise in the body of the quotation.

The Warranty Period begins at the Date of Equipment Shipment. If a warranty is required that starts from the date of substantial completion, then that date must be provided and a "special warranty" must be purchased. This will require a separate request for quotation. This coordination is the responsibility of the purchasing contractor, no exceptions.

If Bacnet or N2 compatibility is desired, then an optional communications gateway would be required (additional cost if not listed above). It is the responsibility of the purchasing contractor to coordinate the communications protocol with the controls contractor.

All Gas Fired Equipment will carry a de-rate based on the BTU content of the gas available.

CLEANING shall be by others.

Inspection Certificate shall be by others.

All field wiring, both primary and controls, shall be by others.

Wiring between any equipment and optional communications gateway(s) shall be by others.

All venting kits/materials and installation of such shall be by others. If venting is not listed as a separate line item above, then venting material is NOT included.

Any permits (including preparation of same) and associated fees shall be by others.

CSD-1 emergency shutdown switch(es) shall be by others and is not included. Terminals or an isolated contact shall be provided in boiler panels for field wiring of same in the non-recycle circuit as an auxiliary limit.

The following price is contractors Net, FOB-factory, freight INCLUDED to job-site. Unloading by others. Any and all piping, wiring, inspections, or associated fees are by others and not included in above quotation.

Total: \$346,069.20

** Plus Applicable Taxes*

Release for Production: Upon receipt of signed purchase order and signed submittal.

Submittals: 1 Week After Receipt of Purchase Order

Lead Time: 6-8 Weeks After Release for Production w/ Approved Submittals

Address Purchase Order To: Taft Engineering Inc.

12650 E Briarwood Ave., Ste 203 Centennial, CO 80112

Terms and Conditions: Factory Standard Terms and Conditions (See Attached)

NOTICE: Due to recent volatility in the availability of labor, steel pricing, and parts pricing worldwide, we would suggest that you allow for escalation due to continued manufacturer's price increases of approx 2%-3% per quarter going forward. Accurate final pricing can be provided within 30 days of the date of the purchase order. This only applies to PO's that state that the "equipment is to be shipped as soon as possible". Any variances from this should be discussed at the time of PO.

Tax Exempt: Colorado Regulation 39-26-102.22. It is the duty of the vendor to collect the tax unless he is furnished with satisfactory proof that the sale is exempt by statute. Whenever there is a disagreement between a vendor and a buyer as to whether a given sale is tax exempt under this article, it shall be the duty of the vendor to collect and the duty of the buyer to pay the tax. The vendor shall thereupon give to the buyer a receipt (a copy of the sales invoice showing the amount of sales tax collected by the vendor will usually be sufficient) and the buyer may then make application to the department for a refund.

Pricing is only valid for 30 days and only if the purchaser's requested shipping date is within the stated lead time on this document.

Thank you for the opportunity to quote your requirements. Please feel free to contact me for any needed clarifications or questions.

Sincerely,

Brandon Gasiewicz

Taft Engineering Inc.

A Manufacturers Representative Company

sales@taft-engineering.com | 303-753-4584

BENCHMARK LIMITED WARRANTY

The following warranty applies to all Benchmark boilers sold by AERCO International, Inc. This document supersedes the warranty page in all Benchmark Operation and Maintenance Manuals (OMMs).

THERMAL SHOCK WARRANTY

The Benchmark pressure vessel is warranted against failure due to Thermal Shock for 20 years from date of shipment provided the boiler is installed, controlled, operated and maintained in accordance with the Operation and Maintenance Manual. This warranty does not cover damage due to corrosion, scaling, sooting and/or improper installation, operation and maintenance. Thermal Shock is defined as a pressure vessel failure determined, by AERCO International, to be caused by uneven expansion of the materials of construction during a single, rapidly applied thermal load.

SHIPMENT DATE	THERMAL SHOCK WARRANTY PERIOD
11/01/2016 - 04/04/2021	10 year
04/05/2021 - Present	20 year

PRESSURE VESSEL/HEAT EXCHANGER

The pressure vessel/heat exchanger shall carry the following limited warranty from the date of shipment against any condensate corrosion, thermal stress failure, mechanical defects or workmanship:

SHIPMENT DATE	COMPONENT	WARRANTY	PRORATED DISCOUNT (from original list price)
All units shipped prior to 12/31/2004	Pressure vessel/ Heat exchanger	7 year, prorated	5 th Year – 100% 6 th year – 70% 7 th Year – 40%
01/01/2005 – 12/31/2007	Pressure vessel/ Heat exchanger	7 year, non-prorated	
01/01/2008 – 04/09/2012	Pressure vessel/ Heat exchanger	10 year, prorated	1 st year through 7 th – 100% 8 th year – 70% 9 th year – 40% 10 th year – 25%
04/10/2012 – Present	Pressure vessel/ Heat exchanger	10 year, non-prorated	

Operation of the boiler using contaminated air will void the warranty. The pressure vessel/heat exchanger shall not be warranted from failure due to scaling, liming, corrosion, or erosion due to water or installation conditions. AERCO will repair, rebuild or exchange, at its option the pressure vessel/heat exchanger.

EDGE OR C-MORE CONTROL PANEL: 2 YEARS FROM SHIPMENT

AERCO labeled control panels are conditionally warranted against failure for (2) two years from shipment.

BURNER: 5 YEARS FROM SHIPMENT

Warranted against failure for (5) five years from shipment.



LIMITED WARRANTY: BENCHMARK® GAS-FIRED BOILERS

OTHER COMPONENTS: 18 MONTHS FROM SHIPMENT

All other components, with the exception of the igniter and flame detector, are conditionally warranted against any failure for 18 months from shipment.

The warranty set forth herein is in lieu of and not in addition to any other express or implied warranties in any documents, or under any law. No salesman or other representative of AERCO has any authority to expand warranties beyond the face of this warranty and purchaser shall not rely on any oral statement except as stated in this warranty. **AERCO MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR ANY OTHER EXPRESS OR IMPLIED WARRANTIES.**

AERCO disclaims all responsibility for any special, incidental or consequential damages. Any claim relating to the product must be filed with AERCO not later than 14 days after the event-giving rise to such claim. Any claims relating to this product shall be limited to the sale price of the product at the time of sale. The sale of the product is specifically conditioned upon acceptance of these terms.

CONDITIONS OF WARRANTY:

Under no circumstances will AERCO pay for, or be responsible for, overtime pay (nights, weekends, or holidays) for the owner's convenience or desires. Labor cost covered by this warranty is limited to installations with normal access to the equipment. All additional cost resulting from uncommonly restrictive ingress or egress requiring intricate rigging and/or unusual building or machinery alterations will be the owner's responsibility.

Should an AERCO gas-fired (natural gas, propane, or natural gas/propane dual fuel) boiler fail for any of the above reasons within the specified time period from the date of original shipment(s), AERCO shall at its option modify, repair or exchange the defective item. AERCO shall have the option of having the item returned, FOB its factory, or to make field replacements at the point of installation. AERCO shall be entitled to inspect the product prior to repair or replacement. **In no event shall AERCO be held liable for replacement labor charges (except as provided under the First Year Limited Service Policy below) or for freight or handling charges.**

AERCO shall accept no responsibility if such item has been improperly installed, operated, or maintained – as defined in the applicable AERCO O&M manual, or if the buyer has permitted any unauthorized modification, adjustment, and/or repairs to the item. The use of replacement parts not manufactured or sold by AERCO will void any warranty, express or limited.

AERCO shall accept no responsibility if such item has been damaged due to contaminated combustion air containing but not limited to sheetrock particles, plaster board particles, dirt, dust, lint, and corrosive chemicals such as chlorine gas, halogenated hydrocarbons, and Freon.

In order to process a warranty claim a formal purchase order number is required prior to shipment of any warranty item. In addition, the returned item must include a Returned Goods Authorization (RGA) label, attached to the shipping carton, which identifies the item's return address, register number and factory authorized RGA number.

Warranty coverage for all components and equipment mentioned this warranty are not valid unless the boiler is started up by a factory certified SST (Service, Start-Up and Troubleshooting) Technician and an AERCO start-up sheet is completed.

This warranty coverage is only applicable within the United States, Canada and Mexico. All other geographical areas carry a limited warranty of 18 months from date of shipment or 12 months from startup, whichever comes first.

FIRST-YEAR LIMITED SERVICE POLICY

Applicable to United States and Canadian installations only

For one year from the start of this service policy, AERCO will, if the heat exchanger or a component part fails due to a defect in material or workmanship, replace or repair the defective component and return the product to operating condition.

Conditions and Exceptions (all installations):

1. All general conditions, as stipulated in the Limited Warranty, will apply to this one-year cost-free service policy.
2. The installation must be accessible for service, must comply with all applicable federal, state, and local regulations, and must be in accordance with AERCO's installation and maintenance manual.
3. Normal maintenance and repair will be the responsibility of the owner.
4. This policy is valid during the first installation only.

Conditions and Exceptions (Alaska, Hawaii and Canadian installations):

1. Labor cost covered by this service policy is limited to installations with normal access to the equipment, and travel distance not to exceed 150 miles from the nearest factory authorized service agency.

The First Year Limited Service Policy is effective as of the date of shipment.

Technical Data Sheet

Benchmark 750-6000 with Edge Controller High Efficiency Boilers

The AERCO Benchmark[®] (BMK) Water Boiler is designed for condensing application in any closed loop hydronic system. It delivers unmatched burner modulation to match energy input directly to fluctuating system. No other product packs as much capacity into such a small footprint that fits through a standard door and can be transported in a freight elevator.

Energy Efficient

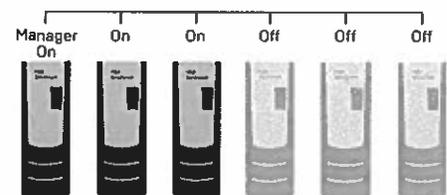
To minimize emissions, the BMK Series is fitted with a low NOx burner whose emissions will meet the most stringent NOx and CO requirements. The fully modulating burner also maintains AERCO standards for energy efficiency, longevity, reliability and construction quality.

The BMK Series comes standard with AERCO's designed and patented, Oxygen Level (O₂) monitoring system. This monitoring system, designed to display the O₂ level directly on the unit in real time, can also be remotely monitored via Modbus giving the customer the ability to measure the emissions level and fuel economy of the boiler without traditional combustion calibration devices. This system, combined with AERCO's TComp™ O₂/air temperature compensation (a standard combustion control feature available with BMK boilers for 15+ years) provides precise combustion and maintains O₂ levels throughout the year for best combustion efficiency.



Application and Plant Design

The BMK boilers can be used as an individual unit or in modular arrangements and offers selectable modes of operation. In addition to controlling the boiler according to a constant set point, indoor/outdoor reset schedule or 4-20mA signal, one or more units can be integrated via Modbus communications protocol. For boiler plants ranging from 2-16 boilers, the AERCO Edge[®] built-in Boiler Sequencing Technology (BST)* can be utilized. The Benchmark can be easily integrated with a facility-wide Energy Management or Building Automation System.



*See BST System technical data sheet for additional system details and capabilities

Features

- Natural gas, propane, or dual fuel
- 20:1 turndown ratio (5%) depending on capacity
- Integrated O₂ monitoring and alert for critical conditions combined with TComp™ (O₂/air temperature compensation)
- 439 stainless steel fire tube heat exchanger
- Capable of variable primary flow installations
- NOx emissions capable of 9PPM or less @ all firing rates
*depending on capacity
- Compact footprint, light weight, freight elevator friendly
- Ducted combustion air capable
- Easy open access for service
- Acceptable vent materials AL29-4C, Polypropylene, PVC, cPVC (model dependent)
- Reliable quiet operation
- Optional gas train with VPS (Value Proving System) for BMK Platinum 4000/5000/6000

Edge [i]

- Precise temperature control
- On-board Boiler Sequencing Technology (BST)
- Controls options: constant setpoint, indoor/outdoor reset, remote setpoint, 4-20mA signal or ModBus

Specifications

	BMK										
	750	1000	1500	2000	2500	3000	4000	5000N	5000*	6000*	
Boiler Category	ASME Sect.IV										
Gas Connections (NPT)	1"		2"				3"		2 / 3"		
Max. Gas Pressure	14"								2psi/10" ⁴		
Min. Gas Pressure ¹	4"								14 / 4" ⁴		
Max. Allowed Working Pressure	160 PSIG								80PSIG/150 PSIG Optional		
Electrical Req. 120V/1PH/60Hz ²	13 FLA		16 FLA		N/A						
Electrical Req. 208V/3PH/60Hz ²	N/A				10 FLA		23 FLA		19 FLA		
Electrical Req. 460V/3PH/60Hz ²	N/A				5 FLA		12 FLA		9 FLA		
Electrical Req. 575V/3PH/60Hz ²	N/A				N/A		N/A		7 FLA		
Water Connect. (Flanged)	3"		4"				6"		6"		
Min. Water Flow (GPM)	12		25				35		75		
Max. Water Flow (GPM)	175		250		350		500		600		
Water Volume Gallons	16.25	14.25	44	40	58	55	75		110		
Water Pressure Drop	3.0 PSIG @100 GPM		3.0 PSIG @170 GPM		3.0 PSIG @218 GPM	3.0 PSIG @261 GPM	5.0 PSIG @475 GPM		4.0 PSIG @500 GPM		
Turndown Ratio	15:1 (7%)	20:1 (5%)		20:1 (5%)	15:1 (7%)	15:1 (7%)	15:1 (7%)	20:1 (7%)	12:1 (8%)	15:1 (7%)	
Vent/Air Intake Connections	6 Inch			8 Inch			12 Inch Vent/10 Inch Air Intake		14 Inch/12 Inch Optional Flue Venting		
Vent Materials	AL29-4C Polypro, CPVC, PVC		AL29-4C Polypro								
Type of Gas	Natural Gas, Propane, Dual Fuel										
NOx Emissions <9ppm Capability ³	✓		✓		<13 ppm		✓		✓		
Temp. Control Range	50°F to 190°F										
Ambient Temp. Range	0°F to 130°F										
Standard Listings & Approvals	UL, CUL, CSD-1, ASME										
Gas Train Operations	FM Compliant or Factory Installed DBB (IRI)						FM Compliant or Factory Installed DBB (IRI), VPS (Value Proving System)		FM Compliant, VPS (Value Proving System)		
Sound Rating dbA	65	65	70	70	72	72	75		79		
Weight (dry) lbs.	669	700	1406	1500	2,000	2,170	2200		3,000		
Shipping Weight lbs.	862	900	1606	1700	2,200	2,300	2350		3,800		

1. Values are for natural gas FM compliant gas trains only. See Benchmark Gas Components & Supply Design Guide GF-2030 for propane, DBB & dual fuel gas train minimum gas pressure requirements.
2. See Benchmark Electrical Power Guide GF-2060 for Service Disconnect Switch amperage requirements.
3. 9 PPM NOx emissions based on natural gas firing only. BMK5000/6000 operating at standard gas pressure (>14" W.C.) can achieve 9 ppm NOx. 14" ø flue required.
4. BMK5000/6000 low gas pressure option is available as a different style number. It operates between 4" and 10" of gas pressure.

Ratings

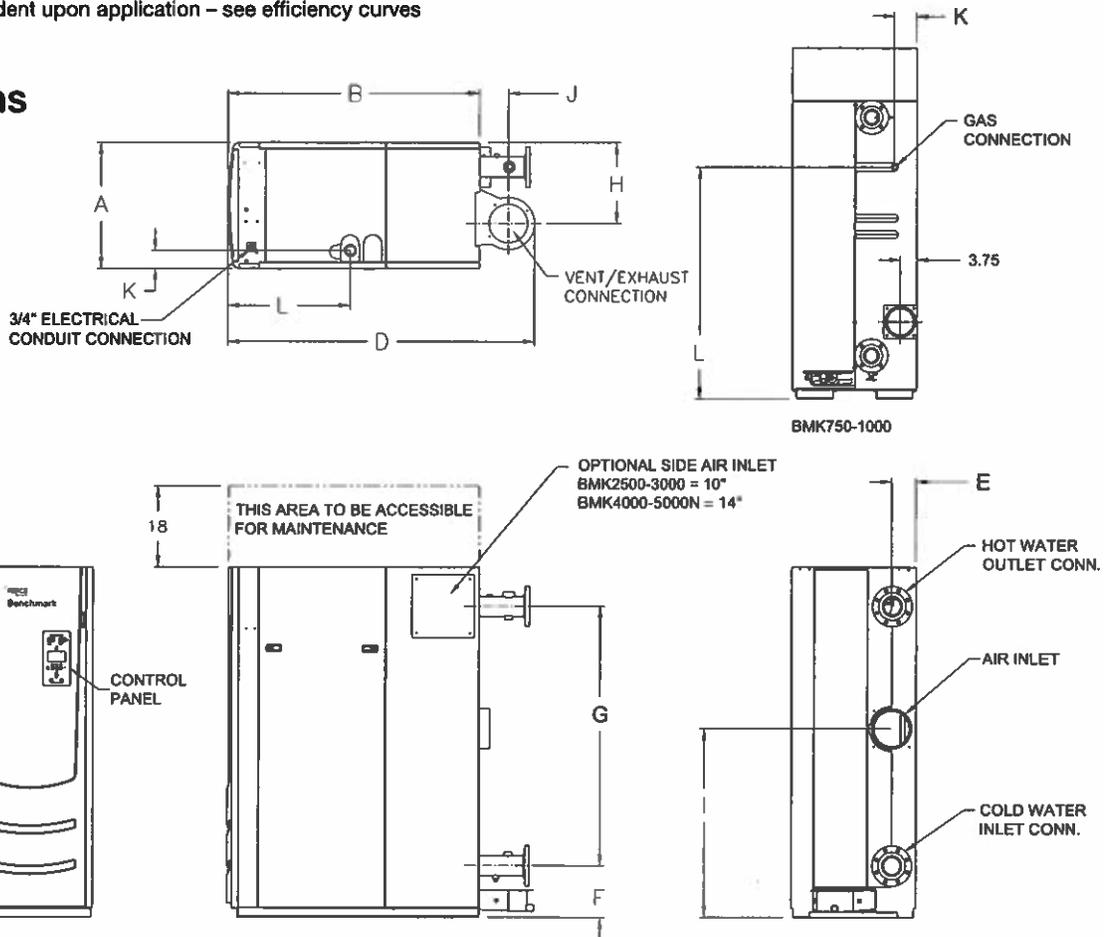
BMK	Min Input MBH	Max Input MBH	Max Output ¹ MBH	Efficiency Range	Thermal Efficiency 80° to 180°F
750	50	750	653-720	87%-98%	95.6%
1000	50	1000	870-960	87%-98%	96.8%
1500	75	1500	1305-1440	87%-98%	94.6%
2000	100	2000	1740-1920	87%-98%	94.6%
2500	167	2500	2175-2400	87%-98%	93.5%
3000	200	3000	2610-2880	87%-98%	94.6%
4000	267	4000	3480-3840	87%-98%	94.1%
5000N	250	4990	4341-4790	87%-98%	93.8%
5000	400	5000	4350-4800	87%-98%	94.8%
6000	400	6000	5220-5760	87%-98%	94.5%

¹Max output dependent upon application – see efficiency curves

Dimensions

750-4000

Dim: Inches

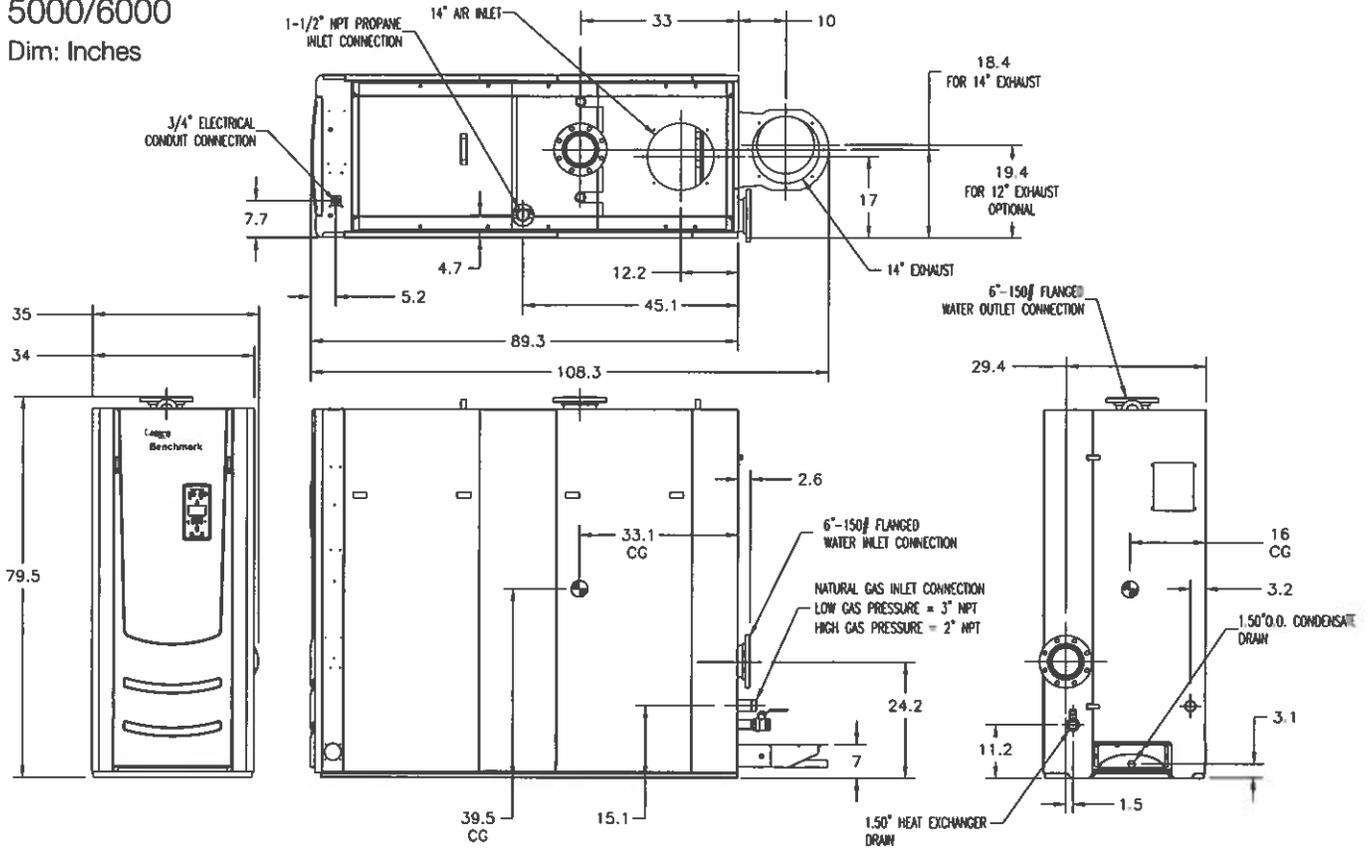


BMK Models	(Width) A	(Depth) B	(Height) C	D	E	F	G	H	I	J	K	L
750	28"	24.5"	78"	34"	10.2"	9.6"	53"	21"	17.1"	4.5'	5.1"	51.5"
1000	28"	25"	78"	34"	10.2"	9.6"	53"	21"	17.1"	4.5'	5.1"	51.5"
1500	28"	43.6"	78"	58.4"	6.6"	11.5"	57.8"	18"	42"	8.9"	4.4"	19.1"
2000	28"	43.6"	78"	58.4"	7"	11.5"	57.8"	18"	42"	8.9"	4.4"	19.1"
2500	28"	56"	78"	68.4"	5.6"	11.5"	57.8"	18"	42"	6.4"	4.4"	27.1"
3000	28"	56"	78"	68.4"	5.6"	11.5"	57.8"	18"	42"	6.4"	4.4"	27.1"
4000	34"	63.5"	78.2"	80.6"	6"	12.4"	56"	21.4"	44.4"	9"	5.5"	28.7"
5000N	34"	63.5"	78.2"	80.6"	6"	12.4"	56"	21.4"	44.4"	9"	5.5"	28.7"

Dimensions

5000/6000

Dim: Inches



BMK Models	(Width) A	(Depth) B	(Height) C
5000	35"	89.3"	79.8"
6000	35"	89.3"	79.8"



Heating and Hot Water Solutions

AERCO International, Inc. • 100 Oritani Drive • Blauvelt, NY 10913
USA: T: (845) 580-8000 • Toll Free: (800) 526-0288 • AERCO.com

Taft Payment Terms

(for qualified accounts, pending credit approval)

Standard Terms: Net 30 days from date of invoice

- A Finance Charge of **1.5% per month** compounding (18% annual) will be assessed on late balances.

Progressive Payment Terms: PO's over \$200K

Applicable to all orders in which all PO's from the same purchaser total more than \$200K or purchasers present account balance is greater than \$200K

Payment Schedule:

- **30%** Payment due immediately at time of receipt of formal Submittal approval and **"Release to Production Directive"** from customer
 - * Order is not placed into production until this payment is cleared.
- **70%** Due Net 30 Days from date of Invoice & shipment notification.

Progressive Payment Terms: PO's over \$300K

Applicable to all orders in which all PO's from the same purchaser total more than \$300K or purchasers present account balance is greater than \$300K

Payment Schedule:

- **50%** Payment due immediately at time of receipt of formal Submittal approval and **"Release to Production Directive"** from customer
 - * Order is not placed into production until this payment is cleared.
- **50%** Due Net 30 Days from date of Invoice & shipment notification.

***** Under no circumstances can Taft Engineering accept open ended, "Paid when Paid" terms or any similar terms.**

***** If value of all open purchase orders currently into Taft exceeds \$300K, please call our office for special term requirements.**