

colvos
CONSTRUCTION
SUBCONTRACT AGREEMENT

THIS AGREEMENT WAS PREPARED TO FAIRLY ALLOCATE RESPONSIBILITIES, RISKS AND EXPENSES ARISING OUT OF THE PERFORMANCE OF THIS WORK, AND IS MADE AND ENTERED INTO BY AND BETWEEN:

Contractor:
Colvos Construction, LLC
711 Court C
Tacoma, WA 98402
Phone: (253) 844-4640

Subcontractor:
[Name]
[Address]
[Address]
Phone:

Owner:
[Name]
[Address]

Architect/Engineer:
[Name]
[Address]
[Address]
Job Number:

No payments will be disbursed under this Subcontract until Contractor receives Subcontractor's compliant insurance certificate as well as the following information:

WA State Contractor's License No.: _____ Federal Tax ID No.: _____

WA State Unified Business ID No.: _____ WA State Employment Security No.: _____

Out of State Contractor's License No.: _____ (if applicable)

Contractor and Subcontractor agree as follows:

1. Subcontract Sum. Contractor, for full, complete, and faithful performance of this Subcontract, agrees to pay Subcontractor:

(a) Lump sum in the amount of: _____ dollars (\$ _____), or

(b) Unit prices as set forth on the attached Unit Price Addendum which on the basis of Owner's estimated quantities will yield a gross contract price of approximately:

_____ dollars (\$ _____).

2. Work. In consideration therefore, Subcontractor agrees to furnish and perform all Work as described in Paragraph b hereof, for the construction of the Project (**NAME & ADDRESS**) in accordance with the contract dated the _____ day of _____, 20____, between Owner and Contractor, and the general and special conditions of that contract, and in accordance with the drawings, specifications and addenda for the construction prepared by Owner's Engineers and Architects, all of which documents in their entirety are hereinafter referred to as the Main Contract and have been and remain available to Subcontractor. Subcontractor further agrees as follows:

- a. To be bound by all laws, government regulations, and orders and all terms and conditions of the Main Contract, to the extent of the work herein subcontracted, which provisions are hereby incorporated by reference, and all of the terms and conditions of this Subcontract, including the following attachments, which are incorporated herein by reference and form part of this Subcontract.

Attachments: Exhibit "A" – Scope of Work
Exhibit "B" – Drawing Log
Exhibit "C" – Construction Schedule
Exhibit "D" – Subcontractor's Application for Payment/Schedule of Values
Exhibit "E" – Rate Sheet
Exhibit "F" – Safety Program and Policies
Exhibit "G" – List of Lower Tier Subcontractors and Suppliers
Exhibit "H" – General Requirements
Exhibit "I" – Subcontractor's Certified Statement on Application for Payment
Exhibit "J" – Interim Waiver and Release
Exhibit "K" – Waiver, Release, and Settlement Upon Final Payment



b. The term "Work" as used herein shall mean procuring and furnishing all materials, labor, supervision, safety devices, equipment, facilities, supplies, licenses, and permits necessary to complete the Work in accordance with this Subcontract and the Main Contract, including without limitation the work described in Attachment A hereto and all incidental work necessary to complete it.

c. Under the provisions of Article R herein, a bond **(is) (is not)** required by this Subcontract.

3. **Indemnification.** Regarding the terms of the Article (X). INDEMNIFICATION, the parties by their initials here acknowledged that those terms have been separately negotiated and agreed to as part of this Subcontract:

Contractor _____ **Subcontractor** _____

4. **Commencement Before Receiving Fully Executed Contract.** If Subcontractor commences performance of the Work before receiving fully executed copy of this Subcontract signed by Contractor, then Subcontractor's commencement of such Work shall serve as its agreement to be bound by the terms and conditions of this Contract including all contract documents incorporated herein by reference. Subcontractor agrees that any portion of Subcontractor's Work performed prior to the execution of the Subcontract, including but not limited to incidental preparation activities, shall be governed by and be subject to the terms and conditions of this Subcontract. This Subcontract document shall govern the performance of the Work and obligations of Subcontractor and Contractor with respect thereto. Once Subcontractor has received a fully executed copy of the Subcontract by Contractor the terms of the Subcontract documents as executed by the parties shall supersede this provision shall govern the performance of the Work and obligations of the parties with respect thereto, and which fully executed and delivered Subcontract shall be deemed effective as of the date on which Subcontractor is given notice of award of the Subcontract.

5. **Subcontractor Approval.** In the event the Owner requires the right to approve subcontractors or subcontracts, such approval shall be an express condition precedent to this Subcontract becoming binding upon the parties hereto; however, once executed and approved by the Owner, it shall become effective upon the date the Subcontractor is given notice of award of the Subcontract. In the event Owner does not approve Subcontractor or the Subcontract, this Subcontract shall become null and void without further action being required by Contractor and Contractor shall have no liability to Subcontractor in that event.

IN WITNESS HEREOF, Contractor and Subcontractor have executed this Subcontract, by their proper officers or duly authorized agents, effective the date of the last authorized signature unless otherwise agreed.

Dated: _____

Dated: _____

COLVOS CONSTRUCTION - GENERAL CONTRACTOR

Subcontractor Name - SUBCONTRACTOR

By: _____

By: _____

Its: _____

Its: _____

COLVOCL832CZ
Contractor's Registration Number

SUBCONTRACT GENERAL CONDITIONS

A. OBLIGATIONS AND RESPONSIBILITIES

It is agreed that Subcontractor will assume toward Contractor all obligations and responsibilities which Contractor has assumed toward Owner under the Main Contract, to the extent of the Work herein subcontracted, and Subcontractor shall be entitled to all privileges and protections granted Contractor by Owner under the Main Contract. The "Main Contract" is defined as the Contract between the Contractor and Owner or any upper tier Contractor. In case of conflict between the terms of this Subcontract and the Main Contract, the more stringent provisions toward Subcontractor shall control. A copy of the Main Contract will be made available upon request.

B. DRAWINGS

- (1) Subcontractor agrees to furnish drawings, specifications, final selections of materials, and other specified items in the quantity required by the Main Contract for approval by Owner or Owner's agent so as not to delay progress of the work.
- (2) Before beginning the Subcontract Work, Subcontractor will prepare and timely, submit and resubmit as required, all shop drawings, erection drawings, diagrams, samples, manufacturer's brochures, reports and other submittals as required by the Main Contract and Attachment B. Review by Contractor is a general check only, and does not relieve Subcontractor from complying with the Main Contract. Subcontractor will notify Contractor in writing of any discrepancies or inconsistencies in the Main Contract that affect the Subcontract Work before performing the affected Subcontract Work

C. LOWER-TIER SUBCONTRACTORS AND SUPPLIERS

- (1) Subcontractor shall not subcontract any portion of the Work without the prior written consent of the Contractor. Within five (5) days of the execution of this Subcontract, Subcontractor shall submit to Contractor using the form at Exhibit G, a written list of all lower-tier subcontractors, and material and equipment suppliers, including their addresses and telephone numbers, which Subcontractor intends to use on the Project. In the event Subcontractor later intends to use other or additional lower-tier subcontractors, or material or equipment suppliers, Subcontractor must immediately provide Contractor with written notice of such intent, and their names, addresses, and telephone numbers, and update Exhibit G. In the event Subcontractor fails to provide the required written information, Contractor is entitled to withhold payment from Subcontractor until such information is provided.
- (2) When requested by Contractor, Subcontractor shall promptly provide Contractor with all documents pertaining to sums which are either owing or may in the future be owing to lower-tier subcontractors or suppliers of equipment or materials to Subcontractor. Such documents include, but are not limited to contracts, purchase orders, invoices, requisitions, and lien waivers. In the event such documentation is not furnished by Subcontractor, Contractor may withhold payment from Subcontractor until such documentation is furnished.
- (3) Contractor has the right to pay any lower-tier subcontractor or supplier of equipment or materials to Subcontractor directly or by two-party check. Payment directly to such persons by Contractor or payment of such persons by Contractor by two-party check shall not create any direct contractual or other obligations owing by Contractor to such persons.
- (4) Contractor reserves the right, prior to making any payment to Subcontractor, to request and receive from Subcontractor a certificate under oath, and such other evidence as Contractor may request, that all obligations incurred by or on behalf of Subcontractor which are, or may become a claim or lien against the Owner's property, or the Contractor's bond or retainage, or any other contractor's bond or retainage, have been paid or that satisfactory arrangements have been made for such obligations to be paid.
- (5) Subcontractor shall secure the immediate release and satisfaction of any claims of lien, claims against any contractor's bond or retainage, or claims against any other contractor's bond or retainage resulting from the performance of this Subcontract, and shall bear all expenses incurred by Contractor and Owner, investigating, resisting, or settling such liens or claims, including attorneys' fees incurred by Contractor and Owner. Subcontractor agrees to defend, indemnify, and hold Contractor and Owner harmless from any claims of lien, any claims against any contractor's bond or retainage, or any claims against any other contractor's bond or retainage resulting from the performance of this Subcontract.
- (6) Any lower-tier subcontractor shall be bound to Subcontractor to the same extent Subcontractor is bound to Contractor and to the same extent Contractor is bound to Owner. This form may be used for sub-tier subcontracts, and when so used, the term Contractor shall mean Subcontractor, and the term Subcontractor shall mean sub-tier Subcontractor.

D. SCHEDULING

- (1) Time is of the essence in this Agreement. Subcontractor shall commence work upon receipt of Contractor's notice to proceed

and shall diligently prosecute the same and perform progressively as, when and in such order as directed by Contractor. If Contractor provides Subcontractor with a progress schedule (“Construction Schedule”), Subcontractor shall follow such schedule which may be changed by Contractor from time to time for any reason. Subcontractor shall cooperate with Contractor in development and updating of the schedule. Subcontractor shall perform in accordance with such modified Construction Schedule(s). No modification or alteration of the Construction Schedule shall entitle Subcontractor to any increase in the Subcontract amount, or an extension of time, unless within five (5) days after Subcontractor receives notice of the modification or alteration to the Construction Schedule, it provides written notification pursuant to Article (G) that the modification alteration will result in additional cost or time to Subcontract.

- (2) When requested by the Contractor, Subcontractor shall develop such schedules and coordinate times required for subcontractors work on the project with the work of contractor and other subcontractors. Subcontractor shall participate and cooperate with Contractor in scheduling the times and sequences required to perform Subcontractor’s Work.
- (3) Subcontractor shall be bound by any provisions in the Main Contract for liquidated damages and, if liquidated damages are assessed against Contractor, shall pay such damages for any delay to the extent caused by Subcontractor. The preceding language shall not be construed to deprive Contractor of any right to recover separate or additional damages for delay to the extent caused by Subcontractor.
- (4) All float in Contractor’s Project Schedule shall belong to Contractor exclusively and shall be used by Contractor in determining if any additional Subcontract days are to be awarded for the changes in the Subcontract or delays to Subcontractor caused by Contractor. The term “float”, as used herein, is the amount of time between the early start date and the late start date, or the early finish date and the late finish date of any of the activities on Construction Schedule. Subcontractor will not be entitled to any adjustments in the Subcontract time, the Subcontract Work on the Construction Schedule, or the Subcontract amount, or to any additional payment of any sort for any reason of Contractor’s use of float time. Extensions of time may be granted only for delays to activities on the critical path that actually delay the Project completion beyond the final completion date, or for delays to activities that transform an activity onto the critical path and, as a result, cause the final completion date to extend beyond the Main Contract final completion date.
- (5) Other subcontractors or subtier-subcontractors may be working at the Project during Subcontractor’s performance of the Work and such concurrent activities may interfere with Subcontractor’s Work. Subcontractor, subtier-subcontractors and suppliers may be engaged in ongoing activities on both the same project, and possibly the same area. Coordination of work activities shall be the responsibility of Subcontractor. Contractor will make final determinations as to sequence and location in the event of conflict. Subcontractor is required to avoid interference with other Subcontractors, subtier-subcontractors or suppliers working at the site. Contractor shall not be responsible for any interference resulting from acts, omissions or preparations of other subcontractors, subtier-subcontractors or suppliers who delay, hinder or otherwise impact Subcontractor’s Work.
- (6) Should Subcontractor sustain any loss through any wrongful or negligent act or omission of any other subcontractor; or failure of any subcontractor to perform its contractual undertakings, Subcontractor shall have no claim or cause of action against Contractor for such loss, but shall have a claim or cause of acting against the responsible subcontractor(s) to recover any and all loss sustained. “act or omission” as used herein shall include, but is not limited to, any unreasonable interruption or delay caused by any such subcontractor.
- (7) Should Subcontractor fail in any respect to prosecute the Work with promptness and diligence and in such manner so as not to delay Contractor or the progress of the Project, or if the progress of the Work is such that in the Contractor’s sole opinion the completion of the Work or any part thereof within the time specified is doubtful and Contractor gives Subcontractor written notice thereof, Subcontractor agrees to take all action necessary to ensure the completion of the Work or any part thereof within the time specified, including but not limited to any or all of the following: increase construction manpower in critical quantities and crafts; increase the number of working hours per shift; increase the number of shifts per working day; increase the number of working days per week; increase the amount of construction equipment; or, perform any combination of the foregoing actions. Subcontractor agrees that it shall have no claim for any adjustment in the Subcontract price or reimbursement because of extra expenses occasioned by compliance with this paragraph. Compliance with this paragraph shall not release or relieve Subcontractor from any other obligation or liability assumed under this Subcontract, nor shall such compliance prevent or stop Contractor from enforcing any other right or collecting damages or costs to which it is entitled under this Subcontract.

E. PAYMENTS

- (1) Subcontractor shall submit to Contractor applications for payment at such times as will enable Contractor to timely apply for payment from Owner. Unless otherwise mutually agreed, Contractor shall withhold retainage from Subcontractor in the amount of 5 or 10% or as required by law. Contractor's obligation to release retainage to Subcontractor shall be subject to proof that there are no unpaid claims which would provide the basis of a lien against the premises, retainage or payment bond, or subject to (1) withholding of sufficient funds or (2) furnishing an adequate and sufficient payment and performance bond. No payment received by Subcontractor shall be used to satisfy or secure any indebtedness other than one owed by Subcontractor to a person furnishing labor, equipment or materials to the Project. This restriction shall continue until the Work is completed and all

indebtedness associated therewith has been paid in full. In the event this Subcontract contains unit price items it is understood and agreed that any quantities mentioned are approximations only and subject to change as required.

- (2) It is agreed that as a condition precedent to any payment by Contractor to Subcontractor herein, Contractor must first receive payment from the Owner for the Work of Subcontractor for which payment is sought. Subcontractor specifically agrees that it is relying upon the Owner's credit and not the Contractor's for payment, and Subcontractor specifically accepts the risk of non-payment by the Owner. The parties agree that Contractor does not warrant the accuracy or completeness of information provided by Owner. Subcontractor shall be paid for Work to date of Contractor's last progress billing date, as approved by the Owner, within 10 days after Contractor has received payment for such progress billing.
- (3) Final payment for Work under the Subcontract shall be made within thirty (30) days after Contractor has received final or complete payment from Owner, provided Subcontractor has completed its Work and fulfilled each of its obligations under the Subcontract. Final payment is conditioned upon Subcontractor paying all material and labor claims (including labor fringe payments due) and paying all lienable claims for labor, materials, equipment, and supplies in connection with the Work and paying all federal, state and municipal taxes and licenses, including sales taxes, if any, for which Subcontractor, or any of its suppliers, or any subcontractor of Subcontractor may be liable in connection with the Subcontract, and including any obligations incurred by Subcontractor in carrying out the Subcontract, and conditioned upon Subcontractor furnishing Contractor with evidence that all of the same have been paid. Final payment is also conditioned upon the receipt of all required documentation, including, but not limited to, completed punchlists, lien releases, as-built drawings, operation and maintenance manuals, and required testing and certification of any and all equipment and/or materials provided for the project. When required by Contractor, and as a condition precedent to any payment, Subcontractor shall provide in a form satisfactory to Contractor, lien and bond claim waivers or releases, claim waivers or releases, and affidavits of payment from Subcontractor, and its lower-tier subcontractors and suppliers of any tier, for the completed portion of Subcontractor's Work.
- (4) If the Main Contract permits payment for materials delivered to the job site or to satisfactory storage facilities, Subcontractor may invoice for materials so delivered and receive payment as outlined above; provided, however, that such stored materials shall be at the risk of Subcontractor until acceptance of the Subcontract Work. Subcontractor shall notify Contractor of the assignment of the proceeds of this Subcontract prior to such assignment and shall require the acceptance by assignee of the terms of this Subcontract, including the obligation for adjustments and return to Contractor of overpayments. Subcontractor acknowledges that all payments accepted by him or which are otherwise due under this Subcontract shall constitute a trust fund in favor of laborers, materialmen, governmental authorities, and all others who are legally entitled to claim a lien on the premises covered by this Subcontract or otherwise file a claim against any retainage or payment bond. Subcontractor shall pay its own subcontractors and suppliers all sums owed them within ten (10) days of receipt of payment from or on behalf of Contractor. Subcontractor agrees that monies received for performance of this Subcontract shall first be used to satisfy obligations owing by Subcontractor for labor, materials, and equipment utilized in performance of this Subcontract. Subcontractor agrees that no assignment of any payment otherwise due under this Subcontract shall be effective without first securing the express approval of any assignee to the limitations contained in this subsection.
- (5) Progress payments shall be deemed advances and are subject to adjustment at any time prior to final payment for errors, overpayment or Contractor's good faith determination that the remaining balance of payments may be insufficient to insure completion of work covered by this Subcontract or to pay lien, retainage, or bond claims. If Contractor determines in good faith that Subcontractor is obligated to Contractor or anyone else for labor, fringe benefits, taxes, supplies, materials, equipment rental or other proper charges against the work covered by this Subcontract, the amount of such obligation may be deducted by Contractor from any payment or payments, including retainage, made under this provision. Provided further that Contractor may from time to time require, and Subcontractor shall provide within 3 days after written demand to Subcontractor, a statement in writing setting forth what amounts, if any, are due or payable by Subcontractor to third parties for labor, fringe benefits, taxes, supplies, materials, equipment, or other proper charges against the work in connection with, or arising out of the performance of, this Subcontract. If Subcontractor fails to furnish such written information within 3 days after demand by Contractor, Contractor may terminate this Subcontract without further notice. In case of such termination, and in addition to any other rights and remedies Contractor may have, all monies expended by Contractor to complete Subcontractor's work shall be deducted from the contract price herein stated, and if such expenditures exceed the amount otherwise due hereunder, Subcontractor shall pay Contractor the full amount of such excess.
- (6) With respect to any and all payments to be made by Contractor to Subcontractor under this Subcontract, Contractor, at its option, may issue joint checks payable to Subcontractor and any of Subcontractor's creditors, (including materialmen, suppliers, sub-subcontractors, and trust funds) to the extent Contractor in good faith deems it appropriate to insure that payments required from Subcontractor or any of his subcontractors with respect to the Work are paid.

F. CHANGE ORDERS

Contractor may, without invalidating this Subcontract, order in writing extra work or make changes by altering, adding to, or deducting from the work, and the Subcontract price shall be adjusted accordingly. All such work shall be executed under the conditions hereof and of the Main Contract, except that any claims for extension of time caused thereby must be agreed upon at the time of ordering such change. Subcontractor shall make no claims for extras unless the same shall be agreed upon in writing

by Contractor prior to the performance of any such extra work. If additional work has been fully accepted by Owner, payment shall be made to Subcontractor within 10 days after payment to Contractor, unless the request for additional work originated with Contractor, rather than with Owner, in which case payment will be made in a reasonable amount of time following acceptance of the work by Contractor. In case of any dispute over adjustment of the Subcontract price or time, Subcontractor shall proceed with the work, and the dispute shall be resolved in accordance with the procedures set forth in the Main Contract, to the extent that Contractor is bound by such procedures, otherwise by the procedures set forth in paragraph W. Subcontractor shall not be entitled to any additional compensation or extension of time unless Subcontractor shall have made written request to Contractor for such additional compensation or extension of time within sufficient time to permit Contractor to give timely notice to Owner. Subcontractor acknowledges that, unless expressly stated otherwise within a written change order, any change in the contract price and time effected through a written change order shall constitute full payment and accord and satisfaction for all costs incurred, labor performed, material and equipment furnished, overhead profit, and any delay, acceleration, or loss of efficiency associated with the change in the work.

G. TIME LIMITS ON CLAIMS

Claims by Subcontractor for adjustment or interpretation of contract terms, payment of money, extension of time, additional cost, damages, extra work, delay, hindrance, acceleration, loss of efficiency, or other relief relating to Subcontractor's Work **MUST BE MADE** in writing within 5 days after occurrence of the event giving rise to such claims, or within such other shorter period of time which is 3 days less than the time specified by the Main Contract for such claims by Contractor to the Owner (the "Notice"). Such Notice must contain a detailed description of the claims, the basis therefor, and the claimed adjustment to the Subcontract sum or Subcontract time. Within 30 days after submission of a written Notice as set forth above, Subcontractor shall submit in writing supplemental information regarding the Claim. The supplemental information shall include the following information: (a) a detailed factual statement of the Claim for additional costs or time, if any, providing all necessary dates, locations, and items of the Work affected by the Claim; (b) the date on which facts arose which gave rise to the Claim; (c) the name of each employee of the Owner, Contractor, and Subcontractor knowledgeable about the Claim; (d) specific provisions of the Contract Documents that support the Claim; (e) the identification of any documents and the substance of any oral communications related to the Claim; (f) copies of any documents that support the Claim; (g) if an adjustment in the Contract Time is sought, the specific days and dates for which an extension is sought, the specific reason Subcontractor believes an extension of the Contract Time should be granted and the Subcontractor's analysis of the approved construction schedule that demonstrate the reason for the extension in the Contract Time based upon impacts to critical path activity; (h) if an adjustment in the Contract Cost is sought, the exact amount sought and a breakdown of that amount into allowable costs as defined under the Contract Documents; and (i) a statement certifying, under penalty of perjury, that the Claim is made in good faith, that the supporting costs and pricing data are true and accurate to the best of Subcontractor's knowledge and belief, that the Claim is fully supported by the accompanying data and that the amount requested accurately reflects the adjustment in the Contract Cost or Contract Time for which Subcontractor believes Contractor and/or Owner may be liable. Failure by Subcontractor to timely provide written Notice or provide its Statement of Claim shall result in an absolute waiver of Subcontractor's Claim. **IN THE EVENT CLAIMS ARE NOT PROVIDED IN ACCORDANCE WITH THE PROCEDURES SPECIFIED BY THIS PARAGRAPH, SUCH CLAIMS SHALL BE DEEMED WAIVED BY SUBCONTRACTOR.**

H. NATURE OF WORK AND EXAMINATION OF SITE

Subcontractor has satisfied itself as to the nature and location of the work, the character, kind and quantity of material to be encountered, the character, kind and quantity of equipment needed, the location, conditions and other matters which can in any manner affect the work under this Subcontract, and acknowledges that Subcontractor has had a reasonable opportunity to examine the site, all of the Main Contract documents, and this Subcontract. Prior to commencing work, Subcontractor shall examine the site and any surfaces upon which work is to be performed, and shall notify Contractor in writing of any conditions which might adversely affect its work; failure to do so will constitute a waiver of entitlement to any additional compensation or contract time arising out of such conditions. Such waiver shall not apply to latent or hidden conditions unknown to Subcontractor following a reasonable examination, unless disclosure of such conditions is required under the Main Contract. This clause shall not be understood to relieve Subcontractor of any additional notice requirements under this Subcontract or the Main Contract.

I. INDEPENDENT CONTRACTOR

- (1) Subcontractor specifically agrees that it is, or prior to the start of the Work will become, and will remain during the performance of this Subcontract, an independent contractor. Subcontractor has the status of "employer" as defined by the Industrial Insurance, Workers' Compensation, Unemployment Compensation, Social Security, and other similar acts of the federal, state, and local government. Subcontractor further warrants and acknowledges the following: (a) Subcontractor is customarily engaged in an independently established business of the same nature as the Work performed under this Subcontract; (b) Subcontractor is responsible for filing a schedule of expenses with the IRS for the type of business Subcontractor is conducting; (c) Subcontractor has an account with the Department of Revenue and other appropriate state agencies for the payment of all applicable state taxes, and has registered for and received a unified business identifier number from the state in which the Project is located and (d) Subcontractor maintains a separate set of books or records that reflect all items of income and expenses of its business.

- (2) Subcontractor shall withhold from its payroll applicable Social Security taxes, Workers' Compensation and Unemployment Compensation contributions, and withholding taxes and pay the same; Contractor shall be in no way liable as an employer of, or on account of, any employees of Subcontractor. Before final payment is made under this Subcontract, Subcontractor shall furnish Contractor affidavits certifying that it has complied with these laws, rules and regulations. Subcontractor hereby agrees to indemnify Contractor for any and all liability under such laws arising from the Work performed under this Subcontract.

J. PERMITS, TAXES

Subcontractor shall obtain and pay for all permits, fees, and licenses necessary for the performance of this Subcontract and shall pay any and all federal, state, and local taxes applicable to the Work to be performed under this Subcontract.

K. MATERIALS

- (1) Materials delivered by or for Subcontractor and intended to be incorporated into the construction hereunder shall remain on the job site and shall become property of Owner upon payment, but Subcontractor may repossess any surplus materials remaining at the completion of the contract. All scaffolding, apparatus, ways, works, machinery, and plants brought upon the premises by Subcontractor shall remain his property, but in the case of Subcontractor's inability to perform, and completion of the work is done by Contractor, Contractor shall be entitled to use such scaffolding, apparatus, ways, works, machinery, and plants without cost or liability for depreciation or damage by use, and without prejudice to Contractor's other rights or remedies for any damage or loss sustained by reason of Subcontractor's inability to perform. It shall be Subcontractor's responsibility to unload, store, and protect its materials, to bear the risk of loss thereof, and to protect such material against loss until actually incorporated into the work, and until the work is accepted, even though title thereto may previously have passed to the Owner under the preceding provisions, except that Subcontractor shall not bear that portion of such loss to the extent it arose out of the fault of Contractor or its employees.
- (2) In the event Owner or Contractor furnishes material or equipment to Subcontractor to be incorporated in the Work, Subcontractor shall, immediately upon receipt, make full inspection as to the physical condition and suitability of the material or equipment, and shall immediately notify Contractor in writing, of any defect or nonconformity in the material or equipment. If Contractor fails to provide such written notice within forty-eight (48) hours of discovery of each defect or nonconformity, Subcontractor shall be liable for all damages, and shall indemnify and defend Contractor against any claims arising or alleged to have arisen out of such defect or nonconformity.
- (3) All Work shall be performed by Subcontractor in a neat, skillful and good workmanklike manner and the same shall be fit for intended use both as to workmanship and materials. Subcontract warrants that the materials furnished and the Work performed will strictly comply with the Main Contract and this Subcontract. All materials used in the Work shall be furnished in sufficient quantities to facilitate the proper and expeditious execution of the Work, and shall be new and to the best of their respective kinds, except such materials as may be expressly otherwise provided in the Main Contract.

L. TERMINATION AND TAKEOVER

- (1) **Termination/Suspension by Owner:** In the event Contractor's Work under the Main Contract is terminated, other than for Contractor's default, prior to project completion, an equitable adjustment to the contract price for Work performed under this Subcontract prior to such termination will be made as provided for in the Main Contract. If no such provision exists, then by mutual agreement; or, failing either of these methods, by arbitration as provided for in the Disputes clause of this Subcontract. Subcontractor shall not be entitled to prospective profits on unperformed Work unless Contractor is able to recover such profits from Owner, and in such event only to the extent recovered from Owner. In the event Owner temporarily suspends work under the Main Contract for any cause other than Contractor's default, Contractor may order Subcontractor to suspend work under this Subcontract. Subcontractor shall not be entitled to any additional compensation or damage for such suspensions, except, and only to the same extent, Contractor receives additional compensation from Owner under the provisions of the Main Contract for work covered by this Subcontract.
- (2) **Termination for Default:** If Subcontractor refuses or fails to supply enough properly-skilled workers or materials to maintain the schedule of Work, refuses or fails to make prompt payment to lower-tier subcontractors, or suppliers of labor, materials or services, fails to correct, replace, or re-execute faulty or defective Work done or materials furnished, disregards the law, ordinances, rules, regulations, or orders of any public authority having jurisdiction, files for bankruptcy, or is guilty of a material breach of this Subcontract, and fails to correct the default and maintain the corrected condition within forty-eight (48) hours of receipt of written notice of the default, then Contractor, without prejudice to any rights or remedies otherwise available to it, shall have the right to any or all of the following remedies:
 - a. Supply such numbers of workers and quantity of materials, equipment, and other facilities as Contractor deems necessary for the completion of Subcontractor's Work, or any part thereof, which Subcontractor has failed to complete or perform after the above notice, and to charge the cost thereof to Subcontractor who shall be liable for the payment of

the same, including reasonable overhead and profit.

- b. Contract with one or more additional subcontractors to perform such part of Subcontractor's Work as Contractor shall determine to provide prompt completion of the Project and charge the cost thereof to Subcontractor, plus reasonable overhead and profit.
 - c. Withhold payment of any monies due or to become due Subcontractor pending corrective action to the extent required by and to the satisfaction of Contractor.
 - d. Terminate this Subcontract, use any materials, implements, equipment, appliances, or tools furnished or belonging to Subcontractor to complete Subcontractor's Work and furnish those materials, equipment, and/or employ such workers as Contractor deems necessary to maintain the orderly progress of the Work. Subcontractor's equipment shall be utilized only when equivalent equipment is not locally available to lease or will not be supplied by a substitute subcontractor or when procurement of substitute equipment will not delay completion of the Main Contract. All of the costs, including reasonable overhead, profit and attorneys' fees, incurred by Contractor in arranging to and performing Subcontractor's Work shall be charged to Subcontractor, and Contractor shall have the right to deduct such expenses from monies due or to become due Subcontractor. Subcontractor shall be liable for the payment of any expenses incurred in excess of the unpaid balance of the Subcontract price.
 - e. In the event of any emergency, Contractor may proceed as above without notice.
- (3) **Bankruptcy.** In the event Subcontractor files a chapter 7, 11 or 13 bankruptcy, Contractor and Subcontractor agree that any delay attendant to the assumption or rejection of the Subcontract by trustee or a debtor – in – possession will be prejudicial to Contractor. Consequently, Subcontractor, to minimize delay to the Project and to mitigate damages and/or other prejudice suffered by Contractor, hereby stipulates to a notice period of ten (10) calendar days for Contractor's motion to require Subcontractor to assume or reject the Subcontract.
- (4) **Assignment.** Subcontractor hereby assigns, transfers, pledges and conveys to Contractor (effective as of the date of the Subcontract, but only in the event of default, breach or failure by Subcontractor and subject to and to the extent of Contractor's acceptance of such assignment(s)), as collateral security, to secure the obligations under this Subcontract and any other indebtedness and liabilities of Subcontractor to Contractor, all of Subcontractor's rights under the Subcontract, including Subcontractor's right, title and interest in and to (1) all subcontract or supply contracts let by Subcontractor in connection there with and such Subcontractor's or supplier's surety bonds; (2) all machinery, plant, equipment, tools and materials which shall be on the site or sites of the Work or elsewhere for purposes of the Subcontract, including all materials ordered for the Subcontract; (3) any and all sums due or to become due on the Subcontract; and (4) and actions, causes of action, claims or demands whatsoever which Subcontractor may have in any way arising out of or relating to this Subcontract.
- (5) **Damages.** If Subcontractor should default in performance of the Work or otherwise commit any act which causes delay to Contractor's Work Subcontractor shall be liable for all losses, costs, expenses, liabilities and damages, including actual damages, consequential damages and liquidated damages sustained by Contractor, or for which Contractor may be liable to Owner or any other party because of Subcontractor's default or delay.

M. TERMINATION OR SUSPENSION OF WORK FOR CONVENIENCE:

- (1) If Owner, for any reason (including Owner's convenience) terminates or suspends performance of the Work, or any portion of it under the Contract, Contractor may order Subcontractor to terminate or suspend its performance of the Work, or any portion of it. Contractor shall not be liable in any way for any such termination or suspension. Provided, however, to the extent that Contractor is compensated by Owner by reason of such termination or suspension, then in such event Contractor shall pay to Subcontractor an equitable portion of said sum based upon the Work performed.
- (2) In addition to Contractor's right to terminate or suspend the Work under Section O(i), Contractor may, at any time terminate or suspend performance of the Work (or any portion thereof) at Contractor's convenience by service of written notice upon Subcontractor. Upon receipt of such notice, Subcontractor shall, unless the notice directs otherwise, immediately discontinue the suspended or terminated Work or designated portion thereof and placing of orders for services, materials, facilities and supplies in connection with the performance thereof, and shall, unless otherwise directed, make every effort to procure cancellation of all existing orders or contracts related to such suspended or terminated Work upon terms approved by Contractor, or at the option of Contractor, give Contractor the right to assume the responsibility and benefits of those obligations. Subcontractor shall thereafter do only such Work as may be necessary to preserve and protect the Work already in progress and to inventory and protect material and equipment on the job site, equipment in storage off of the job site (if previously allowed in writing on terms directed by Contractor) or in transit thereto. Upon such termination for Contractor's convenience, Subcontractor shall be entitled to payment in accordance with and subject to the requirements of Section E only as follows: (1) payment shall be made to Subcontractor commensurate with the percentage of Work properly completed through the date of termination (but in any event no more than the sum of the direct cost of the Work completed plus seven percent (7%) of the direct cost of the Work completed;

plus (2) such other actual and unavoidable out of pocket termination costs incurred by Subcontractor after the date of termination approved in advance by Contractor.

- (3) Termination costs to be paid to Subcontractor under this Section shall be subject to Contractor's right to withhold as set forth in Section E.

N. MATERIAL QUALITY

Materials condemned by Contractor, Architect/Engineer or Owner as failing to conform to the Main Contract worked or not, shall upon notice from Contractor be immediately removed by Subcontractor. Failure of Contractor to immediately condemn any work or materials as installed shall not in any way waive Contractor's right to object thereto at any subsequent time. Subcontractor warrants the Subcontract Work and materials furnished hereunder on the same terms, and for the same period, as Contractor warrants the work under the Main Contract. With respect to Subcontract's Work, Subcontractor shall owe all warranty obligations and responsibilities of Contractor under the Main Contract. All Subcontract warranties shall be in addition to and not in limitation of other warranties or remedies required and/or arising pursuant to applicable law.

O. JOB DAMAGE

Damage caused by Subcontractor, its lower-tier subcontractors, or supplier of any tier, to work other than its own shall be reported immediately to Contractor, and Subcontractor shall be responsible for its repair. Damage caused by Contractor to work of a Subcontractor shall be reported immediately to Subcontractor, and Contractor shall be responsible for its repair.

P. SAFETY

- (1) In addition to the safety requirements set forth in Exhibit F, Subcontractor and its lower-tier subcontractors shall take all reasonably necessary safety precautions pertaining to their Work and its work performance, including compliance with applicable laws, ordinances, regulations, and orders issued by a public authority, whether federal, state, local, or other, OSHA, WISHA, and any safety measures requested by Contractor. Subcontractor shall at all times be responsible for providing a safe job site and be responsible for the Work performance and safety of all employees, personnel, equipment, and materials within Subcontractor's or its lower-tier subcontractors' care, custody, or control. Subcontractor and its lower-tier subcontractors shall furnish all required safety equipment for their Work and ensure all of their employees and lower-tier subcontractors' employees have and wear personal protective equipment in compliance with applicable OSHA/WISHA requirements and Contractor's safety rules, as provided in writing to Subcontractor.
- (2) Subcontractor certifies that it and its lower-tier subcontractors are registered contractors. Subcontractor certifies that it and its lower-tier subcontractors maintain a written Accident Prevention Plan and a job site-specific safety plan in compliance with applicable OSHA/WISHA regulations. Subcontractor's Accident Prevention Plan should address Subcontractor's role and responsibilities pertaining to safety on the job site, training, and corrective action, and be tailored to safety and health requirements for the Work involved. Subcontractor shall have and enforce a disciplinary action schedule in the event safety violations are discovered. When and as requested by Contractor, Subcontractor shall provide information regarding safety matters.
- (3) Subcontractor shall promptly provide Contractor with written notice of safety hazard(s) or violation(s) found on the job site or of any injury to its or its lower-tier subcontractors' workers incurred on the job site.
- (4) Contractor's supervisor may direct Subcontractor's superintendent to remove employees not in compliance with the requirements of this Agreement. In the event Subcontractor does not promptly correct its safety violation, Contractor may order Subcontractor to stop Work until the violation is corrected, and may correct the violation and charge all costs of compliance to the Subcontractor.
- (5) Subcontractor agrees to defend, indemnify, and hold Contractor harmless from all OSHA, WISHA or other related claims, demands, proceedings, violations, penalties, assessments, or fines that arise out of or relate to Subcontractor's failure to comply with any safety-related laws, ordinances, rules, regulations, orders, or its obligations hereunder. Contractor may charge against the sums otherwise owing to Subcontractor the amount of the fine and the fees, costs, and expenses incurred by Contractor in the defense of the claims citation and/or fine arising from or relating to the Subcontractor's above-referenced failure. In the event sums owing are not sufficient to indemnify Contractor hereunder, Subcontractor shall pay such additional amounts as may be necessary to Contractor on demand.

Q. HOUSEKEEPING AND CLEAN UP

Subcontractor shall regularly remove all refuse, waste, and debris produced by its operation. Refuse shall not be permitted to accumulate to the extent that it interferes with free access to the job site or creates a safety hazard. Avoidance of safety hazards through good housekeeping is an important part of Subcontractor's obligations. In the event Subcontractor or its lower-tier

subcontractors fail or refuse to meet these requirements, Contractor may remove refuse and charge all costs to the Subcontractor, provided that Subcontractor has received 24 hours or one full working day, whichever is greater, prior written notice. In the event Contractor determines emergency conditions exist, Contractor may proceed as above without prior notice.

R. BOND

If an Order requires Subcontractor to supply bonds for this project, then Subcontractor shall at its own expense furnish Contractor, within 10 days of receipt of this Subcontract, performance and payment surety bonds, acceptable to Contractor, in an amount equal to the Subcontract price. The bonds shall be conditioned upon the full and faithful performance of all terms, provisions, and conditions of this Subcontract and upon payment for all labor, materials, equipment, and supplies used in the prosecution of the work described herein.

S. WORKERS' COMPENSATION

Subcontractor shall furnish to Contractor evidence that it has in force Workers' Compensation Insurance including Employers Liability, as may be required by the jurisdiction or jurisdictions in which the work is being performed. Where applicable, this shall include United States Longshoremen's and Harbor Workers' Insurance including coverage B-Employers Liability (maritime) with limits not less than the Bodily Injury limits required of the Contractor by the Main Contract, but in no event less than \$1,000,000.00. For non-monopolistic states a waiver of subrogation endorsement in favor of the additional insureds listed below shall be included as respects workers compensation coverage.

T. SUBCONTRACTOR'S INSURANCE

- (1) Before commencing Work and as a condition of payment, Subcontractor shall purchase and maintain insurance from an insurer with an A.M. Best rating of A – VII or better that will protect it from claims arising out of its operations under this Agreement, whether the operations are by Subcontractor, Subcontractor's consultants or subcontractors, anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable.
- (2) Required Insurance Coverage. Within five (5) days of execution of this Agreement and prior to proceeding with any work, Subcontractor shall submit insurance certificate(s) indicating minimum coverage as set forth below. Coverage in the minimum amounts required shall not relieve the Subcontractor from liability in excess of such coverage:
 - (a) Commercial General Liability (CGL)/Excess Liability insurance providing bodily injury liability and property damage liability with combined single limits of not less than \$1,000,000 per occurrence limits, \$2,000,000 general aggregate limits, and Products/Completed Operations limits of \$2,000,000 written on an ISO occurrence form CG 0001 (12/07) or a substitute form providing equivalent coverage. These limits can be provided by a combination of general liability and umbrella/excess liability coverage.

Subcontractor's policy must name Contractor and Owner and their respective officers as additional insureds, and must provide coverage consistent with the Form CG2010 11/85 or CG 2010 10/01 and CG2037 10/01 endorsements or equivalent form(s). For purposes of this additional insured requirement, "equivalent" coverage means coverage for liability arising out of Subcontractor's work performed for the Additional Insureds, including coverage for the negligence or fault of the Additional Insured and products-completed operations coverage.. Subcontractor's policy must provide primary, noncontributing coverage to such additional insureds and must contain a severability of interest's provision.

Such policy (or policies) is (are) to include coverages described commonly by the insurance industry as:

1. Premises and operations liability.
2. Contractor's protective liability.
3. Blanket contractual liability (to include Subcontractor's obligations under paragraph W and X of this Contract).
5. Broad form property damage liability.
6. Stop gap liability.
7. Products and completed operations liability to maintained for a period of three years following the certificate of substantial completion of the contract.
8. Explosion, collapse and underground (XCU) liability.
9. Employer's liability.
10. Per project general aggregate endorsement
11. Waiver of subrogation Endorsement in favor of additional insureds (CG2404 10/93 or equivalent)

Subcontractor's policy shall not include any multi-family exclusions or restrictions.

- (b) Comprehensive automobile bodily injury and property damage liability with the combined single limit of not less than \$1,000,000 per occurrence. Coverage shall include either “any auto” or all owned, non-owned and hired auto coverage. Subcontractor’s policy must name the name Contractor and Owner and their respective officers as additional insureds. Subcontractor’s policy must provide primary, noncontributing coverage to such additional insureds and contain a waiver of subrogation endorsement in favor of additional insureds.
- (c) Subcontractor's equipment insurance providing coverage for physical damage to Subcontractor’s owned, leased, rented or borrowed equipment used on the job site, including rental charges.
- (d) Subcontractor shall provide a Certificate of Insurance of its Commercial General Liability, Auto Liability and Excess Liability policies prior to starting work. Subcontractor’s Certificate of Insurance shall at a minimum include:
 - a. Designate Contractor and the Owner and their officers as additional insureds with respect to Subcontractor's Work;
 - b. State that Subcontractor's insurance is primary, noncontributory and contains a severability of interest provision;
 - c. State that Trade Contractor’s insurance include stop-gap liability coverage; and
 - d. State "This insurance does not contain any multi-family exclusions or restrictions."
 - e. Provide not less than 45 days prior notice to Contractor of cancellation or reduction in coverage except for 10 days for nonpayment of premium.
- (3) **Cancellation, Renewal and Modification** Subcontractor shall maintain in effect all insurance coverage required under this Agreement at the Subcontractor’s sole expense and with insurance companies acceptable to the Contractor. The policy shall contain a provision that coverage will not be cancelled, terminated, non-renewed, or otherwise modified until at least forty five (45) days prior written notice has been given to the Contractor.
- (4) **Builder’s Risk Insurance** If the Owner or Contractor has not provided Builder’s Risk Insurance satisfactory to Subcontractor, Subcontractor may procure such insurance as will protect the interests of the Subcontractor, its subcontractors, and their lower tier subcontractors for Subcontractor's work. Any Builder’s Risk or other insurance required by Subcontractor will be at its sole expense. If Subcontractor requires a Builder’s Risk Insurance Policy or any other property or equipment insurance policy applicable specifically to this Project, it shall add Contractor and Owner as additional named insureds on said policy. Subcontractor shall make its own determination regarding whether the Builder’s Risk insurance provided by Owner or Contractor is sufficient for the Project and Contractor makes no representation or warranty to Subcontractor regarding the existence, adequacy or coverage provided by the Builder’s Risk or equivalent insurance for the Project. If not covered under the builder’s risk policy of insurance or any other property or equipment insurance required by the subcontract documents, Subcontractor shall procure and maintain at Subcontractor’s own expense property and equipment insurance for the work including portions of the work stored off the site or in transit, when such portions of the work are to be included in application for payment.
- (5) **Builders Risk - Waiver of Subrogation** The Contractor and Subcontractor waive all rights against each other and any of their respective consultants, subcontractors and sub-subcontractors, agents and employees, for damages caused by perils to the extent covered by the proceeds of the insurance provided herein, except such rights as they may have to the insurance proceeds. Subcontractor shall require similar waivers from its subcontractors.
- (6) **Corporate Form.** In the event that Subcontractor's corporate form is dissolved or terminated by any means recognized by Washington law, Subcontractor expressly waives the benefit and defense of any limitation on actions set forth in Washington law, but only to the extent of insurance coverage required by this Agreement.
- (7) **Professional Liability/Pollution Liability** – Depending upon Subcontractor’s scope of Work, Subcontractor may be required to furnish Professional Liability Insurance and/or Pollution Liability Insurance. If either of these applies to your scope, refer to your contract for limit requirements. The minimum requirements of Professional Liability Insurance are:
 - a) Coverage must apply retroactively to the commencement of professional activities;
 - b) Coverage must continue through the completion of the Project, plus (5) five years after completion of the Project.
 - c) If the Scope of Work amount is \$2,000,000 or greater, the minimum Professional Liability/Pollution Liability insurance limit shall be \$2,000,000 per claim / \$2,000,000 aggregate.
 - d) If the Scope of Work is less than \$2,000,000, the minimum Professional Liability/Pollution Liability insurance limit shall be \$1,000,000 per claim / \$1,000,000 aggregate.
 - e) Such insurance shall cover all legal liability of the Subcontractor and shall defend, hold harmless and

indemnify the Contractor and the Owner for any claims or damages arising out of the actual or alleged negligent acts, errors or omissions in the rendering of or failure to render professional services.

- f) If Subcontractor is obtaining the services of an architect, engineer, land surveyor, space planner, interior designer, or other professional services provider, Subcontractor shall be responsible for obtaining evidence of Professional Liability insurance from such firm or individual and provide the Contractor with evidence of such insurance, prior to the start of those services.
- g) Any deductibles or self-insured retentions shall be the responsibility of the Subcontractor or its designated design professional(s). No deductibles or self-insured retentions shall be greater than \$25,000, without the written approval of the Contractor. Subcontractor and its designated professional(s) shall be responsible for any loss arising out of coverage denial by its insurance carrier.
- h) Any insurance carrier providing Professional Liability/Pollution Liability insurance shall maintain a rating of at least A-:VII as Reviewed by A.M. Best Company.
- i) Pollution Liability - must name the name Contractor and Owner and their respective officers as additional insureds. Subcontractor's policy must provide primary, noncontributing coverage to such additional insureds and contain a waiver of subrogation endorsement in favor of additional insureds.

- (8) In the event Subcontractor fails to maintain any and all insurance required by this Subcontract during the entire life of the Subcontract, Contractor may at its option, and without waiver of other available remedies, purchase such insurance in the name of Subcontractor and deduct the costs of same from payments due Subcontractor.

U. CONSEQUENTIAL DAMAGES

Neither party shall be liable to the other for consequential damages incurred directly by either party arising out of or related to a breach of this Subcontract, except that Subcontractor shall remain liable for indemnification and the duty to defend against any actual, consequential or liquidated damages that arise out of the Work of Subcontractor or a breach of this Agreement that are assessed against Contractor by third parties, which includes, but is not limited to, the Owner as well as any damages that are caused by an insurable event covered by insurance.

V. MODIFICATIONS

No modifications to, or waiver of any rights under this Subcontract shall be valid or binding on the parties to this Subcontract unless the same be in writing. Failure of Contractor to insist upon strict performance of any term or condition of this Subcontract, or to exercise any option herein conferred on one or more instances, shall not be construed to be a waiver of such performance or option, or of any other covenants or agreements, on subsequent occasions, but the same shall be and remain in full force and effect.

W. DISPUTES

- (1) **Pass-Through Claims:** In the event of any dispute or claim between Contractor and Owner, which directly or indirectly involves the work performed or to be performed by Subcontractor, or in the event of any dispute or claim between Contractor and Subcontractor caused by or arising out of conduct for which Owner may be responsible, Subcontractor shall be bound to Contractor, and Contractor agrees to be bound to Subcontractor to the same extent that Contractor is bound to Owner by the terms of the Main Contract and by any and all procedures and resulting decisions, findings, determinations, or awards made thereunder by the person so authorized in the Main Contract by an administrative agency, board, court of competent jurisdiction, or arbitration. If any dispute or claim of Subcontractor is prosecuted or defended by Contractor, together with disputes or claims of Contractor's own, and Subcontractor is not directly a party, Subcontractor agrees to cooperate fully with Contractor and to furnish all documents, statements, witnesses, and other information required by Contractor for such purpose and shall pay or reimburse Contractor for all expenses and costs, including reasonable attorneys' fees and expert fees incurred in connection therewith, to the extent of Subcontractor's interest in such claim or dispute.

Subcontractor shall be bound by the procedure and final determinations as specified in the Main Contract and agrees that it will not take, or will stay or suspend, any other action or actions with respect to any such claims (including, but not limited to, actions commenced pursuant to the federal Miller Act, lien statutes, or any other state bond or retainage act) and will pursue no independent litigation with respect thereto, pending final determination of any dispute resolution procedure between Owner and Contractor. The timely presentation, cooperation, and participation by Subcontractor in any determination of a dispute under the Main Contract, including any and all appeals under the disputes provision(s) of the Main Contract, shall be conditions precedent to pursuit of any action by Subcontractor against Contractor with respect to any such claim or dispute. It is expressly understood and agreed that as to any and all claims asserted by Subcontractor in connection with this Project arising from the actions or fault of Owner, Contractor shall not be liable to Subcontractor for any greater amount than Owner is liable to Contractor, less any markups or costs incurred by Contractor. As to any claims asserted by Subcontractor for or on account of acts or omissions of Owner, its agents, design professionals at the sole option of Contractor, Subcontractor agrees to prosecute such claims in Contractor's name. For any amount recovered or collected (whether through proceedings or settlement) by Subcontractor, Contractor shall be entitled to 10% of

such amount received or collected as its markup for such claims. Subcontractor shall have full responsibility for preparation and presentation of such claims and shall bear expenses thereof including attorneys' fees.

- (2) **Arbitration:** All other claims, disputes, and other matters in question between Contractor and Subcontractor arising out of, or relating to, the Main Contract, or this Subcontract, the breach thereof, or work thereunder (for which a dispute resolution procedure is not otherwise provided in the Main Contract, at the Contractor's sole option, may be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining, unless the parties mutually agree otherwise. Contractor and Subcontractor agree to be bound by the findings and award of such arbitration finally and without recourse to any court of law other than for the enforcement of the arbitrator's decision. In any dispute between Contractor and Subcontractor, the prevailing party shall be awarded its reasonable attorneys' fees and costs, including all expert witness expenses and costs.
- (3) **Mediation:** As a condition precedent to the hearing of any trial or arbitration, the parties to this Subcontract shall submit any and all disputes between them to non-binding mediation with the assistance of an experienced mediator. The parties shall each designate a representative with full settlement authority who will participate in the mediation. The parties shall bear equally all expenses, exclusive of attorneys' fees, associated with the mediation.
- (4) **Owner Claims:** Should an Owner file a claim, counterclaim or cross-claim against Contractor relating to, or arising out of, in whole or in part, performance of Subcontractor's Work, Subcontractor and its surety agree to be bound to Contractor to the same extent the Contractor is bound to owner by the terms of the Main Contract shall likewise be bound by all rulings, decisions or determinations made pursuant to the Main Contract, including but not limited to the final decision of an appeal board, arbitration or court of competent jurisdiction whether or not Subcontractor or its surety is a party to such proceeding. If called for by Contractor, Subcontractor shall defend at no cost to contractor all claims, or that portion thereof, relating to or arising out of the performance of Subcontractor's Work, and shall become a party to such proceeding or determination.

X. INDEMNIFICATION

- (1) To the fullest extent permitted by law, Subcontractor shall defend, indemnify and save harmless Contractor, Owner and their officers, employees and agents ("Indemnitees") from every claim, risk, loss, damage, demand, suit, judgment and attorneys' fees, and any other kind of expense ("Claims") arising out of or in any manner connected with the Work performed under this Subcontract, including but not limited to Claims arising out of injury to or death of any and all persons, or arising out of property damage of any kind, whether tangible or intangible, or loss of use resulting therefrom.
- (2) Subcontractor's indemnity obligations hereunder, including the duty and cost to defend claims for damages arising out of the services performed or to be performed by Subcontractor, do not extend to liability resulting from the sole negligence of the Contractor, its agents or employees.
- (3) Subcontractor's duty to indemnify Indemnitees, including the cost and duty to defend, for claims arising out of the services performed or to be performed by Subcontractor or arising out of bodily injury to persons or damage to property caused by or resulting from the concurrent negligence of (a) Contractor, its agents or employees, and (b) Subcontractor, its agents or employees, and lower-tier subcontractors or suppliers of any tier, shall apply only to the extent of negligence of Subcontractor, its agents or employees, and lower-tier subcontractors or suppliers of any tier.
- (4) FOR PURPOSES OF THE FOREGOING INDEMNIFICATION PROVISION ONLY, AND ONLY TO THE EXTENT OF CLAIMS AGAINST SUBCONTRACTOR BY CONTRACTOR UNDER SUCH INDEMNIFICATION PROVISION, SUBCONTRACTOR SPECIFICALLY WAIVES ANY IMMUNITY IT MAY BE GRANTED UNDER THE WASHINGTON STATE INDUSTRIAL INSURANCE ACT, TITLE 51 RCW. THE INDEMNIFICATION OBLIGATION UNDER THIS SUBCONTRACT SHALL NOT BE LIMITED IN ANY WAY BY ANY LIMITATION ON THE AMOUNT OR TYPE OF DAMAGES, COMPENSATION OR BENEFITS PAYABLE TO OR FOR ANY THIRD PARTY UNDER WORKERS COMPENSATION ACTS, DISABILITIES BENEFIT ACTS, OR OTHER EMPLOYEE BENEFIT ACTS.
- (5) Defense cost recovery shall include all fees (of attorneys and experts), and costs and expenses incurred in good faith. In addition, Contractor shall be entitled to recover compensation for all of its in-house expenses (including materials and labor) consumed in its defense.
- (6) Subcontractor agrees that Contractor's rights to defense, indemnity and to be held harmless by Subcontractor as set forth herein shall accrue upon discovery by Contractor of a claim, risk, loss, damage, demand, suit or expense within the scope and coverage of this Indemnification provision; notwithstanding any other statutory or contractual provision to the contrary, including but not limited to any statute of repose or statute of limitations, claims for defense and/or indemnity by Contractor against Subcontractor shall not be time barred, provided such claims for defense and/or indemnity are brought within 120 days of the service of a cause of action on such claims against Contractor by Owner or third-party to the Subcontract.

Y. SEVERABILITY

If any provision of this Subcontract, or any part hereof, shall at any time be held to be invalid, in whole or in part, under any applicable federal or state law, ruling or regulation, then such provision shall remain in effect only to the extent permitted, and the remaining provisions hereof shall continue in full force and effect.

Z. DAILY REPORTS

Subcontract will identify and document daily, in a manner required by the Contract Documents, any disputed, delayed or disrupted Work, as well as any work requested to be performed on a time and material basis, and Subcontractor will submit cost records of such work to Contractor's project manager, project engineer or project superintendent on a daily basis. The Contractor's signature on any daily cost report presented by Subcontractor constitutes agreement that the Work was done, but does not itself constitute agreement that Subcontractor is entitled to an adjustment in the Subcontract price or time. Under no circumstances will Contractor's signature on the cost records presented by Subcontractor alter or supersede any of the terms and conditions of this agreement. Any conflicting terms or conditions on Subcontractor's forms presented for signature at the Project site are of no force and effect. Subcontractor's daily reports shall not serve as a substitute for, or relieve Subcontractor of its obligation to provide, formal written notice to Contractor as required elsewhere in the contract documents of any event giving rise to a claim or other matter that has or may adversely impact Subcontractor's ability to perform the Work in accordance with the Subcontract. Subcontractor's failure to give written notice of a claim before proceeding with the Work, or to submit daily cost reports, constitutes an agreement by Subcontractor that there will be no adjustment to the Subcontract price or time on account of the disputed, delayed or disrupted work. There will be no adjustment to the Subcontract price or time in less procedure outlined herein is strictly followed.

AA. MISCELLANEOUS

- (1) **This Subcontract shall be considered to have been made in and shall be interpreted under the laws of the State of Washington. THE LOCALE OF ANY ARBITRATION OR VENUE OF ANY LAWSUIT ARISING OUT OF THIS SUBCONTRACT OR THE WORK HEREUNDER SHALL BE AS PRESCRIBED IN THE MAIN CONTRACT, OTHERWISE IN KING COUNTY, WASHINGTON.**
- (2) All notices shall be in writing addressed to the parties at the addresses set out in this Subcontract unless subsequently changed in conformance with this notice provision and shall be sent via tracked mail (e.g., certified mail, FedEx, etc.) .
- (3) Subcontractor shall comply with all federal, state and local laws, regulations and orders prohibiting discrimination on the basis of race, religion, sex or national origin.
- (4) A waiver by Contractor of any breach or violation by Subcontractor of any provision hereof or of the Main Contract shall not constitute a waiver of any further or additional breach of such provision or of any other provision. No provision of this Subcontract, including these Subcontract General Provisions, may be waived by Contractor except in writing.
- (5) All terms and conditions of Subcontractor's bid, quotation, and/or estimate are superseded by this Subcontract.
- (6) This Subcontract represents the final understanding of the parties, and Contractor assumes no responsibility for any different understanding or any representations made by any of its officers, agents, or others prior to the execution of the Subcontract unless expressly stated herein.
- (7) Subcontractor shall be responsible for the location and marking of all existing utilities, shall comply with all applicable laws pertaining to and shall notify owner of underground utilities within the construction area in advance of its excavation or boring activities.
- (8) To the extent and only to the extent required by the Main Contract and/or any underlying construction financing agreements, Subcontractor expressly subordinates all contractual, constitutional, and statutory mechanic's and material men's liens to which Subcontractor may be or may become entitled to all liens and security interests securing the loan used to finance construction of the Project and expressly waives any right to remove any removable improvements from the Project. This clause is intended solely to establish the priority of potential future liens shall not be construed to limit Subcontractor's lien rights as afforded under the laws of the state in which the Project is performed.

BB. WARRANTY

Subcontractor warrants and guarantees that all Work: (i) shall be free of defects in design, workmanship and material; (ii) shall be performed in accordance with generally accepted industry codes and standards applicable to the Work; (iii) shall be performed in a good workmanlike manner; (iv) shall strictly conform to the requirements of the Subcontract and any warranties required of the Contractor under the Main Contract to the extent applicable to the Work; and (v) shall be suitable and applicable for the purposes

intended. Work not conforming to these requirements, including substitutions not properly approved and authorized, is considered defective. Warranties in this Subcontract and in the Main Contract shall survive completion, acceptance and final payment. Subcontractor further agrees to be bound to the warranties to which Contractor is bound to Owner under the Main Contract to the extent applicable to Subcontractor's Work. If Subcontractor's Work is found to be not in accordance with the requirements of this Subcontract or the Main Contract, Subcontractor shall repair its Work promptly after receipt of written notice from Contractor.

CC. CONFIDENTIALITY

In the absence of more stringent requirements in the Main Contract, if Contractor discloses any information designated as confidential information, Subcontractor shall use such confidential information solely for the purpose of performing the Work, not disclose the confidential information to a third party without Contractor's prior written consent and will take precautions to prevent the disclosure of confidential information that are no less stringent than its own procedures and in no event less than reasonable precautions. Upon completion, Subcontractor shall return all confidential information without retaining copies. These requirements shall be in effect for five (5) years after Subcontractor completes its Work.



Exhibit A: SCOPE OF WORK

Project:

All Work to be completed in accordance with the Main Contract and Subcontract. Work includes, but is not limited to the following:

Exclusions:

TOTAL Subcontract Amount:

Subcontractor agrees to perform all Work in accordance with Contractor's schedule and pay any liquidated damages due to Subcontractor's delay. Work is contemplated to start on _____. This scope of work will include all labor, equipment and incidental items required to provide a complete _____, fully functional and ready for its intended use. Your work will reflect that it is in accordance with all applicable Federal, State and Local Building and Safety Codes and Ordinances prevailing at the time of construction. While performing this work, it will be performed in a safe manner as mandated by WISHA and CC.

Dated: _____

Dated: _____

Colvos Construction, LLC (Contractor)

(Subcontractor)

By _____

By: _____

Its: _____

Its: _____



Exhibit E

Labor Rate Worksheet

Subcontractor: _____

This Labor Rate Worksheet is required prior to commencement of work and may be utilized for extra and change order work. Such rates are subject to adjustment upon demonstration by Subcontractor and agreement by Contractor that adjustment is warranted.

	Straight Time	Time and ½	Double Time
Base Hourly Rate			
Overhead/Profit at allowable 10%			
Total Billable Wage Rate			

Example:
Base = \$15.00 hr.
10% Markup = \$1.50 hr.
Total Billable = \$16.50 hr.

Equipment Rates:



Exhibit F Safety Requirements

The following information is provided as a guideline for specific items required by the Washington State Department of Labor & Industries under the Washington Industrial Safety and Health Act (WISHA).

All subcontractors and their employees must abide by the Safety Standards for Construction Work as stated in Chapter 296-155 of the Washington Administrative Code (WAC). By signing your Master Subcontract Agreement, you agree to follow Colvos Construction's (hereafter CC) Accident Prevention Program and Policies (APP). A copy of the APP may be emailed upon request or reviewed at the following locations:

Colvos Construction Main Office:
711 Court C
Tacoma, WA 98402

Colvos Construction Jobsite Office:
Locations Vary – Contact office for details
(253) 844-4640

1. Prior to the commencement of work on site all workers must attend the CC project safety orientation. This Orientation will address the known site hazards and cover rules and policies which help govern our projects. Required translation of the orientation and postings shall be provided by the subcontractor.
2. Subcontractors shall participate in all on site Weekly Safety Meetings when the subcontractor's personnel is on site. Meeting time and locations vary so please refer to the CC jobsite office for time and location.
3. CC has the following Subcontractor Disciplinary Program in place. The following steps will be followed unless the seriousness of the violation would dictate going directly to Step 2 or 3:
 - a. **First Time Violation:** will be discussed orally between CC supervisor and the subcontractor's employee directly or with the subcontractors on site supervisor.
 - b. **Second Time Violation:** of the same nature will be followed up in written form, with a copy being distributed to both the subcontractor's site supervision as well as the Subcontractors main office.
 - c. **Third Time Violation:** will result in the Subcontractor being fined **\$250** per occurrence. The subcontractor shall be notified in writing of the infraction and the amount will be deducted via change order from their contract.
 - d. **Fourth Time Violation:** will result in the Subcontractor being immediately removed from the jobsite until the issues are resolved or they are informed by CC that they may return to the site. **It shall be noted that any time lost during a project as a result of removal from site for safety violations shall not be the basis for a time loss claim on the project by the subcontractor and the subcontractor shall be responsible for any schedule delays that may result from such occurrence.**

Drug Free Workplace

CC is a drug free workplace. Because of the potential for injury and time loss, the use, or being under the influence, of any drug or alcohol that impairs an individual's judgment or ability during their assignment to any CC project will not be tolerated. The following procedure will be utilized by CC in the event of suspected drug or alcohol use by a subcontractor or subcontractor's employee:

1. Upon suspicion of possible drug or alcohol use on site, the subcontractor's supervisor and employee in question will be immediately notified of the possible use of drugs or alcohol. CC will discuss the basis for suspicion with the individuals notified.
2. At that time, CC may request that the individual in question voluntarily take a drug and alcohol screening.

- a. If the individual refuses to take the screening, CC will require that the individual be removed from the site for the remainder of the project.
 - b. If the individual agrees to the test, they will be directed to the nearest testing facility. Once the test is administered, the individual may not return to the site until the test results are determined. Initially, the cost for testing shall be the responsibility of CC. In the event that a subcontractor's employee is found to test positive, the cost of the test shall be deducted from the contract with the employer.
 - i. In the event that a test is positive, that person will not be allowed to return to ANY CC project. Also, the subcontractor will be required to provide documentation, at the subcontractor's expense, that the remaining individuals are compliant with this program.
 - ii. In the event that a test is negative, the individual will be allowed to immediately return to work. Any lost wages will be paid by CC to the subcontractor via change order for the direct labor cost only for that individual for the time they were away from the site. Compensation will not be made if the individual is immediately reassigned to another project.
3. Final results will be distributed to the subcontractor for their use.

Subcontractor Safety Requirements

Subcontractor Safety Supervisor

Each Subcontractor shall appoint a Safety Supervisor who is directly responsible for their crew's safety and training; this includes enforcement of the submitted Site Specific Safety Plan, project safety requirements and rules and requirements of the WAC 296-155 that apply to their trade. The appointed person shall report unsafe conditions, accidents/incidents and help provide required safety training. The Safety Supervisor must sign the Signature Sheet of the submitted Site Specific Safety Plan and ensure all employees on the project will review prior to work.

Pre-Construction Project Safety Orientation

Prior to the start of your Company's construction activities on the project, a safety orientation will be required for any person prior to entering the controlled work area and this orientation shall cover:

- Safety and Health requirements specific to this project. (Project Specific Safety Narrative)
- General Health and Safety requirements.
- Who to report injuries and unsafe conditions to.
- How and where to find First Aid and Medical services.
- Locations of Fire extinguishers/fire equipment
- Locations of Jobsite Information Centers (Safety Bulletin Boards)
- M(SDS) binder location
- Hazard Communications Program and location of Good Faith Surveys
- Location of Hazardous Materials and any Suspect hazards i.e.; Asbestos, lead and heavy metals.
- Personal Protective Equipment requirements.
- Time and location of Safety Meetings. Posted on Safety Bulletin Board

Safety Training Policy

Each worker sent to perform specific duties on a CC project will have required training and/or competency to meet all applicable Federal, State and local regulations. Proof of training shall be submitted with the Site Specific Safety Plan or to the Project Superintendent prior to commencement of work. Training to include but not limited to: Scissor Lifts, Boom Lifts, Forklifts, Scaffolds, Fall protection, Rigger/Signalman, Powder Actuated Tools (Hilti), Confined space, lead and asbestos and CPR/1st Aid.

Competent or Qualified Person

Tasks which require the appointment of a Qualified or Competent Person shall have credentials submitted with the Site Specific Safety Plan or to the Project Superintendent prior to start of work. Tasks may include: Confined space entry, excavation/trenching, fall protection, scaffolds and structural demolition.

Safety Monitoring Policy

To help achieve a Zero-Injury/Zero-Citation goal, our projects will be monitored by a Colvos Site Safety Supervisor or Management to help ensure safety compliance. In addition, your company may be required to request a Labor and Industries Consultation, this consultation provides no-fee professional advice and assistance in establishing or strengthening your workplace safety and health program (You cannot be fined by a consultant as a result of the consultation. You will be required to correct serious hazards, but will face no financial penalties.)

Accident/Incident Reporting

Colvos Construction believes that injuries are a no-win situation for all involved. To help achieve our Zero-Injury Goal we need to investigate all injuries above basic First Aid to help ensure measures are put into place to prevent future occurrences.

Risk Management

Different Hazards occur on every project and they may vary with the type of project, site conditions, materials used or methods used for installations. Your Company's Project Risks Hazards can be addressed 2 ways with either a JHA or Plans/Programs. You will find details in section 6 of the Safety Plan Format.

SITE SPECIFIC SAFETY PLAN FORMAT & CONTENT REQUIREMENTS

To address specific tasks and associated hazards which may occur in the contracted scope of work a Site Specific Safety Plan (SSSP) is required. **Do not submit your Accident Prevent Program (APP).** The following attached outline identifies the minimum requirements that should be included in your SSSP. At the conclusion of this section you will find a SSSP template for your use.

Site Specific Safety Plan should be submitted to the office 2 weeks prior to commencement of work on site and shall be submitted electronically

Please format your plan to correspond with the section numbers and content below.

1. Signature sheet:

- a. Plan preparer (Company safety staff person or qualified Consultant)
- b. Plan approved by: (Company/Corporate officer)
- c. Plan Concurrence: (Project Manager or Superintendent and Foreman)
- d. Project Safety Supervisor (On-site person in charge of safety)
(Provide Title, Signature and Phone number of the above)

2. Project information:

- a. Brief description of work to be performed

3. Safety Responsibilities:

- a. Name of the persons accountable for safety at corporate level
- b. Name of the person accountable at the project level
- c. List the names of Qualified and Competent Persons
(Provide Photo copies of certificates and or statement from company Officer in section 7)

4. Sub-Tier contractors and Suppliers:

- a. Provide a list of known Sub-Tier Subcontractors and Suppliers
- b. Provide Sub-Tier Subcontractors acknowledgement of your Company's plan and their certifications or submittal of an individual Sub-Tier Subcontractors plan meeting these guidelines.

5. Accident/Incident Reporting:

- a. **Accident Investigations.** Report all accidents to CC Superintendent or CC Safety Manager immediately
- b. **Property Damage.** Report any damage to materials, existing structure or machinery.
- c. **First aid / CPR.** List names of trained persons (insert copies of cards in section 7).
- d. **Medical Support.** Map and directions to nearest Clinic or Hospital.

6. Risk Management:

1. Job Hazard Analysis (JHA). Attach a detailed JHA for your scope(s) of work. Address the associated Hazards which may occur and how the hazards will be controlled. For additional assistance on writing a JHA please visit <http://www.lni.wa.gov/safety/topics/atoz/jha/>. You may also request a copy of their instructional PowerPoint from the CC Safety Manager or Project Coordinator. Please note that some of the below plans may also be required, in addition to the JHA, if hazards are not fully addressed.

2. Plans/Programs. Based on your company's particular scope of work please address all of the risk hazards listed below that apply to this particular project. Do not include Non-Applicable Plans.

- Respiratory protection plan
- Lead /Asbestos abatement plan.
- Heat/Cold Stress plan.
- Crystalline Silica plan.
- Hearing protection plan
- Hazard Communication program. (Global Harmonization)
- Personal Protection Equipment (PPE)
- Fall Prevention plan. (address site hazards)
- Fire prevention plan. (Hot work)
- Traffic/Pedestrian Control plan.
- Public Safety
- Site Storage / Disposal.
- Tools –Hand and Power
- Welding and Cutting
- Electrical (Cord use, inspection and grounding)
- Hazardous Energy Control plan. (Lock-out/ Tagout)
- Ladders and Scaffolds
- Cranes and rigging.
- Forklifts / Aerial Lifts (Scissor/Boom)
- Demolition plan.
- Excavation/ Trenching
- Steel Erection
- Confined space plan
- Concrete and Masonry.
- Other plans as required by Labor and Industries.
- Environmental Protection Plan (spills, refueling, air quality etc.)
- Stilts (safe use and training)

7. Qualifications /Certifications:

Provide copies of all applicable training documents such as cards, certificates or company training signature sheets for verification of Operators/Workers competency for this particular project.

- Aerial Lifts, Scissor Lifts and Boom Lifts (Powered Platforms)
- Forklifts
- Scaffold: Erector and/or User
- Powder actuated tools
- Fall protection
- Rigger/Signalman
- Crane operator
- Confined space
- Excavation and Trenching
- Lead and asbestos
- CPR/1st Aid
- Outdoor Heat Exposure
- Respirators
- HAZWOPER

Subcontractor Name: _____

Subcontractor Signature: _____



Sub-Contractor Site Specific Safety Plan

Company Name: _____

Project Name: _____

Project Address: _____

1. Plan Signatures:

(Provide Title, Signature and Phone Numbers)

- a. Plan Preparer _____
- b. Plan Approved By (Owner/Officer) _____
- c. Plan Concurrence _____
- d. Project Safety Supervisor (Site Superintendent/Foreman) _____

2. Project Information:

(Brief description of work to be performed)

3. Safety Responsibilities.

(Identify the persons accountable for safety)

- a. Corporate level: _____
- b. Project level: _____
- c. Competent persons: _____

4. Sub-Tier Contractors and Suppliers.

(Subcontractor Name) (Scope of work) (Signature)

(Subcontractor Name) (Scope of work) (Signature)

(Subcontractor Name) (Scope of work) (Signature)

(Subcontractor Name) (Scope of work) (Signature)

(Subcontractor Name) (Scope of work) (Signature)

5. Accident /Incident Reporting.

(Identify the persons accountable for accident/incident reporting)

a) **Accident Investigations** _____

b) **Property Damage** _____

c) **First aid / CPR.** (Names of trained persons to be onsite, attach copies of cards in section 7.)

- | | |
|----------|----------|
| 1. _____ | 3. _____ |
| 2. _____ | 4. _____ |

d) **Medical Support.** _____

(Insert map and directions to nearest Clinic or Hospital)

6. Risk management.

Attach/Insert JHA or Plans/Programs as described in SSSP Format & Content Requirements.

7. Qualifications / Certifications:

Provide copies of all applicable training documents such as cards, certificates or company training signature sheets for verification of Operators/Workers competency for this particular project.



Exhibit G

MATERIAL SUPPLIERS & 2nd TIER SUBCONTRACTORS

Please list all of your suppliers that you will be using on this project if not applicable please put N/A.

Project Name: _____

Subcontractor: _____

Sub-Tiers:

1) _____
Name Address Phone #

2) _____
Name Address Phone #

3) _____
Name Address Phone #

4) _____
Name Address Phone #

Suppliers:

5) _____
Name Address Phone #

6) _____
Name Address Phone#

7) _____
Name Address Phone #

NOTE: If you use Material Suppliers and/or 2nd Tier Subcontractors, you will need signed, notarized lien releases from each Material Supplier and/or 2nd Tier Subcontractor on this list with each payment application and invoice.



Exhibit H

General Requirements

Special Conditions:

1. Subcontractor shall supply and install all fire-related safing, rated penetrations and/or caulking for each penetration, hole and orifice as required by local authorities.
2. Subcontractor shall participate in a “contract start up” meeting to determine, review, and discuss plans, contract, schedule and project rules. Subcontractor shall bring to this meeting the Superintendent scheduled to run the Project. A resume for Subcontractor’s proposed Superintendent denoting his/her capabilities is required along with a least (3) references. Subcontractor’s Superintendent shall be the primary field representative at the site for the whole Project. This individual shall not be removed from the Project without Contractor’s reasonable consent.
3. Subcontractor shall participate in resolving any jobsite issues, coordination or conflicts of work.
4. Subcontractor shall be responsible for “calling” in all inspections prior to the date of completion in the Project Schedule. It is the intent of the Contractor to attend and walk with the Subcontractor and Inspector on site inspections. Subcontractor shall post all inspection reports in Contractor’s site office for easy access, in a location to be established by Contractor.
5. Prior to the covering, or completion of work, Subcontractor will meet with Contractor’s Project Superintendent or his designated representative to review and approve “work in place.” If Subcontractor’s Work includes follow-up work, Subcontractor shall accept rough-in of pre-existing work. As an example, at time of covering walls, all trades with work that will be covered will meet, inspect, review, and check off that all work is in place and ready for cover. At time of Gypsum board taping completion, drywall contractor will walk with painter to accept condition of painting readiness.
6. Subcontractor shall protect its Work. This means covering of finished materials, delivery of water sensitive materials, and orderly and properly protected materials.
7. Hoisting shall be performed by Subcontractor. Direction will be given by Contractor where hoisting location(s) will occur.
8. When required, mock-ups shall be submitted prior to installation of the corresponding Work. Various areas of the building may have mock-up requirements, such as sleeping rooms and preparation and the cost of required mock ups is included in the Subcontract sum.
9. No alternates will be accepted unless specifically approved in writing by Contractor’s Project Manager.
10. No acceptance of pricing based upon “service” rates will be accepted during time of construction schedule.

Schedule:

1. In addition to the requirements in Section D of the Subcontract, Subcontractor shall supply a manpower curve of suspected amount of workers over the duration of the project. Contractor will perform a “weekly” site walk that Subcontractor’s, Superintendent shall attend. Subcontractor shall raise issues with the schedule, project flow and overall constructability concerns during this site walk. Neither

participation in the site walk, nor raising an issue during the site walk, shall relieve Subcontractor's obligation to comply with the notice and claim requirements in Section G of the Subcontract.

2. Subcontractor shall maintain an adequately sized and properly trained crew on the Project to complete its Work in accordance with the Project Schedule. If Subcontractor fails to meet the requirements of the Schedule, it shall work overtime at no cost to Contractor to meet the requirements of the Schedule.

Jobsite Miscellaneous:

1. Subcontractor shall notify Contractor of any deliveries at least three (3) business days in advance of the date of delivery to allow for site coordination. A specific location will be given for all deliveries. A Delivery board will be located in the Contractor's site office and is to be filled out by Subcontractor.
2. Subcontractor shall notify Contractor in writing if it intends to setup a trailer at the Project. Contractor's logistics plan for trailers, materials and equipment shall be complied with.
3. A site dumpster will be located onsite and details regarding requirements for recycling or segregation of debris shall be discussed during the pre-construction meeting.
4. Subcontractor shall not modify, turn on, turn off, remove, or replace any electrical service. All electrical service will be performed by the electrical subcontractor. Any persons performing any electrical service related work without authorization from Contractor will be immediately removed from the Project.
5. All guests shall be asked to "sign-in" at the Contractor's site office and sign a hold harmless form.
6. No photos shall be taken, unless Contractor grants written permission.
7. Subcontractor shall coordinate legal and appropriate street flagging for delivery of its materials. Subcontractor shall utilize currently certified flagger(s) whom shall have appropriate certification on their person. Subcontractor shall not be permitted to deliver materials without satisfying this and any other requirements under applicable law.
8. Subcontractor shall furnish Material Safety Data Sheets (MSDS) for all hazardous materials used in completion of his work.
9. Subcontractor shall use proper Personal Protective Gear as required for its Work, including proper gloves. Hardhats and safety glasses are required at all times. All Subcontractors, vendors and suppliers shall wear appropriate gear, hardhat, safety glasses, long pants, no sleeveless shirts.

Jobsite Personnel:

1. Subcontractor shall not smoke, or use any form of tobacco at the Project.
2. Subcontractor shall not eat or drink in the confines of the building footprint. Water is allowed and shall be supplied by Subcontractor. All break and lunch areas shall be located in the area(s) established in startup meetings.
3. No stereos/radios are allowed to be played at the Project.
4. Subcontractor and its, vendors, suppliers, and representatives shall refrain from profanity or abusive language. Violation of this requirement may result in removal of persons from the Project.
5. There shall be no loitering or skating at the Project. Parking shall be in the location directed by Contractor.
6. Subcontractor shall orientate its employees on all of the rules and issues set forth in the Subcontract. A written and signed acknowledgement of the requirements of the Subcontract shall be given to each new employee. Any employee violating these rules will be given one (1) verbal warning; the second (2nd) written warning will be considered final notice and the employee will be removed from the Project.

Damages/Backcharges:

1. If Subcontractor's employees cause damage to the work of other subcontractors, Subcontractor shall resolve "repairs" with the affected subcontractor(s). If this cannot be accomplished then Contractor will assess the situation and assist with a resolution and/or issue backcharges.

Warranty:

1. Warranty work shall be scheduled and completed within seventy-two (72) hours unless an emergency situation requires a more immediate response or if such warranty work creates an inconvenience to the Owner.

Documents:

1. Copies of all Contract Documents are available for review at the Contractor's main and onsite office.
2. Subcontractor shall keep and maintain "as-built" records on an ongoing basis for review by Contractor or its subcontractors. These records shall be updated on a weekly basis.
3. Subcontractors shall thoroughly review all structural notes pertaining to the foundation slab, which will also be the level one slab. Specific requirements for embed piping, embeds, and or block-outs will be identified by Subcontractor before performing any related Work. Subcontractor shall notify Contractor in writing of any omission or error in "rough-in" for embed piping, embeds, and/or block-outs and approval for any repair must be made by the Structural Engineer.
4. Subcontractor shall utilize the RFI process for any and all questions or issues regarding the Work. A written description of the problem, specific area (grids, room numbers, floors, etc.) shall be given, and a suggested resolution for the issue shall be provided by Subcontractor. Contractor shall provide this form along with all RFI numbers. All references will be to the Contractor's RFI number.

Subcontractor agrees to comply with these General Requirements. In the event of a conflict between the Master Subcontract Agreement General Conditions and the General Requirements, the Master Subcontract Agreement General Conditions shall control.

EXHIBIT I

SUBCONTRACTOR'S CERTIFIED STATEMENT ON APPLICATION FOR PAYMENT

The undersigned ("Subcontractor") hereby certifies and agrees that:

(1) Subcontractor is owed \$ _____ ("Amount Due Subcontractor") as a result of the Subcontract Work performed and services rendered by Subcontractor during the applicable progress period in the corresponding Application for Payment ("Progress Period") in connection with the construction project known as _____ ("Project") in _____, _____ **County**, Washington.

(2) Contractor is authorized to pay Subcontractor by means of a joint check or checks payable to Subcontractor, and any persons or entities who may claim a materialman's lien or mechanics' lien as a result of the performance of the Subcontract Work performed by or on behalf of Subcontractor during the applicable Progress Period (the "Progress Period Work"); and

(3) Subcontractor's, or Subcontractor's subtier subcontractors or supplier's, negotiation of any such check shall constitute Subcontractor's representation and warranty that Subcontractor and its subtier subcontractors or suppliers have been timely and fully paid for Progress Period Work performed through the end of the applicable Progress Period.

Subcontractor shall execute (and, as necessary, shall cause its subtier subcontractors and/or suppliers to execute) the appropriate waiver and release in the form required by Contractor or any lender of Contractor (or Owner) waiving and releasing all claims and rights for liens, stop notices, and bonded stop notices, that could be asserted by Subcontractor or any subtier subcontractors or suppliers of Subcontractor against Contractor or the Owner(s) of the above stated Project or that could prevent the release of funds to or by Contractor as a result of the Subcontract Work. Subcontractor waives and releases all claims, demands, and causes of action for payment from Contractor or Owner, or Subcontractor on account of the material, equipment, supplies, and services furnished by Subcontractor through the end of the Progress Period.

This Certified Statement shall become effective upon (i) Subcontractor's endorsement of a check made payable to Subcontractor, subtier subcontractors, and any other persons or entities who may claim a materialman's lien or mechanics' lien as a result of the Progress Period Work, in the Amount Due Subcontractor, (ii) payment or offer of payment by Contractor, to Subcontractor, or Subcontractor to subtier subcontractor(s) of the Amount Due Subcontractor or Subcontractor to subtier subcontractor(s) in cash or (iii) Subcontractor's endorsement of such a check and payment or offer of payment to Subcontractor or subtier subcontractors of cash in amounts totaling the Amount Due Subcontractor or subtier subcontractors. This Certified Statement may be relied upon by Contractor and Owner and Subcontractor, and any other person or entity that is presented this Certified Statement by Subcontractor, Contractor or subtier subcontractor.

Progress Period: From _____ / _____ / 20____
To _____ / _____ / 20____

STATE OF WASHINGTON
COUNTY OF _____

Company: _____

Acknowledged before me this _____ day

By: _____

of _____, 20____

Print Name: _____

Notary Public

Title: _____

Print Name: _____

Residing at _____

[NOTARY SEAL]

EXHIBIT J
INTERIM CONDITIONAL/UNCONDITIONAL RELEASE

FROM: _____
(Name of Firm Giving Release)

PROJECT: _____
(Project Name)

(Business Address)

(Project Address)

(City, State, Zip Code)

(City, State, Zip Code)

Contact Person: _____

Project Manager: _____

Contact Telephone: _____

Project Telephone: _____

**CONDITIONAL WAIVER AND RELEASE
UPON PROGRESS PAYMENT**

**UNCONDITIONAL WAIVER AND RELEASE
UPON PROGRESS PAYMENT**

The undersigned does hereby acknowledge that upon receipt by the undersigned of a check from _____, in the sum of \$_____, payable to _____, and when the check has been properly endorsed and has been paid by the bank upon which it was drawn, this document shall become effective to release any and all claims, mechanic's or materialmen's lien, equitable lien, stop notice, or bond or retention claim rights it has, including but not limited to rights to lien or file stop notices under RCW 60.04, et seq., bond claims, Miller Act claims, claims pursuant to RCW 39.08 et seq. and RCW 60.28 et seq., on the above-referenced job through the ____ day of _____, 201_, the last day of the work period for which such progress payment check was received. Provided, however, that this conditional release covers a progress payment for labor, services, equipment, materials furnished, and claims only and does not cover retention or items furnished after that date or the following disputed items:

The undersigned does hereby acknowledge that the undersigned has been paid and has received a progress payment in the sum of \$_____, payable to _____, for labor, services, equipment, or materials furnished to the above-referenced job, and does hereby release any and all claims, mechanic's or materialmen's lien, equitable lien, stop notice or bond or retention claim rights it has, including but not limited to rights to lien or file stop notices under RCW 60.04, et seq., bond claims, Miller Act claims, claims pursuant to RCW 39.08 et seq. and RCW 60.28 et seq., on the above-referenced job through the ____ day of _____, 201_, the last day of the work period for which such progress payment check was received. Provided, however, that this unconditional release covers all payment for labor, services, equipment, materials furnished, and/or claims to the above-referenced job only, and does not cover retention or items furnished after that date or the following disputed items:

BEFORE ANY RECIPIENT OF THIS DOCUMENT RELIES ON IT, SAID PARTY SHOULD VERIFY EVIDENCE OF PAYMENT TO THE UNDERSIGNED.

NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL RELEASE FORM.

I CERTIFY UNDER PENALTY OF PERJURY UNDER LAWS OF THE STATE OF WASHINGTON THAT THE ABOVE IS A TRUE AND CORRECT STATEMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER LAWS OF THE STATE OF WASHINGTON THAT THE ABOVE IS A TRUE AND CORRECT STATEMENT.

Signature: _____

Signature: _____

DATED: _____, at _____, Washington.

DATED: _____, at _____, Washington.

EXHIBIT K
FINAL UNCONDITIONAL LIEN WAIVER AND RELEASE

Project : _____
Contract No _____
Subcontractor/Supplier: _____

TO WHOM IT MAY CONCERN:

_____ (the "Releasing Party") has performed work or supplied materials or equipment for construction on the _____ project (the "Project") at the property located at _____ (the "Property").

The Releasing Party has been paid in full all amounts due from **Colvos Construction, LLC ("Colvos")** and hereby waives and releases any and all claims for compensation, impacts, causes of action (threatened, pending or otherwise), rights to payments, liens, claims of lien, rights to lien, including rights to lien under RCW 60.04, et seq., bond claims, retainage claims, Miller Act claims, claims pursuant to RCW 39.08 et seq. and RCW 60.28 et seq., stop notices and rights to submit stop notices (whether under statute, in equity or otherwise and whether received through assignment or otherwise) either arising against Colvos, the owner(s) of the Property (the "Owner") or any higher tier contractors or subcontractors, or otherwise arising in connection with the Project and the Property (hereinafter collectively "Claim").

The Releasing Party expressly acknowledges that it has been paid all amounts due and owing to it for work, material or equipment in connection with the Project, including retention.

In the event any Claim is made or filed by the Releasing Party or any subcontractor, supplier, or employee at any tier of the Releasing Party for work, material or equipment covered by this Final Lien Waiver and Release, then the Releasing Party (1) shall immediately release and discharge, or secure the release or discharge of, such Claim and (2) shall indemnify, defend and hold harmless Colvos, the Owner, any contractors or subcontractors of a higher tier, and their respective subsidiaries, affiliates, partners, successors and assigns from and against any and all costs, damages, expenses, court costs and attorney fees arising from any claim or litigation.

Executed this _____ day of _____, _____.

Company: _____

By: _____

Title: _____

STATE OF WASHINGTON)
 : SS
COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me and acknowledged that he/she signed the foregoing instrument and, on oath, stated that he/she was authorized to execute the foregoing instrument and acknowledged it as the free and voluntary act and deed for the uses and purposes therein mentioned.

SUBSCRIBED and SWORN to before me this _____ day of _____, _____.

Print Name: _____

Notary Public in and for the State of Washington, residing at

My Commission Expires: _____

EXHIBIT K
FINAL CONDITIONAL RELEASE AND LIEN WAIVER

Project : _____
Contract No _____
Subcontractor/Supplier: _____

TO WHOM IT MAY CONCERN:

The undersigned, a duly authorized officer of the company named below, (herein called "Releasing Party"), does hereby acknowledge that upon receipt by the undersigned of final payment from **Colvos Construction, LLC ("Colvos")** in the sum of _____ for construction on the _____ project (the "Project") at the property located at _____ (the "Property") and when that check has been properly endorsed and paid by the bank upon which it is drawn, this document shall become effective to release and relinquish all claims for compensation, impacts, causes of action (threatened, pending or otherwise), rights to payments, liens, claims of lien, rights to lien, including rights to lien under RCW 60.04, et seq., bond claims, retainage claims, Miller Act claims, claims pursuant to RCW 39.08 et seq. and RCW 60.28 et seq., stop notices and rights to submit stop notices (whether under statute, in equity or otherwise and whether received through assignment or otherwise) either arising against Colvos, the owner(s) of the Property (the "Owner") or any higher tier contractors or subcontractors, or arising in connection with the Project and the Property (hereinafter collectively "Claim").

In the event any Claim is made or filed by the Releasing Party or any subcontractor, supplier, or employee at any tier of the Releasing Party for work, material or equipment covered by this Final Lien Waiver and Release, then the Releasing Party (1) shall immediately release and discharge, or secure the release or discharge of, such Claim and (2) shall indemnify, defend and hold harmless Colvos, the Owner, any contractors or subcontractors of a higher tier, and their respective subsidiaries, affiliates, partners, successors and assigns from and against any and all costs, damages, expenses, court costs and attorney fees arising from any claim or litigation.

It is expressly understood that this waiver has been given prior to receipt of payment at the request of the payer thereof, and is therefore contingent upon receipt in due course of payment in full of the amount set forth above.

Executed this _____ day of _____, _____.

Company: _____

By: _____

Title: _____

STATE OF WASHINGTON)
 : SS
COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me and acknowledged that he/she signed the foregoing instrument and, on oath, stated that he/she was authorized to execute the foregoing instrument and acknowledged it as the free and voluntary act and deed for the uses and purposes therein mentioned.

SUBSCRIBED and SWORN to before me this _____ day of _____, _____.

Print Name: _____
Notary Public in and for the State of Washington, residing at

My Commission Expires: _____