



Standard Subcontract Form



Subcontract No. {Contracts.ContractNumber}

Contractor: Straub Construction, Inc. 202 West College Street, Ste. 201 Fallbrook, California 92028 Tel: (760) 414-9000 Fax: (760) 414-9100	Subcontractor: {Company.Name} {Addresses.DisplayAddress}
Owner: {LegalDocInfo.Owner} {LegalDocInfo.OwnerAddr1}, {LegalDocInfo.OwnerAddr2}	Project: {Projects.Name} ({LegalDocInfo.OwnerJobNum})

This subcontract ("Subcontract") is made and entered into on ({Contracts.ContractDate} "**Contract Date**"), in San Diego County, California, by and between Straub Construction, Inc. ("Contractor") and ("Subcontractor"). This Subcontract is contingent upon the award of a prime contract to Straub Construction, Inc. by the Capistrano School District for construction of Esencia K-8 School. This Subcontract will have no force and effect, and Straub will have no liability whatsoever to Subcontractor, if Straub does not receive award of the prime contract for the Esencia K-8 School.

Contractor has entered or anticipates entering into a contract with {LegalDocInfo.Owner} ("Owner") to perform certain construction work described as {Projects.Name} {LegalDocInfo.OwnerJobNum} ("Project"), in accordance with the terms of the contract between Contractor and Owner ("Contract").

SECTION 1 SUBCONTRACT DOCUMENTS

1.1 The Subcontract consists of the documents described in Sections 1.1.1 and 1.1.2 below, in order of preference:

1.1.1 This subcontract agreement, including the below-referenced Attachments and Exhibits, all of which are incorporated at this point as if fully set forth.

- Attachment A: Scope of Work
- Attachment B: Personal Guarantee Agreement/ Payment and Performance Bonds
- Attachment C: Subcontractor Information Sheet

Visit our website at straubinc.com to download and review the following exhibits with periodic updates, which are made part of this agreement.

- Exhibit 1: Labor Addendum
- Exhibit 2: (Omitted From this Contract)
- Exhibit 3: General Information Booklet
- Exhibit 4: Insurance Requirements Booklet
- Exhibit 5: Daily Reports/Certified Payroll Booklet
- Exhibit 6: Billing Procedures Booklet
- Exhibit 7: Safety Booklet
- Exhibit 8: Quality Control Booklet

1.1.2 The Contract, which consists of the entire agreement between Contractor and Owner, as more particularly though not exclusively specified in the prime contract, general, special, supplementary and other conditions, drawings/plans, specifications, addenda, bulletins, wage determinations and related documents.

1.2 Subcontractor certifies and agrees that it is fully familiar with all of the terms, conditions and obligations of the Subcontract, including but not limited to the Contract, the location of the job site, and the conditions under which the work is to be performed, and that it enters into this Subcontract based upon its investigation of all such matters and is in no way relying upon any opinions or representations of Contractor. It is further agreed that the Contract is incorporated into this Subcontract with the same force and effect as if it were set forth in full, and that Subcontractor and its subcontractors are bound by all terms of the Contract as they relate in any way, directly or indirectly, to the work covered by this Subcontract. Subcontractor agrees to be bound to Contractor in the same manner and to the same extent as Contractor is bound to Owner under the Contract.

1.3 Upon written request by Subcontractor, Contractor shall provide to Subcontractor at Subcontractor's expense one copy of all portions of the Contract in Contractor's possession. However, neither this section nor any other shall obligate Contractor to obtain for Subcontractor copies of any portion of the Contract not in the possession of Contractor, and Subcontractor shall not be excused from performance of its work because it does not have such contracts. Upon written request by its subcontractors and suppliers, Subcontractor similarly shall make one copy of applicable portions of the Subcontract available to its subcontractors and suppliers. Nothing shall prohibit Subcontractor from obtaining a copy of the executed Contract from Contractor at any time after the Subcontract is executed.

Subcontractor Initials

Straub Construction, Inc. Initials

1.4 Nothing in this Subcontract creates or shall be construed to create a contractual relationship between persons or entities other than Contractor and Subcontractor.

SECTION 2 SCOPE OF SUBCONTRACT WORK

2.1 Subcontract Work – Subcontractor shall provide all labor, services, materials, tools, equipment, supplies and other facilities of every kind necessary or incidental for the prompt and efficient performance of the work described in Attachment A.

2.2 Temporary Services – Subcontractor shall provide, at its own expense and without increase in the Subcontract Price defined in Section 3.1 below, all temporary services in connection with its work, including but not limited to hoisting, scaffolding, trash/debris cleanup and disposal off-site, temporary offices and storage facilities, security and electrical cords.

SECTION 3 SUBCONTRACT PRICE

3.1 Subject to all provisions of the Subcontract, as full compensation for strict performance of the Subcontract, Contractor shall pay Subcontractor the firm fixed price of (**{Contracts.OrigValue} "NumToText"**), **{Contracts.OrigValue}** subject to additions and deductions as provided for in the Subcontract (“Subcontract Price”) Tax included

SECTION 4 PAYMENT

4.1 Schedule of Values – Within seven days of the execution of this Subcontract, Subcontractor shall prepare and submit to Contractor a Schedule of Values that breaks down Subcontractor’s work into individual activities. Each activity contained in the Schedule of Values shall be assigned a monetary price such that the total of all such items shall equal the Subcontract Price. The Schedule of Values shall be prepared in such detail as may be required by Owner and/or Contractor.

4.2 Payment and Verification – Subcontractor is required to pay for all labor, materials and equipment used in the performance of Subcontractor’s work through the most current period applicable to progress payments received from Contractor. Such obligation is a condition precedent to Subcontractor’s right to receive payment for the work performed. Contractor may require evidence from Subcontractor to show that all obligations relating to Subcontractor’s work are current through all payments received from Contractor before releasing any payment due for Subcontractor’s work.

4.3 Progress Payment Applications – Subcontractor’s applications for payment shall be itemized and in accordance with the Subcontract, Subcontractor’s Schedule of Values and any other substantiating data as required in the Contract for Contractor’s payment applications. Subcontract payment applications may include amounts for Subcontract change orders that have been fully executed by Subcontractor and Contractor. Subcontractor may not include in its payment applications any amounts for alleged changes that have not been fully executed by Subcontractor and Contractor, or for disputed work.

Straub intends to make payment to its subcontractors and suppliers using the Textura electronic payment system. As a result, a credit in the amount of .18% of this subcontract value will be deducted from the payments to be due hereunder, subject to a \$50.00 minimum credit and a \$2,500 maximum credit (for subcontracts in excess of \$1,388,888). An informational package and electronic link will be sent to the contract listed in Attachment E in order to begin the electronic payment process under this subcontract using the Textura System. If there are questions, please contact Straub’s subcontracts payable department at 760.414.9000.

4.4 Time for Submission of Application – Subcontractor’s progress payment application shall be submitted to Contractor in sufficient time for Contractor to include it in Contractor’s payment request to Owner. Contractor shall incorporate the amount of Subcontractor’s progress payment application approved by Owner into Contractor’s payment application to Owner for the same period and timely submit it to Owner.

4.5 Payroll Documents and Lien Waivers – Subcontractor shall provide, in a form satisfactory to Owner and Contractor, payroll affidavits, receipts, vouchers, and lien and claim waivers for labor, material, subcontractors and suppliers performing work or furnishing material under this Subcontract. Contractor may refuse to pay Subcontractor if Subcontractor fails to provide such documents. If such lien and claim waivers are conditional upon payment, Contractor may choose to make payment by issuance of joint checks to Subcontractor and its subcontractors, materialmen and suppliers.

4.6 Application Reduction, Rejection or Nullification – Contractor may reduce or reject a Subcontractor payment application or nullify a previously approved Subcontractor payment application, in whole or in part, as may be necessary to protect Contractor from loss or damage, including but not limited to attorneys’ fees, based upon:

- (a) Subcontractor’s failure to perform its work as required by the Subcontract;
- (b) Loss or damage to Owner, Contractor or others to whom Contractor may be liable arising out of or relating to the Subcontract and caused by or attributable to Subcontractor or its lower tier subcontractors or suppliers;
- (c) Subcontractor’s failure to properly pay for labor, materials, equipment or supplies furnished in connection with its work;
- (d) Rejected, nonconforming or defective work that has not been corrected;
- (e) Evidence of delay in the performance of Subcontractor’s work such that the work will not be completed within the time allotted by the updated progress schedule;
- (f) Evidence demonstrating that the unpaid balance of the Subcontract Price is insufficient to cover the cost to complete Subcontractor’s work;
- (g) Third party claims against Subcontractor or evidence demonstrating that third party claims are likely to be filed;
- (h) Owner’s reduction, rejection or nullification of any part of a payment application; or
- (i) Any other failure by Subcontractor to comply with the terms and conditions of the Subcontract.

4.7 Retention – CONTRACTOR agrees to pay SUBCONTRACTOR, out of funds received from the Owner, in monthly payments of 90% of labor and materials which have been completed by SUBCONTRACTOR and accepted by the Owner and for which payment has been made by OWNER to CONTRACTOR. The remaining 10% shall be retained by CONTRACTOR until he receives final payment from OWNER, but not less than thirty-five days after the entire work required by the prime contract has been fully completed in conformity with the Contract Documents and has been delivered and accepted by OWNER, ARCHITECT, and CONTRACTOR. Subject to the provisions of the next sentence, the retained percentage shall be paid SUBCONTRACTOR promptly after CONTRACTOR receives his final payment from OWNER.

4.8 No Acceptance of Work – Payment to Subcontractor does not constitute or imply acceptance or approval of any portion of Subcontractor's work. In addition, the filing of notice of completion or occupancy shall not constitute or imply acceptance or approval by Contractor of any portion of Subcontractor's work, or constitute or imply a waiver by Contractor of any claims or backcharges it may have against Subcontractor.

4.9 Final Payment Application – Contractor shall incorporate Subcontractor's application for final payment into Contractor's next application for payment to the Owner only after the following occur:

- (a) acceptance of Subcontractor's work by Contractor and Owner;
- (b) if requested by Contractor, evidence acceptable to Contractor that all payrolls, bills for materials and equipment, and other indebtedness connected with Subcontractor's work have been fully paid, or will be fully paid by issuance of joint checks in return for unconditional releases;
- (c) if requested by Contractor, consent of Subcontractor's surety to final payment;
- (d) satisfaction of close-out procedures as may be required by the Subcontract; and
- (e) if requested by Contractor, releases and waivers of liens, stop notices, bond rights, or any rights against Contractor, its surety or Owner, effective upon payment, to the extent and in such form as may be designated by Contractor.

4.10 Effect of Final Payment – Acceptance of final payment by Subcontractor shall constitute a waiver of claims by Subcontractor, except for claims reserved in a final release.

4.11 Pay When Paid – All payments are due to Subcontractor by Contractor within fifteen calendar days of receipt of payment from Owner for Subcontractor's approved and billed work.

Subcontractor must submit all required paperwork in compliance with the Subcontract. In the event that payment is withheld by Owner due to Subcontractor's noncompliance with any aspect of the Subcontract, including schedule, payment may be delayed.

SECTION 5 SUBCONTRACT BONDS

5.1 If required by Contractor, within 10 days of execution of this Subcontract or at any time during the performance of its work, Subcontractor shall furnish a performance bond in an amount equal to the full amount of the Subcontract Price and a payment bond in an amount equal to the full amount of the Subcontract Price. Such performance and payment bonds shall name Contractor as obligee, and be in the form and content shown at Attachment B. The surety/sureties on such bonds shall be listed on the most current U.S. Treasury Circular #570, shall have an underwriting limit in excess of the bond amount, and shall have a rating of "A" or better in the current A.M. Best rating Guide of Property/Casualty Insurance Companies. The premiums for such bonds are included in the Subcontract Price.

5.2 If Subcontractor fails to provide any required bonds within 48 hours of Contractor's written notification to do so, Contractor may terminate this Subcontract for cause. All costs and expenses incurred by Contractor as a result of such termination shall be paid by Subcontractor in accordance the terms of this Subcontract.

5.3 The surety/sureties on any required bond shall stand in the same place as Subcontractor to the fullest extent permitted by law. No change, alteration, modification, directive, clarification or communication regarding this Subcontract, whether made in the manner specified in the Subcontract or not, shall release or exonerate, in whole or part, any surety on any required bond, and neither Owner nor Contractor shall be under any obligation to notify the surety/sureties of any such change, alteration, modification, directive, clarification or communication.

SECTION 6 PERFORMANCE OF SUBCONTRACT WORK

6.1 Subcontract Performance – Subcontractor shall use its best care, skill and diligence in supervising, directing and performing its work, and every part of Subcontractor's work shall be executed in strict accordance with the Subcontract and in the most sound and workmanlike manner. All materials needed or used by Subcontractor shall be furnished in sufficient quantities to facilitate the proper and expeditious execution of the work, and shall be new and the best of their respective kinds, except such materials as may be expressly provided in the Subcontract to be otherwise.

6.2 Time Is of the Essence – Time is of the essence in this Subcontract. Subcontractor shall ensure the performance of its work and the work of its subcontractors and/or suppliers allows for the entire project to be completed in accordance with the Contract and Contractor's schedule, as updated by Contractor.

6.3 Schedule of Work – Subcontractor shall begin its work as soon as instructed by Contractor, and shall perform its work promptly, efficiently and at a speed that will not delay or disrupt the progress of Contractor's work or the work of other subcontractors. Subcontractor shall perform and complete its work in accordance with Contractor's progress schedule, as updated by Contractor. Subcontractor shall timely prepare and obtain approval as required by the Subcontract for all shop drawings, details and samples; shall timely perform any required Subcontractor testing; and shall do all other things necessary and incidental to the prosecution of the Subcontract in order to comply with Contractor's schedule. Subcontractor shall coordinate the work covered by this Subcontract with

Contractor and all other subcontractors in a manner that will allow for the efficient completion of the entire work. If requested by Contractor, Subcontractor shall have an acceptable representative present at all job meetings and shall timely submit progress reports to Contractor.

6.3.1 Contractor shall have the right to decide the time or order in which the various portions of the work shall be installed, the priority of Subcontractor's work as it relates to the work of other subcontractors, and, in general, all matters representing the timely and orderly performance of Subcontractor's work on the project. If, in Contractor's opinion, Subcontractor falls behind in the progress of the work, Contractor may direct Subcontractor to take such steps as Contractor deems appropriate to improve the rate of progress, including but not limited to requiring Subcontractor to increase the number of shifts, personnel, overtime, operations, days of work, equipment or other remedies, and to submit to Contractor for Contractor's approval an outline schedule demonstrating the manner in which the required rate of progress will be regained without additional cost to Contractor. Contractor may require Subcontractor to prosecute, in preference to other parts of work, such part or parts of the work as Contractor may specify.

6.4 Use of Contractor's Equipment – Subcontractor may use Contractor's equipment and/or facilities only with the express written permission of Contractor's designated representative and in accordance with Contractor's terms and conditions for such use. Should Subcontractor so use Contractor's equipment and/or facilities, Subcontractor shall reimburse Contractor at a predetermined rate, and Subcontractor shall be responsible for, and shall defend, indemnify and hold Contractor harmless from, any and all claims, actions, demands, damages, liabilities or expenses, including attorneys' fees, resulting from such use.

SECTION 7 SUBCONTRACTOR'S OBLIGATIONS

7.1 Responsibilities – Subcontractor shall furnish all labor, services, materials, tools, equipment, supplies and other facilities of every kind necessary or incidental to perform its work in accordance with the Subcontract.

7.2 Independent Contractor – Subcontractor shall perform all obligations of the Subcontract as an independent contractor.

7.3 Compliance with Laws – Subcontractor shall, at its sole expense, comply with all laws, orders, rules, ordinances and regulations of all governing bodies having jurisdiction over the work, whether federal, state, local or otherwise, including all amendments and promulgations that become effective during the performance of Subcontractor's work; pay all manufacturers' taxes, sales taxes, use taxes, and processing taxes; and pay all federal and state taxes, insurance and contributions for Social Security, unemployment and workers' compensation that are measured by wages, salaries or other remunerations paid to Subcontractor's employees, whether levied under existing or subsequently enacted laws, rules or regulations. Subcontractor shall give adequate notices to all required parties pertaining to Subcontractor's work, and secure and pay for all permits, fees, licenses, assessments and inspections necessary to complete its work in accordance with the Subcontract. Any conflicts between or among such laws, orders, rules, ordinances and regulations shall be resolved in favor of the stricter requirement.

7.3.1 Subcontractor is responsible for prevention of accidents arising from or relating to its work. In addition to complying with all applicable laws, orders, rules, ordinances and regulations relating to accident prevention, safety and health, including but not limited to the Occupational Safety and Health Act and any like state law, Subcontractor shall comply with the accident prevention, safety and health rules, regulations and programs of Owner and Contractor. Establishment of accident prevention, safety and health rules, regulations and programs by Contractor or Owner shall not relieve Subcontractor of its responsibilities. Subcontractor shall establish its own accident prevention, safety and health rules, regulations and/or programs implementing measures, policies and standards conforming to those required by governmental authorities having jurisdiction over the work and by Contractor and Owner. Subcontractor shall maintain an accurate record of all accidents incidental to the Subcontract work resulting in death, injury, occupational disease or damage to property, materials, supplies or equipment. Subcontractor shall notify Contractor immediately following such an accident and promptly confirm the notice in writing. A detailed written report shall be furnished to Contractor. Subcontractor shall provide Contractor with copies of all accident reports filed with federal, state and/or local governmental agencies and such additional data as may be requested by Contractor. Subcontractor shall notify Contractor of any unsafe condition it discovers or observes and shall stop work until informed by Contractor that it may resume work.

7.3.2 While it is Subcontractor's sole responsibility and obligation to furnish a safe place to work for its employees, Contractor may notify Subcontractor of any noncompliance with applicable safety requirements and the corrective action required. Such notice, when delivered to Subcontractor or Subcontractor's representative at the site of work, shall be deemed sufficient notice of noncompliance. After receiving such notice, Subcontractor shall promptly take corrective action. If Subcontractor fails or refuses to promptly take corrective action, Contractor may issue an order suspending all or part of Subcontractor's work until satisfactory corrective action has been taken. Contractor's failure to so suspend Subcontractor's work shall not relieve Subcontractor of its responsibilities. Subcontractor shall not base any claim or request for additional time or compensation upon any suspension issued under or in connection with this section.

7.3.3 Should Subcontractor encounter any hazardous substances at the project site that are potentially harmful to persons or property, Subcontractor shall take all steps required by the Subcontract and by law to protect persons and property from injury or damage, including stopping Subcontractor's work in the affected area(s) and promptly notifying Contractor in writing of the conditions encountered at the site. Should Subcontractor be required to stop work in any area of the project as a result of hazardous substances located at the project site, Subcontractor shall not resume work in the affected area(s) until the hazardous substances have been removed or made harmless, all necessary approvals to resume work are obtained and Contractor gives Subcontractor written direction to resume work.

7.3.4 Subcontractor shall be responsible for the fulfillment of the obligations set forth in Sections 7.3, 7.3.1, 7.3.2 and 7.3.3 by those working under Subcontractor in the performance of the Subcontract work.

7.3.5 Upon Contractor's request, Subcontractor shall provide to Contractor satisfactory evidence that the obligations set forth in Sections 7.3, 7.3.1, 7.3.2, 7.3.3 and 7.3.4 have been fulfilled.

7.3.6 Subcontractor's failure to comply with the obligations of Section 7.3, 7.3.1., 7.3.2, 7.3.3, 7.3.4 and 7.3.5 shall constitute a material breach of this Subcontract, and Contractor may in its discretion exercise all of the rights and remedies provided by law or under the terms of this Subcontract, including but not limited to withholding from amounts due or that

may become due to Subcontractor a sum equal to 150 percent of the amount by which Contractor reasonably believes it may be damaged as a result of such failure to comply by Subcontractor.

7.4 Site Visitation – Subcontractor acknowledges that it has visited the project site and visually inspected the general and local conditions that could affect its work. Any failure of Subcontractor to reasonably ascertain, from a visual inspection of the site, the general and local conditions that could affect its work will not relieve Subcontractor from its responsibility to properly complete its work without change in the Subcontract Price.

7.5 Shop Drawings, Samples, Product Data and Manufacturers' Literature – Subcontractor shall submit to Contractor for review and approval all shop drawings, samples, product data, manufacturers' literature and similar submittals as required by the Subcontract in a format acceptable to the architect and Contractor by date(s) set by Contractor. Subcontractor shall be responsible to Contractor for the accuracy of its submittals and their compliance with the Subcontract. Subcontractor shall prepare and deliver its submittals to Contractor in a manner consistent with the progress schedule and in such time and sequence so as not to delay Contractor or others in the performance of the Contract work. The approval of any Subcontractor submittal shall not be deemed to authorize deviations, substitutions or changes in the requirements of the Subcontract. In the event the Contract does not contain submittal requirements pertaining to Subcontractor's work, Subcontractor agrees upon request to submit to Contractor in a timely fashion for approval any shop drawings, samples, product data, manufacturers' literature or similar submittals as may reasonably be required. Should Subcontractor's submittals be in an unacceptable or incomplete format, Contractor may, after notice to Subcontractor, reassemble and reorganize the submittals as required and Subcontractor shall be liable for all resulting costs incurred by Contractor.

7.5.1 All safety sheets, plans, submittals or other such documents required by law or the Subcontract pertaining to materials or substances used or consumed in the performance of Subcontractor's work shall be submitted to Contractor by Subcontractor. Any such safety sheets, plans or submittals obtained by Contractor from other subcontractors or sources shall be made available to Subcontractor by Contractor.

7.5.2 Contractor, Owner and Architect are entitled to rely on the accuracy and completeness of any professional certifications required by the Subcontract concerning the performance criteria of systems, equipment or materials, including all calculations and any governing performance requirements.

7.6 Tests, Inspections and Approvals – Subcontractor shall coordinate and notify Contractor of all required tests, inspections and approvals of Subcontractor's work so as not to delay the performance of the work. Subcontractor shall schedule and provide proper written notice to all required parties of such tests, inspections and approvals.

7.7 Authorized Representative – Before starting its work, Subcontractor shall notify Contractor in writing who Subcontractor's authorized representative(s) is/are to be and provide the contact information of such representative(s). In the event of any change of such representative(s), Subcontractor shall notify Contractor who the new representative(s) is/are to be, and the contact information of the new representative(s), before such change becomes effective. Such authorized representative(s) shall be authorized to receive orders and have full authority to make decisions regarding Subcontractor's work, and shall be the only person(s) to whom Contractor shall issue instructions, orders or directions, except in an emergency. Such authorized representative(s) shall be present at the job site at all times when Subcontractor's work is in progress.

7.8 Communications – Subcontractor communications with Owner, Architect, separate contractors and/or other subcontractors and suppliers of Contractor, regardless of tier, shall be through Contractor only.

7.9 Materials or Equipment Furnished by Others – In the event the scope of Subcontractor's work includes installation of materials or equipment furnished by others, it shall be the responsibility of Subcontractor to inventory, examine, handle, store and install the items with such skill and care as to ensure a satisfactory and proper installation. Subcontractor shall promptly notify Contractor in writing of any defective materials or equipment. Loss or damage arising from or in connection with materials or equipment furnished by others shall be charged to the account of Subcontractor and deducted from sums due or to become due to Subcontractor under this Subcontract.

7.10 Substitutions – No substitutions shall be made by Subcontractor unless permitted by the Contract, and only then upon Subcontractor first receiving all approvals required under the Contract and this Subcontract for such substitutions. Subcontractor shall be liable for, and defend, indemnify and hold Contractor and Owner harmless from and against, any and all claims, losses, damages, delays, costs or expenses arising from or in connection with such substitutions, whether or not Subcontractor made such substitutions in accordance with the Contract and this Subcontract.

7.11 Coordination and Cooperation – Subcontractor shall:

- (a) cooperate with Contractor and all others whose work may interface with Subcontractor's work so as not to delay the work;
- (b) specifically note and immediately notify Contractor in writing of any interference with Subcontractor's work; and
- (c) participate in the preparation of coordination drawings and work schedules involving Subcontractor's work.

7.12 Warranty – Subcontractor warrants all materials and workmanship, shall replace any materials that are determined to be defective or improperly installed at Subcontractor's sole expense and to the satisfaction of Contractor, and shall defend, indemnify and hold Contractor and Owner harmless from and against any liability, loss or damage arising from or relating to such materials and installation through the period of Subcontractor's performance of its work and for a period of one year from completion and acceptance of the work covered by the Contract. If the period of warranty is specified in excess of one year by the Contract, Subcontractor shall be bound for the longer period specified.

7.13 Correction of Work – Subcontractor is required to correct in a timely fashion any of its work rejected by Contractor or Owner for failing to comply with the Subcontract, whether observed prior to the commencement of the warranty period(s) or during the warranty period(s). Subcontractor shall correct at its own cost and bear the expense of additional services for any nonconforming work for which it is responsible, and shall remain responsible even after the warranty period for fraud, misrepresentation or latent defects.

7.14 Cleanup – Subcontractor shall follow Contractor’s cleanup directions, and:

- (a) during the course of construction, remove waste materials from the site with such recurrence as is necessary to maintain the premises in a clean and orderly condition;
- (b) at all times keep the building and premises free from debris resulting from Subcontractor’s work;
- (c) broom or rake clean each work area prior to discontinuing work in each area; and
- (d) Subcontractor’s work shall not be considered complete until Subcontractor removes from the site all temporary structures, debris and waste incidental to its operation and cleans all surfaces, fixtures, equipment, etc., relative to the performance of its work.

If Subcontractor fails to perform the above cleanup obligations, Contractor may implement cleanup measures as it deems appropriate, without additional justification and in any manner it deems expedient, and all costs associated with such implementation shall be charged to Subcontractor and deducted from any amounts due or to become due to Subcontractor under this Subcontract. Should it be impossible for Subcontractor to perform the above cleanup obligations because of the continuing work of other subcontractors, Subcontractor shall share the costs associated with Contractor’s implementation of remedial cleanup measures on a prorated basis with such other subcontractors. The proration of such costs is to be made by Contractor in its discretion.

7.15 Layout – Subcontractor shall layout in accordance with the Subcontract, be strictly responsible for the accuracy of Subcontractor’s work, and ensure actual final conditions and details result in alignment of finish surfaces in accordance with the Subcontract. Subcontractor shall be liable for any loss or damage arising from or in connection with Subcontractor’s failure to set out or perform its work correctly. Subcontractor’s failure to promptly notify Contractor in writing of any alleged defects in any work performed by others in or adjacent to the area of Subcontractor’s work shall be an acknowledgement by Subcontractor that such other work is fit and proper for the reception, attachment or covering by Subcontractor. Upon such failure of Subcontractor, no alleged defects in such other work may be asserted by Subcontractor to justify any failure to perform on its part.

7.16 Supervision – Subcontractor shall provide efficient and knowledgeable supervision of its Subcontract work, using its best skill and attention. Should Subcontractor fail to perform its duties under this paragraph or perform the same negligently, Subcontractor shall be liable to Contractor for any and all resulting costs.

7.17 Inspecting Materials – Subcontractor shall furnish to Contractor ample facilities at all times for inspecting materials under this Subcontract at the project site, at the shops or any place where such materials may be in the course of preparation, process, manufacture or treatment. As often as required, Subcontractor shall furnish to Contractor full reports of the progress of the work at any place where materials under this Subcontract may be in the course of preparation, process, manufacture or treatment. Such reports shall show the progress of such preparation, process, manufacture or treatment in such details as may be required by Contractor, including any plans, drawings or diagrams. Contractor and/or Owner may have a full or part-time quality control individual or inspector on the project site or may conduct inspections of all or any part of the work at various times. Any such individual or inspector shall not relieve or diminish Subcontractor’s responsibility to ensure that its Subcontract work is in full and complete compliance with the Subcontract and approved by Owner.

7.18 Delegation or Subcontracting of Duties – Subcontractor is prohibited from delegating, transferring, conveying, subcontracting, relinquishing or otherwise disposing of its duties under this Subcontract, in whole or part, without the prior written approval of Contractor, which shall not be unreasonably withheld. Subcontractor shall incorporate all terms of this Subcontract in any subcontracts or purchase orders with its subcontractors and suppliers. Subcontractor shall cause its lower tiers to submit to Contractor a completed Organization and History Form on Contractor’s standard Organization and History Form.

7.19 Duty to Proceed – In the event of any dispute or controversy with Contractor, another subcontractor or other third party involved with the project, Subcontractor shall not cause or permit any delay or cessation of its work or cause delay or disruption to the work of any other subcontractor or Contractor on the project, but shall proceed with the performance of its work pending resolution of such dispute or controversy.

7.20 Workers – Contractor may order the removal from the job of any workers of Subcontractor or Subcontractor’s lower-tiers that Contractor finds disruptive, incompetent, in violation of safety requirements/programs or otherwise detrimental to the successful completion of the project.

7.21 Contractor Expending Money – Whenever any money is expended or costs or expenses are incurred by Contractor on behalf of or on account of Subcontractor, which amounts Subcontractor should have paid, and for which amounts Subcontractor is required to reimburse Contractor, or if Contractor continues or completes the work after default by Subcontractor, Subcontractor shall pay to Contractor interest at the rate of 10 percent per annum from the time such money is expended or such costs or expenses are incurred until those amounts are repaid to Contractor by Subcontractor. Nothing contained in this provision or the Subcontract shall require or be construed as requiring Contractor to make any such expenditures, advance any such money, or incur any such expenses. In the event that the balance of the money due under this Subcontract is insufficient to cover Contractor’s damages or exposure, then Contractor shall have the right to offset against money owed to Subcontractor on other projects, if any.

7.22 Protection of the Work – Subcontractor shall secure and protect the work done pursuant to this Subcontract and assume full responsibility for its condition until final acceptance by Contractor and Owner. Subcontractor further agrees to provide such protection as is necessary to protect the work and representatives of Contractor and other subcontractors from Subcontractor’s work. Subcontractor shall be liable for all loss or damage to any work in place or to any equipment and materials on the job site to the extent such loss or damage is caused by or attributable to Subcontractor or its agents, employees or guests.

7.23 Subcontractor Business Type Designation – Subcontractor has represented itself as an entity that performs under a small business, a disadvantaged business or some other designation, as identified below, that requires Subcontractor to act within certain regulations and/or rules set forth by various authorities. Subcontractor warrants that it will abide by such regulations and/or rules. Further, Subcontractor will, upon reasonable notification, make available to Contractor documentation that substantiates its compliance with the applicable regulations and/or rules.

Subcontractor designation(s) are as follows:

- Small Business Enterprise (e.g., 8(a) approved Mentor/Protégé JV, WBE, etc.)
Type: _____
- Disadvantaged Business Enterprise (e.g., SDVOSB, WOSB, HUBZone, etc.)
Type: _____
- Minority Business Enterprise (e.g., Native Hawaiian, Native Alaskan, African American, Native American, Asian American, Hispanic American, etc.)
Type: _____
- Veteran-Owned Business
Type: _____
- Other
Type: _____
- None of the above

WARNING: Any erroneous, incorrect or wrongful representations above or failure to comply and follow all applicable regulations and/or rules will potentially render Subcontractor liable for criminal or civil penalties or subject Subcontractor to debarment or suspension proceedings.

7.24 Waiver of Excuse/Defense – Subcontractor waives any claim that its failure to perform the Subcontract work is excused because of an act or omission of Contractor unless Subcontractor notifies Contractor of its intent to assert such a claim within 10 days after the occurrence of any such act or omission. To a claim of poor, improper, substandard, incorrect or noncomplying work or materials, Subcontractor waives any asserted defense that such work or materials were inspected and/or approved by Contractor, Owner or Owner’s representatives, including but not limited to the architect.

SECTION 8 LABOR RELATIONS

8.1 General Provisions – Employment of labor by Subcontractor shall be effected under conditions that are satisfactory to Contractor.

8.2 Labor Agreements – Prior to starting its work, Subcontractor shall notify Contractor in writing of the collective bargaining agreement(s) to which it is signatory, and shall provide a copy of all such agreements within 24 hours of a request by Contractor. Subcontractor shall provide Contractor with at least 30 days’ notice of the anticipated expiration of each collective bargaining agreement. If Subcontractor enters into subsequent or new collective bargaining agreements with any union during the course of its work, it will notify Contractor. With respect to any work covered by this Subcontract, Subcontractor agrees to comply with all of the terms and conditions of any collective bargaining agreement to which it is signatory. Upon Contractor’s request, Subcontractor agrees, at its own expense, to take all lawful steps to secure a binding and final determination of any jurisdictional dispute by the National Labor Relations Board.

8.2.1 Subcontractor shall require all of its subcontractors and their subcontractors to comply with the collective bargaining agreement(s) to which Subcontractor is signatory, and the collective bargaining agreement(s) that are binding upon them.

8.2.2 Subcontractor will defend, indemnify and hold Contractor harmless from and against any liability, loss, damage, cost, claims, awards, judgments, fines, expenses and attorneys’ fees arising out of or in connection with Subcontractor’s failure to comply with Subcontractor’s obligations set forth in Sections 8.1, 8.2 and 8.2.1 of this Subcontract.

8.3 Work Stoppages – Strikes, work stoppages (including sympathy strikes), picketing or any other stoppage of work by employees performing work on, or delivering supplies or materials to, the job site shall not excuse any delay of Subcontractor in the performance of its work, regardless of whether the strike, picketing or other work stoppage is attributed to union action or the act or omission of an individual employee.

8.4 Reserved Gate Usage – Subcontractor shall notify in writing and assign its employees, materialmen and suppliers to such gates or entrances as may be established for their use by Contractor and in accordance with such conditions and at such times as may be imposed by Contractor. Strict compliance with Contractor’s gate usage procedures shall be required by Subcontractor who shall be responsible for such gate usage by its employees, materialmen, suppliers, subcontractors, and their materialmen and suppliers.

8.5 Staggered Days and Hours of Work and for Deliveries – Subcontractor shall schedule the work and the presence of its employees at the job site and any deliveries of supplies or materials by its materialmen and suppliers to the job site on such days, and at such times and during such hours, as may be directed by Contractor. Subcontractor shall assume responsibility for such schedule compliance not only for its employees but for all its materialmen, suppliers and subcontractors, and their materialmen and suppliers.

8.6 Default – Notwithstanding any other provision of this Subcontract, Contractor has the absolute right to terminate this Subcontract in accordance with the termination provisions of this Subcontract if Subcontractor defaults in the performance of its work for any of the reasons specified in Section 8 of this Subcontract, or if, due to a labor dispute (which includes but is not limited to a dispute between a union and any other entity resulting in a work stoppage, work slowdown, or interruption of delivery of materials), there is an interruption in the performance of Subcontractor’s work, including but not limited to Subcontractor’s unwillingness or inability to continue the proper performance of its work, or Subcontractor’s unwillingness or inability to provide qualified workers.

SECTION 9 INSURANCE

9.1 Subcontractor’s Insurance – Prior to the start of its work, Subcontractor shall procure for its work, and maintain in force at all times during its work, Comprehensive General Liability Insurance, Comprehensive Automobile Liability Insurance, Workers’

Compensation Insurance and Employer's Liability Insurance as described in this section. Products/Completed Operations coverage for a period of ten years following the completion of the project.

9.2 Subcontractor shall at all times carry on all operations hereunder Workers' Compensation and Employers Liability insurance covering all of its employees, General Liability, Commercial Automobile Liability and Property Damage insurance, including liability coverage for all operations, subcontract work, contractual obligations, product or completed operations, all owned vehicles, non-owned vehicles, and Umbrella or Excess Liability in forms, amounts and underwritten by insurance companies satisfactory to Contractor. Before Subcontractor performs any work at, or prepares or delivers materials to the site of construction, Subcontractor shall furnish certificates of insurance evidencing the foregoing insurance coverage's and such certificates shall provide that the insurance is in force and will not be cancelled without ten days written notice to Contractor. Subcontractor shall maintain all of the foregoing insurance coverage's in force until the work under this Agreement is fully completed. The requirement for carrying the foregoing insurance shall not derogate from the provisions for indemnification of Contractor by Subcontractor under Indemnity provisions of this Contract.

A) Commercial General Liability:

Subcontractor shall supply a Certificate of Insurance showing evidence of Commercial General Liability coverage with the following minimum limits:

- \$2,000,000 General Aggregate (Per Project)
- \$2,000,000 Products/Completed Operations Aggregate
- \$1,000,000 Personal Injury Liability
- \$1,000,000 Each Occurrence (combined single limit for bodily injury and property damage)

The certificate must have the **CG 2010 (11/85) ENDORSEMENT OR IT'S EQUIVELANT** attached, naming the following as additional insured: **(Straub Construction, Inc.), owner(s), officials, employees, agents and subcontractors.**

The Additional Insured Endorsement must be attached to the certificate and state that this insurance is **PRIMARY** and **NON-CONTRIBUTORY** over any other insurance. Contractor insurance shall be excess or secondary, and not contributing with insurance obtained by said subcontractor to fulfill the insurance requirements herein, regardless of any language contained in any or all policies.

Subcontractor shall furnish Contractor with a **WAIVER OF SUBROGATION**

Endorsements that limit or exclude coverage will need to be attached to the certificate.

Defense costs afforded to Contractor shall be outside the policy limits.

Coverage shall contain no special limitation on the scope of protection afforded to Contractor, owner, or its officials, employees, agents and subcontractors.

Deductibles and Self-insured Retentions in excess of \$25,000 must be declared, and approved by Contractor. At the option of Contractor either: the insurer shall reduce or eliminated such deductibles or self-insured retentions as they respect to Contractor. If Subcontractor employs sub-subcontractors in the performance of it's work, Subcontractor agrees to obtain equivalent insurance provisions from it's sub-subcontractors as required under this Agreement and provide a copy of their certificate of insurance to Contractor.

B.) Commercial Automobile Liability

On an occurrence basis covering all Owned, Non-Owned, and Hired Vehicles for limits of liability of at least \$1,000,000. If Subcontractor at any time transports hazardous materials, Subcontractor shall carry \$1,000,000 auto pollution coverage including transporters liability.

C.) Workers Compensation and Employers Liability

Including Occupational Disease insurance meeting all statutory requirements of the State in which the work is to be performed together with Broad Form All States Endorsement and containing Employers Liability insurance in an amount of at least \$1,000,000. Each Subcontractor shall supply a Certificate of Insurance containing the following minimum limits:

- \$1,000,000 Each Accident (bodily injury by accident)
- \$1,000,000 Disease – Policy Limit (bodily injury by disease)
- \$1,000,000 Disease – Each Employee (bodily injury by disease)

A **WAIVER OF SUBROGATION** shall be attached in favor of Contractor.

If Subcontractor or Independent Contractor is exempt from workers compensation, then Contractor shall be notified immediately with a statement as such.

D.) Excess Liability

Subcontractor shall maintain a minimum of \$1,000,000 limit.

E.) Professional Liability

All Subcontractors performing DESIGN, ENGINEERING, TESTING, SURVEYING, or other PROFESSIONAL SERVICES shall maintain PROFESSIONAL LIABILITY insurance. A Certificate of Insurance shall be supplied showing Professional Liability (Errors and Omissions) coverage with limits not less than \$1,000,000 per claim and in the aggregate.

F.) Pollution Liability

If the Subcontractor is providing any environmental remediation or consulting services, a Certificate of Insurance shall be supplied showing Pollution Liability coverage for claims arising from the release or removal of any hazardous materials or pollutants. Transporters liability is required when transporting or delivering such materials.

G.) Property

All work covered by this agreement done at the site, or in preparing or delivering materials or equipment to the site, shall be at the sole risk of subcontractor until the completed work is accepted by Contractor.

H.) Rating

All insurers shall have a minimum A.M. Best's rating of A, VII and be admitted in California.

I.) Cancellation Clause

Subcontractor Initials

Straub Construction, Inc. Initials

J.) Certificates

All Certificates must be received by Contractor prior to the commencement of work. Subcontractor failure to send Certificate of insurance or maintain the insurance coverage's required pursuant to this Agreement shall be deemed a Subcontractor default. In such event, Contractor may terminate this Agreement and obtain damages from Subcontractor resulting from said default. Alternatively, Contractor may purchase such required insurance coverage and without further notice to Subcontractor, Contractor may deduct from sums due to Subcontractor any premium costs advanced by Contractor for such insurance.

SECTION 10 INDEMNIFICATION

10.1 General Indemnity – All work that is covered by or incidental to the Subcontract shall be at the risk of Subcontractor exclusively. To the fullest extent permitted by law, Subcontractor shall defend, indemnify and hold Contractor harmless from and against any and all allegations, losses, claims, actions, demands, damages, liabilities or expenses (including but not limited to costs, expenses and attorneys' fees) of any kind whatsoever arising out of or in connection with all work that is covered by or incidental to the Subcontract, including but not limited to death or bodily injury to persons, injury to property, design defects (if design originated by Subcontractor), or any other loss, damage or expense ("Claims"). Subcontractor's obligations pursuant to this section shall extend to all Claims arising out of or in connection with any alleged or actual negligent act or omission, whether active or passive, of: (a) Subcontractor; (b) anyone directly or indirectly employed by Subcontractor; (c) anyone for whose acts Subcontractor may be liable; or (d) Contractor. Subcontractor shall not be obligated to indemnify Contractor for Claims arising from the sole negligence or willful misconduct of Contractor.

10.2 Indemnification for Noncompliance with Laws – To the fullest extent permitted by law, Subcontractor shall defend, indemnify and hold Contractor and Owner harmless from all losses, penalties, fines, assessments, forfeitures, costs and expenses caused by or attributable to any acts or omissions of Subcontractor that constitute or are alleged to constitute failure(s) to comply with any laws, orders, rules, ordinances and/or regulations of any entity having jurisdiction over the work, including but not limited to failure(s) to comply with applicable safety requirements of Contractor and/or Owner.

10.3 Liens and Related Claims – Subcontractor shall defend, indemnify and hold Contractor, Contractor's surety/sureties and Owner harmless from and against all claims and liens for labor or services performed or materials or equipment used or furnished to be used in connection with work covered by or incidental to the Subcontract, including but not limited to payment bond claims, stop payment notices and mechanics liens ("Lien Claims"). Subcontractor's obligations under this section extend to and include, but are not limited to, all costs, expenses, attorneys' fees, incidental damages and consequential damages incurred by Contractor, Contractor's surety/sureties and/or Owner as a result of such Lien Claims. Should a legal action, arbitration or proceeding be brought upon such Lien Claims, Subcontractor shall defend such legal action, arbitration or proceeding at its own expense, and shall pay and satisfy any lien or judgment as may be established by the decision of the court in such legal action, arbitration or proceeding without any contribution or indemnification from Contractor, Contractor's surety/sureties and/or Owner.

10.3.1 Within 10 days of Contractor's written demand to Subcontractor, Subcontractor shall cause the discharge, release and/or removal of any and all Lien Claims that have an effect upon the project premises and/or upon Contractor's receipt of money from Owner. Should Subcontractor fail to do so, Contractor may use any means it believes in its discretion is appropriate to cause such Lien Claim(s) to be discharged, released or removed, and Subcontractor shall be liable to Contractor for all costs incurred in connection with any such means utilized by Contractor, including Contractor's reasonable attorneys' fees.

10.4 Intellectual Property – Subcontractor shall pay all royalties and license fees that may be due upon the inclusion of any intellectual property in Subcontractor's work. Subcontractor shall defend, indemnify and hold Contractor, Contractor's surety/sureties and Owner harmless from and against all claims, suits and other legal proceedings that may be brought against Contractor, Contractor's surety/sureties and/or Owner for actual or alleged infringement of any intellectual property rights arising out of or in connection with Subcontractor's work, and Subcontractor shall be liable to Contractor, Contractor's surety/sureties and Owner for all loss arising out of such claims, suits and/or other legal proceedings, including but not limited to costs, expenses and reasonable attorneys' fees.

SECTION 11 CHANGES

11.1 Performance – Subcontractor shall adhere strictly to the Subcontract unless directed otherwise in writing. Subcontractor shall not make any changes to the work set forth in the Subcontract, either as additions or deductions, without the written direction of Contractor. When directed in writing by Contractor, Subcontractor shall perform such additional work as directed by Contractor. Subcontractor shall proceed with all written directions issued by Contractor so as not to delay the project.

11.1.1 If Subcontractor initiates a substitution, deviation or change in the work that affects the scope of the work or the expense of other subcontractors, Subcontractor shall be liable for all resulting costs and expenses.

11.2 Incorporating Changes – All provisions of this Subcontract shall apply to any changes or extras in a like manner and to the same extent as though such changes or extras were incorporated into the Subcontract.

11.3 Notification of Additional Costs or Time – Subcontractor shall immediately, but not more than 48 hours provide written notification to Contractor if a written direction could result in additional costs or time of performance so that Contractor has sufficient time to take actions to minimize any additional costs or time, and has sufficient time to provide notification to Owner in accordance with the Contract.

11.4 Submission of Cost Proposals – Subcontractor shall immediately, but not more than 48 hours submit in writing its cost proposal(s) for alleged changes in the work so that Contractor has sufficient time to comply with any and all submission requirements of Owner. All such cost proposals shall itemize with particularity any alleged change in costs or time for performance that result from a written direction issued by Contractor to Subcontractor.

11.5 Cost Proposal Negotiations – At Contractor’s request, Subcontractor shall attend and participate in negotiations with Owner or others that relate to settlement or resolution of Subcontractor’s cost proposals.

SECTION 12 DELAYS

12.1 Subcontractor-Caused Delays – Subcontractor-caused delays are delays caused by the failure of Subcontractor, or any party for which Subcontractor is responsible, to perform any portion of its work in accordance with the Subcontract, including but not limited to the updated progress schedule. Should Subcontractor-caused delays occur, Subcontractor shall be liable for all costs and damages sustained by Contractor, including but not limited to costs and damages for which Contractor may be liable to Owner, other subcontractors or any other party. Such costs or damages include but are not limited to consequential damages, incidental damages, liquidated damages and Contractor’s extended field and home office overhead costs.

12.2 Owner-Caused Delays – Owner-caused delays are delays caused by the acts or omissions of Owner for which Contractor is entitled to a time extension and/or additional compensation under the terms of the Contract or by other events for which Contractor is entitled to a time extension and/or additional compensation under the terms of the Contract. To the extent such a delay occurs and affects Subcontractor’s ability to complete its work in accordance with the Subcontract, Subcontractor shall notify Contractor in writing within 48 hours of such occurrence and may request an extension of time for the performance of its work and additional compensation as a consequence of such delay, but shall be entitled to such extension of time and/or additional compensation only to the extent allowed by Owner.

12.3 Other Delays – With respect to all delays other than those set forth in Sections 12.1 and 12.2 that are caused by circumstances or events beyond the control of Subcontractor and without the fault or negligence of Subcontractor, to the extent such a delay occurs and affects Subcontractor’s ability to complete its work in accordance with the Subcontract, Subcontractor’s sole remedy shall be limited to an extension of time for the performance of its work, provided Subcontractor notifies Contractor in writing within 48 hours of such occurrence.

12.4 Disputed Delays – If Subcontractor disputes the determination of any alleged delay and wishes to pursue that dispute, it must comply with the Claims section of this Subcontract.

SECTION 13 CLAIMS

13.1 Claim – For purposes of the Claims and Dispute Resolution sections of this Subcontract, a claim is a written demand by Subcontractor seeking an adjustment in the Subcontract Price and/or time, or the recovery of withheld disputed funds.

13.2 Notification of Claims – Subcontractor shall immediately provide written notification to Contractor of any claims so that Contractor has sufficient time to take actions to minimize any additional costs or time, and has sufficient time to provide notification to Owner in accordance with the Contract. Subcontractor’s compliance with the obligations set forth in this section is a condition precedent to Subcontractor’s recovery of any such claims. Subcontractor’s failure to comply with the obligations set forth in this section waives any and all rights it may have with respect to such claims.

13.3 Submission of Claims – Subcontractor shall submit its claims in sufficient time for Contractor to comply with any and all submission requirements of Owner. All such claims shall itemize with particularity any additional costs or time for performance being sought by Subcontractor. Subcontractor’s compliance with the obligations set forth in this section is a condition precedent to Subcontractor’s recovery of any such claims. Subcontractor’s failure to comply with the obligations set forth in this section waives any and all rights it may have with respect to such claims.

13.4 Claims with Owner – To the extent Contractor determines Subcontractor’s claim is one for which Owner may be liable, the following procedure shall apply:

- (a) Contractor shall present Subcontractor’s claim to Owner’s first level designated representative. The decision of such representative shall be conveyed in writing to Subcontractor and such decision shall be final unless Subcontractor notifies Contractor in writing of its desire to proceed further in sufficient time for Contractor to comply with any notification or submission requirements of Owner.
- (b) Upon receipt of Subcontractor’s notice to proceed further, at Contractor’s option, Subcontractor’s claim may be further pursued with Owner. In such event, Contractor may allow Subcontractor to act in its own behalf and with its own consultants/attorneys at Subcontractor’s sole cost to continue the required process and any subsequent administrative proceeding or litigation. If Contractor does not allow Subcontractor to act in its own behalf or it is procedurally impermissible for Subcontractor to proceed in its own behalf, and Contractor elects to allow the continued pursuit of Subcontractor’s claim, then at the written request of Subcontractor, Contractor will proceed with the dispute on condition that Subcontractor pay to Contractor all of its actual costs arising out of such process, including but not limited to attorneys’ fees, court costs and the costs of Contractor’s personnel employed in pursuing the case against Owner.
- (c) If Contractor elects to not allow further pursuit of Subcontractor’s claim against Owner, and Subcontractor disputes such decision, Subcontractor may pursue its claim pursuant to the Dispute Resolution section of this Subcontract.
- (d) Nothing shall prevent Contractor from accepting a contract modification from Owner that preserves the rights of Subcontractor.
- (e) If, because of Subcontractor’s claim, Owner withholds any sums due to Contractor, then Subcontractor shall pay to Contractor interest on the amounts so withheld at the rate of 10 percent per annum.

SECTION 14 DISPUTE RESOLUTION

14.1 Claims Not Involving Owner – To the extent Subcontractor submits a claim that Contractor determines is one for which Owner may not be liable, or is one that Contractor elects to not allow Subcontractor to further pursue with Owner, or to the extent Contractor wishes to pursue a dispute or controversy against Subcontractor, the following procedures shall apply and begin within 60 days of notification:

- (a) If the dispute cannot be settled through direct discussions, the parties shall attempt to settle the dispute by mediation before recourse to any other method of dispute resolution. Unless the parties agree otherwise, the mediation shall be conducted in accordance with the Construction Mediation Rules of the American Arbitration Association.
- (b) If mediation does not resolve the dispute, then such dispute shall be submitted to and resolved by binding arbitration in San Diego County, California, in accordance with the Construction Arbitration Rules of the American Arbitration Association. The arbitrator(s)' decision shall be final, binding and enforceable in a court of law, and judgment upon the award shall be entered in accordance with such decision.

14.2 Participation in Proceedings – If a dispute or controversy arises between Contractor and any other party for which Contractor determines Subcontractor may be liable, in whole or part, then Subcontractor agrees to be joined or not joined as a party in such dispute resolution process at Contractor's sole discretion; to cooperate with Contractor in the defense or prosecution of such dispute or controversy at Contractor's sole discretion and at Subcontractor's sole expense; and to be bound to the same extent as Contractor.

14.3 Indemnity / Contribution – Section 14.1 of this Subcontract shall not apply to any assertion of contribution or indemnity by one party to this Subcontract against the other party that arises out of an action or arbitration by a person, firm or entity who is under no obligation to arbitrate the subject matter of such action with either Subcontractor or Contractor or who does not consent to such arbitration.

SECTION 15 RECOURSE BY CONTRACTOR

15.1 Failure of Performance – If Subcontractor refuses or fails to fully and timely perform any of its obligations under the Subcontract, Contractor may, after 48 hours' written notice to Subcontractor, commence and continue satisfactory correction of such failure, and without prejudice to any other rights or remedies, provide the most expeditious correction of the failure by whatever means Contractor deems appropriate and charge the resulting costs to Subcontractor plus a markup of 15 percent for overhead and 10 percent for profit. A failure to fully and timely perform shall include but not be limited to failing to supply enough properly skilled workers or proper materials; failing to maintain performance in accordance with the updated progress schedule; failing to make prompt payment to its workers, subcontractors or suppliers; disregarding laws, ordinances, rules, regulations or orders of any authority having jurisdiction; or otherwise failing or refusing to comply with any provision of the Subcontract. In the event of an emergency affecting the safety of persons or property, Contractor may proceed to commence and continue satisfactory correction of such failure without first giving 48 hours' written notice to Subcontractor.

SECTION 16 TERMINATION

16.1 Termination For Cause – If Subcontractor refuses or fails to fully and timely perform any of its obligations under the Subcontract, Contractor may, after 48 hours' written notification and in lieu of or in addition to any other remedies, terminate the Subcontract. If such a termination occurs, Contractor shall have the right, for the purpose of completing any remaining Subcontract work, to enter upon the premises of the project and take and use any materials, equipment, appliances or tools furnished by, belonging or delivered to Subcontractor and located at the project, and employ any other person(s) to complete the Subcontract work and provide the materials for such work. In the event the Subcontract is terminated for cause, Subcontractor shall not be entitled to receive any further payment until the Contract work is completed and accepted. At that time, if the amounts earned but not paid to Subcontractor before the termination exceed the expenses incurred by Contractor in completing Subcontractor's work, any excess shall be paid by Contractor to Subcontractor; but if Contractor's expenses to complete Subcontractor's work exceed the amount earned and unpaid, Subcontractor shall promptly pay the excess amount to Contractor. The expenses incurred by Contractor shall include Contractor's costs for completing the work, including but not limited to overhead, profit and attorneys' fees, and any damages sustained by Contractor by reason of Subcontractor's default, plus a markup of 15 percent for overhead and 10 percent for profit on any and all such expenses. In order to secure Subcontractor's payment of such expenses of Contractor, Contractor shall have a lien upon all materials, tools, equipment and appliances of which Contractor has taken possession pursuant to this section.

16.2 Termination By Owner – If Owner terminates the Contract, or any part that includes any portion of Subcontractor's work, Contractor shall notify Subcontractor in writing and Subcontractor shall immediately stop the performance of the terminated work, follow Contractor's instructions regarding any shutdown and termination procedures, and mitigate all costs. If Owner's termination partially eliminates Subcontractor's work, Contractor may terminate the Subcontract in its entirety.

16.2.1 Contractor's liability to Subcontractor for any damages incurred or claims resulting from Owner termination for convenience shall be limited to the extent of Contractor's recovery on the Subcontractor's behalf under the Contract for Subcontract work and material furnished as of the date of such termination. Contractor's liability to Subcontractor for Owner's termination for cause shall be determined pursuant to the Claims and Disputes Resolution sections of the Subcontract.

16.3 Termination For Convenience – Contractor shall have the absolute right at any time by written notice to the Subcontractor to terminate this Subcontract or any part of it without cause and require Subcontractor to cease its work under the Subcontract. Upon notification of termination, Subcontractor shall immediately stop performance of the terminated work, follow Contractor's instructions regarding any shut down and termination procedures, and mitigate any costs. In the event of such termination for convenience, Contractor shall have no liability to Subcontractor, except that Subcontractor shall be entitled to payment only as follows:

- (a) the cost of the work actually completed in accordance with the Subcontract up to the date of the termination; and
- (b) 5 percent of the costs referred to in paragraph (a) above, for overhead and profit.

The amount of any and all payments made to Subcontractor before the date of termination shall be deducted from the sums set forth in paragraphs (a) and (b) above. If no work has been performed by Subcontractor, then Subcontractor is not entitled to any payment as a result of the termination. Should it be found that Subcontractor is wrongfully terminated under this Subcontract, Subcontractor shall be entitled to be paid only for actual and verified work performed in accordance with the Subcontract up to the date of the termination and a reasonable termination cost of One Thousand Dollars (\$1,000.00). This payment is agreed to compensate Subcontractor for all damages resulting from wrongful termination of all or any part of Subcontractor's work and is consideration for entering into this termination for convenience clause. Subcontractor may not seek and may not recover anticipatory or lost profits, damages and/or consequential damages under any theory of recovery.

SECTION 17
SUSPENSION OF SUBCONTRACT WORK

17.1 Contractor may order Subcontractor in writing to suspend all or any part of Subcontractor's work for such period of time as Contractor deems appropriate. Contractor's liability to Subcontractor for any delay or disruption resulting from such suspension shall be determined pursuant to the Claims and Disputes Resolution sections of the Subcontract. If the suspension is directed or caused by Owner, Contractor's liability to Subcontractor shall be limited to the amount Owner is determined to be liable to Contractor for Subcontractor's damages.

SECTION 18
ASSIGNMENT OF SUBCONTRACT

18.1 Subcontractor shall not, without written consent of Contractor, assign its rights of all or any part of the Subcontract to others. Contractor may assign or transfer all or any part of this Subcontract to any person, firm or entity.

SECTION 19
SUBCONTRACT INTERPRETATION

19.1 Inconsistencies, Errors and Omissions – Subcontractor shall carefully study and compare the plans, drawings, specifications and all other portions of the Subcontract. Should inconsistencies, errors or omissions appear in the Subcontract, it shall be Subcontractor's duty to notify Contractor of such inconsistencies, errors and/or omissions within three days of Subcontractor's discovery. Upon receipt of such notice, Contractor shall inform Subcontractor as to the measures to be taken, if any, and Subcontractor shall comply with Contractor's instructions. Should Subcontractor fail to perform its duties under this section or perform those duties negligently, Subcontractor shall be liable to Contractor for any and all resulting costs.

19.1.1 If Subcontractor performs work it believes or knows to be contrary to any applicable laws, statutes, ordinances, building codes, rules or regulations without prior written notice to Contractor and/or without prior written approval by appropriate authorities, including Contractor, then Subcontractor shall assume full responsibility for such work and shall bear all associated costs, charges, fees and expenses incurred in connection with remedying the violation(s).

19.2 Disputes over Responsibility for Performance – In the event of a dispute between Subcontractor and Contractor, or between Subcontractor and another subcontractor, as to who has the responsibility to perform a particular item of work or repair any particular item of work, the determination of who shall perform the work shall be made by Contractor.

19.3 Law and Effect – This Subcontract shall be governed by the laws of California.

19.4 Severability – Should any provision in the Subcontract be held or declared partially or completely void or invalid, all other provisions shall remain in full force and effect.

19.5 Recoverable Fees and Costs – Should either party institute a court action or arbitration to enforce any of the provisions of the Subcontract, to protect its interests in any manner arising under the Subcontract, or to recover on a surety bond furnished by a party to the Subcontract, the prevailing party shall be entitled to recover its reasonable attorneys' fees, costs, charges and expenses (including but not limited to expert fees) expended or incurred.

19.6 Titles – The titles given to the sections of this Subcontract, and the order of their placement, are for ease of reference only and shall not be relied upon or cited for any other purpose.

19.7 Entire Agreement – This Subcontract represents the entire and integrated agreement between the parties with respect to the Subcontract work and project, and unless specifically stated otherwise, this Subcontract supersedes all prior negotiations, representations or agreements, either written or oral, with respect to the Subcontract work and project.

19.8 Waiver of Any Breach – The failure of Contractor to insist, in any one or more instances, upon the performance of any of the terms, covenants or conditions of the Subcontract, or to exercise any right provided to Contractor, shall not be, nor shall it be construed as, a waiver or relinquishment of such term, covenant, condition or right with respect to any further performance. In the event of Contractor's waiver of any breach, alleged breach, provision, covenant or condition of the Subcontract, such waiver shall not be, nor shall it be construed as, a waiver of the same or any other provision on any other occasion, nor shall such waiver serve as an estoppel of any other right Contractor may have.

19.9 Ambiguities or Uncertainties – Any rule of construction to the effect that ambiguities or uncertainties are to be resolved against the drafting party or against the party alleged to have caused the ambiguity or uncertainty, including but not limited to California Civil Code section 1654, shall not apply in interpreting this Subcontract.

19.10 Condition of Subcontract Enforceability – This Subcontract is subject to the award of the Project to Contractor by Owner and becomes null and void if award and notice to proceed with the Project are not received, and Subcontractor shall have no rights to receive payment or compensation of any sort from Contractor.

Subcontractor warrants that it is properly licensed by the Contractors' State License Board of the State of California with the proper license classifications for performance of the work described in this Subcontract. Subcontractor further warrants that its license is and will remain current, active and in good standing at all times during the performance of its work.

The parties have executed this Subcontract for themselves, their heirs, executors, successors, administrators and assignees at the place and on the day and year first written above.

SUBCONTRACTOR:
(**{Company.Name} ">"**)
Subcontract No. {Contracts.ContractNumber}

Date: _____
By: _____

CONTRACTOR:
STRAUB CONSTRUCTION, INC.

Date: _____
By: _____
Matthew Ferguson, President

Print: _____ Name _____ Title _____
Corporation Partnership Proprietorship
(Seal)

Federal ID
No. _____

CONTRACTOR'S State License
No. _____

Straub Construction, Inc.'s Contractor's Licenses:
California License No. **506797**

Nevada License No. **0046120**

Arizona License No. **164996**

ATTACHMENT - A

SCOPE OF WORK

{Projects.Name}
({Projects.GeneralNotes} ">")
Contract No.: {LegalDocInfo.OwnerJobNum}

SUBCONTRACTOR: {ToCompany.Name}

In addition to, and not in lieu of, all other items incorporated into this Agreement, the following will further describe the terms covered by Section 1 of the Subcontract between Contractor and Subcontractor to include but not be limited to:

Construction Set Drawings dated November 30, 2016 by HMC Architects
DSA Stamped Specifications dated April 12, 2016 by HMC Architects
General Conditions Complete

<u>Addendum/Modification No.</u>	<u>Date</u>
Addendum 01	January 17, 2017
Addendum 02	February 8, 2017
Addendum 03	February 15, 2017
Addendum 04	February 21, 2017

Plans and Specifications, All Modifications & other information issued (including Supplemental Instructions)

1. SCOPE OF CONTRACT WORK INCLUDES: {Contracts.ScopeOfWork}

CLARIFICATION OF WORK: The work referenced is included in but not limited to all plans, specifications and addenda. The intent of the Subcontract is for Subcontractor to provide all materials, equipment and labor to provide a complete {Contracts.Description} and other related components as required to provide a complete project in strict compliance with all governmental codes, regulations and requirements.

- 1.0 SUBCONTRACTOR shall be responsible for specified environmental conditions for installation of own work including any action required under this Subcontract which disturbs surface soils.
- 1.1 SUBCONTRACTOR will comply with Storm Water Pollution Prevention Plan of the Contract Specifications General Requirements
- 1.2 SUBCONTRACTOR shall provide as-built drawings and/or all test results as required. As-builts shall be updated periodically as directed by the job site superintendent or project manager. Failure to perform weekly as-built updates shall impact progress payments. SUBCONTRACTOR shall, prior to release of final progress payment, submit to Straub Construction and have received Architect/Engineer/ Owner approval of all as-built drawings.
- 1.3 Hardhats are required to be worn at all times during working hours at the job site. Workers will not be allowed on site without a hardhat of their own. Straub Construction may assess fees per occurrence for non-compliance. Additional fines may be assessed for non-compliance with OSHA and Federal guidelines.
- 1.4 SUBCONTRACTOR shall, upon SUBCONTRACTOR completing 50% of work in place, and prior to release of monthly progress payment, submit for approval all required Operating & Maintenance Manuals
- 1.5 Division 1 General Requirements
- 1.6 Contracts: This entire Agreement must be fully executed and copies must be on file in Contractor's main office prior to SUBCONTRACTOR starting work on this project. Should inconsistencies or omissions appear in the contract documents, it shall be the duty of the SUBCONTRACTOR to notify the CONTRACTOR in writing within three (3) working days of the discovery by the SUBCONTRACTOR. Upon receipt of notice, the CONTRACTOR shall instruct the SUBCONTRACTOR as to the measures to be taken and the SUBCONTRACTOR shall comply with the CONTRACTOR'S instructions.
- 1.7 Protection of concrete flatwork from rubber tire marks
- 1.8 All mobilizations
- 1.9 Comply with applicable prevailing wage rates
- 1.10 Subcontractor will be responsible to ensure all personnel carry the specified identification called out in the contract documents, if necessary; and stay within areas limited to the use of construction operations as noted in the drawings
- 1.11 Subcontractor shall coordinate all work activities to maintain regular activities and operations.
- 1.12 Adhere to traffic, parking, and entry regulations
- 1.13 The subcontractor is responsible for cleaning all track out generated from this scope of work as needed
- 1.14 All items identified on the Contract Drawings with specific references to Specification Sections included in this Subcontract Agreement are specifically included in this scope of work.
- 1.15 Provide all documentation necessary to fulfill all LEED requirements as it relates to your scope of work.
- 1.16 Subcontractor to provide QC Personnel as it applies to the subcontractor's scope of work per RFP requirements.
- 1.17 Subcontractor shall provide all signs/nameplates for Subcontractor's equipment as may be required.
- 1.18 Subcontractor shall have representative personnel on site for the duration of all structural concrete placements. Personnel shall be responsible for any final adjustments and/or alterations necessary for Subcontractor's installations.
- 1.19 Subcontractor shall provide sufficient training to the Owner's appointed representatives in the presence of the Contractor. Where videotaping of training sessions is a requirement of the Contract Documents, Subcontractor shall provide all equipment and manpower required to record the training session.
- 1.20 Contractor shall provide general survey. Subcontractor shall provide layout of work.
- 1.21 Should inconsistencies or omissions appear in the contract documents, it shall be the duty of the SUBCONTRACTOR to notify the CONTRACTOR in writing within three (3) working days of discovery by the SUBCONTRACTOR. Upon receipt of notice, the CONTRACTOR shall instruct the SUBCONTRACTOR as to the measures to be taken and the

- SUBCONTRACTOR shall comply with the CONTRACTOR'S instructions. If it is determined that costs and/or time impact are involved, the SUBCONTRACTOR will be compensated by change order based on approval of the OWNER and with substantiation of the added costs and/or time impacts.
- 1.22 Subcontractor shall provide sealant, caulking, fire stopping, primer, adhesives, backing, blocking, shimming, angles, hangers, channels, plates, etc as applicable for own work and so as not to delay the work of other trades.
- 1.23 Subcontractor shall provide and install all straps, supports, hangers, uni-strut, restraints, seismic bracing, and the design of said braces and supports necessary for Subcontractor's own installation.
- 1.24 Contractor will provide normal 110V temporary power. Subcontractor shall provide its own source for all electrical requiring more than 110V single phase service. Subcontractor shall provide its own power cords.
- 1.25 Subcontractor shall prevent damage to existing facilities, curbs, gutters, sidewalks, and asphalt paving beyond that needed to make curb cuts and utility trenches. Any damage to the existing site or facilities shall be repaired by the Subcontractor at Subcontractor's expense and to the satisfaction of the Owner.
- 1.26 Subcontractor shall work off-hours as required for critical tie-ins.
- 1.27 Subcontractor shall provide field measuring to ensure proper fit of Subcontractor's work.
- 1.28 Subcontractor is responsible for furnishing and installing all access doors and panels as may be required for access to system components under its scope of work. Access door locations must be coordinated and approved by Contractor and Owner. Coordination is to occur prior to the start of any wall framing work.
- 1.29 Subcontractor shall be aware of any and all existing utilities, and shall exercise extreme caution during excavation operations. Subcontractor shall be responsible for verifying with Owners as-built documents the location of all known underground utilities. The existence, location and characteristics of underground utility information shown on these plans have been obtained from a review of available record data. No representation is made as to the accuracy or completeness of said utilities. Subcontractor must obtain their own USD Dig Alert number three days prior to beginning any excavation work. Subcontractor is responsible for all preventive measures to protect the utility lines as shown or discovered during the work.
- 1.30 Subcontractor is responsible to verify the location of all existing utilities by pot holing prior to the beginning of excavation work. If existing utilities are damaged by this Subcontractor, repair/replacement costs are the responsibility of Subcontractor. Subcontractor shall Provide temporary structural support of existing utilities where necessary including design.
- 1.31 Subcontractor shall leave concrete floors in a condition acceptable to the flooring manufacturer in order to allow proper adhesion of finish flooring products.
- 1.32 Subcontractor Agreement Number: Subcontract Agreement Number, on first page of Standard Subcontract Form, must appear on all packages, bills of lading, packing slips, billings and correspondence. Government priority rating of "DOC 2" must appear on all material purchase orders.
- 1.33 COORDINATION: The SUBCONTRACTOR shall coordinate all work with other trades through CONTRACTOR. The SUBCONTRACTOR shall
- a. Cooperate with the CONTRACTOR and all others whose work may interfere with the SUBCONTRACTOR'S work. SUBCONTRACTOR shall be responsible for coordination of all work with the project superintendent and other subcontractor trades;
 - b. Specifically note and immediately advise the CONTRACTOR in writing of any such interference with the SUBCONTRACTOR'S work; and Participate in the preparation of coordination drawings and work schedules in areas of congestion
- 1.34 SUBCONTRACTOR shall be responsible for temporary services including: scaffolding, temporary shoring/bracing, trash/debris cleanup and disposal off-site, temporary offices and storage facilities, as well as security, electrical cords, task lighting, drinking water, materials and equipment for own work.
- 1.35 SUBCONTRACTOR will comply with Storm Water Pollution Prevention Plan of the contract Specifications General Requirements.
- 1.36 Specification General Requirements included within SUBCONTRACTOR's scope of work, SUBCONTRACTOR shall provide Contractor with "Technical Publications", "Operating and Maintenance Manuals" (O&M), and/or "Parts Lists" in the form and format specified except that the number of such documents provided to the Contractor shall be two more than specified in such Contract Specifications. O&M data shall be submitted as soon as practical, but no later than thirty (30) days after delivery of equipment to the project. All other required manuals and/or instructions shall be submitted to Contractor for approval as soon as installation operations are completed but prior to the time that system and/or equipment tests are performed. The specific formatting requirements for the O&M manuals are outlined in the specifications.
- 1.37 Protection of Existing and Completed Work: Subcontractor shall be responsible for protection of existing and completed work.
- 1.38 At the sole discretion of the Owner, Owner may approve for inclusion in an Application for Payment the cost of materials not yet incorporated in the Work but already delivered and suitably stored either (1) at the Project site, or (2) at some other appropriate location (i.e. bonded and secured warehouse) acceptable to the Owner. To be eligible for consideration for Approval by the Owner for inclusion in an Application for Payment, SUBCONTRACTOR shall submit supplier affidavits and invoices with detailed line item quantity and cost breakdowns to CONTRACTOR. Approval by the Owner for inclusion in an Application for Payment shall not relieve SUBCONTRACTOR in any way of its direct responsibility for all costs related to storage, theft and damage, until any stored materials and equipment, off-site or at the Project site, are properly installed for their intended use and incorporated in the Work.
- 1.39 Parking and Storage: Subcontractor is responsible for the cost of off-site parking for Subcontractor's work force. Within the project limits and at the discretion of the Contractor parking will be made available to a limited area designated by the Contractor. Staging and lay down areas are limited to an area or areas designated by the Contractor. Materials must be stored within the limits defined by the Contractor.
- 1.40 Non Potable Water: All temporary utility connections and costs to utilize the available construction water will be the responsibility of the SUBCONTRACTOR as required to complete the SUBCONTRACTOR's work.
- 1.41 Dust Control: SUBCONTRACTOR shall be responsible for providing all required permits, dust control and street cleaning associated with SUBCONTRACTOR's operations while actively working on site.
- 1.42 Clean up: SUBCONTRACTOR shall provide waste disposal bins for their own work (unless otherwise indicated). Project's refuse containers, shall not be used by SUBCONTRACTOR to dispose of materials from SUBCONTRACTOR's activities. SUBCONTRACTOR shall remove such refuse from the jobsite in a timely manner, using only SUBCONTRACTOR's own facilities for such refuse material. At the end of each workday, SUBCONTRACTOR must clean up and remove all of SUBCONTRACTOR's scrap and / or debris. All unused materials must be neatly stockpiled as designated by Contractor's Superintendent. If SUBCONTRACTOR does not adhere to these daily requirements, Contractor shall notify SUBCONTRACTOR in writing of failure to clean up, and require that SUBCONTRACTOR do so within forty-eight (48)

hours. If SUBCONTRACTOR fails to comply with Contractor's written request, Contractor shall perform clean up as deemed necessary on behalf of the SUBCONTRACTOR and all costs associated with such shall be deducted from SUBCONTRACTOR's contract.

- 1.43 Long Lead Items: Subcontractor shall provide Contractor a list of deliverables required by this Agreement that exceed 7 calendar days to procure. The list shall be delivered to the Contractor within 10 calendar days of the date that this Agreement was executed and contain a description of the item, the suppliers name and telephone number, and the number of calendar days required for delivery of the item to the Project Site.
- 1.44 Subcontractor is responsible to visit the Project Site and be familiar with the existing improvements and the physical conditions of the site prior to executing this agreement.
- 1.45 Subcontractor warrants that it has examined and fully understands the Plans, Specifications, and Reports listed as Contract Documents.
- 1.46 Subcontractor fully understands and will comply with Noise Restrictions, Dust Control, and Waste Management requirements.
- 1.47 Telephones: SUBCONTRACTOR shall not use Contractor's telephones at the jobsite.
- 1.48 Cost Proposals: Cost Proposals will be returned to Contractor's main office within seven (7) days, or as required by the Contract Documents, of receipt of Contractor's form. SUBCONTRACTOR is advised to become familiar with all requirements regarding changes and / or claims.
- 1.49 Change in Site Conditions: SUBCONTRACTOR shall provide Contractor with seventy-two (72) hours written notice of any change in site conditions which would result in delay, disruption or impact to SUBCONTRACTOR.
- 1.50 Written Approval: Contractor will recognize no claim for additional work by SUBCONTRACTOR without written approval and / or direction by Contractor prior to commencement of such work.
- 1.51 Testing & Inspection: SUBCONTRACTOR shall provide Contractor / Owner seventy-two (72) hour notice for all testing and inspections. SUBCONTRACTOR shall pay for all re-testing and re-inspections due to SUBCONTRACTOR's defective work. Test and inspection by others, Subcontractor is responsible for reinspection or retesting due to Subcontractor's failure to comply with any contract requirements necessary to pass the initial inspection or test.
- 1.52 Key Personnel: SUBCONTRACTOR shall provide, and update as required, names, addresses and emergency phone numbers for all key personnel, including competent person, First Aid/CPR certified person on site. Supervision – Contractor is to assign a Project Manager and a full time Superintendent/Foreman in writing, subject to Contractor's approval, for the duration of the project. No changes will be allowed without written authorization. THS reserves the right to reject any proposed Contractor personnel. The Subcontractor or his designated authorized representative shall be present at the site of the work at all times while work is actually in progress. The designated authorized representative shall have the authority to represent and act for the Contractor and any written or verbal directions or requests of the GC.
- 1.53 Construction Schedule: Time is of the essence of this agreement. SUBCONTRACTOR shall follow Contractor's construction schedule as to time and sequence of work items. It is the intent of this Agreement that this work be completed as expeditiously as possible. SUBCONTRACTOR shall provide adequate manpower to meet Contractors schedule.
- 1.54 Contract Drawings: SUBCONTRACTOR shall be responsible to obtain copies of Contract Drawings, Contract Specifications and Addenda at their own expense.
- 1.55 Equal Employment Opportunity: SUBCONTRACTOR's attention is called to the Equal Employment Opportunity clause located in **Exhibit 3 General Information Booklet**. SUBCONTRACTOR shall comply with all such requirements and shall provide documentation of compliance including but not limited to, certification, monitoring and auditing of SUBCONTRACTOR's participation.
- 1.56 SUBCONTRACTOR shall attend any required pre-installation, preparatory, coordination, partnering or pre-construction conferences, as required. SUBCONTRACTOR shall participate in weekly coordination meetings with the Contractor's Superintendent. As a minimum, SUBCONTRACTOR shall have on-site foreman (fluent in written and spoken English) in attendance. SUBCONTRACTOR shall be responsible for preparing a three week look-ahead schedule for their feature of work for current and future activities for approval of contractor. Format for the three week look-ahead schedule shall be provided by the Contractor.
- 1.57 Subcontractor shall provide and install all concrete directly associated with his own trade, including, but not limited to, duct banks, vaults, manholes and conduit encasements complete with steel reinforcing. Include all incidental work within vaults such as weld plates, ground grids, ground rods, switches, lights and fan connections.
- 1.58 Subcontractor shall furnish and set sleeves for passage of conduit through structural masonry, concrete walls, floors, and elsewhere as required for the proper protection of each conduit passing through building surfaces. Sleeves are to extend minimum 3 inches from walls/slabs in both directions.
- 1.59 Subcontractor shall start-up, test, and demonstrate to the Architect / Contractor that the entire installation of each system is complete, properly adjusted and is in proper operating condition, prior to formal testing.
- 1.60 Provide factory start-up of all electrical and mechanical equipment as required for Subcontractor's installations.
- 1.61 Life/Safety fire alarm system is to be thoroughly tested and approved in Contractor's and Owner's presence and according to Contractor's overall project schedule prior to formal testing.
- 1.62 Subcontractor shall provide and install any pre-cast or cast in place concrete boxes with grates and/or traffic rated covers as shown and/or indicated to complete Subcontractor's own work. Subcontractor shall set all boxes to finish grade.
- 1.63 Subcontractor shall provide adequate manpower to meet construction CPM schedule.

2. AUTHORITY TO EXECUTE CHANGE ORDERS, AND TO BIND CONTRACTOR FOR SERVICES, LABOR OR MATERIALS:

- 2.0 Only certain individuals in CONTRACTOR'S home office are authorized to sign Change Orders on behalf of the CONTRACTOR. Requests for Change Orders, and extra work, are to be made to the CONTRACTOR'S home office, in writing. Failure to do so will negate the possibility of reimbursement for additional work.
- 2.1 Neither the Superintendent nor his assistants or subordinates have any authority to execute Change Orders on behalf of the CONTRACTOR, or in any manner modify the terms or conditions of the Subcontract Agreement, or to authorize or enter into on behalf of the CONTRACTOR any agreements or services from the SUBCONTRACTOR.
- 2.2 SUBCONTRACTOR'S REPRESENTATIVE – The SUBCONTRACTOR shall designate a person, subject to the CONTRACTOR'S approval, who shall be the authorized SUBCONTRACTOR'S representative. This representative shall be the only person to whom the CONTRACTOR shall issue instructions, orders or directions, except in an emergency. The SUBCONTRACTOR'S representative is _____.
- 2.3 **SUBCONTRACTOR AND CONTRACTOR FURTHER AGREE:**

- 2.3.1 Subcontractor agrees that all special payment requests, such as joint checks and special payment dates, may be subject to administrative fees.
- 2.3.2 Provide appropriate safety equipment and signal lights. Subcontractor will closely coordinate its activities with others on-site in order to prevent an unsafe working environment. If safety devices are erected or installed by others (such as a lifeline) and used by Subcontractor's employees, it is Subcontractor's responsibility to inspect such devices and, as between Contractor and Subcontractor, Subcontractor accepts sole responsibility for use of such safety devices in accordance with local, state, and federal safety and health laws, orders, or regulations. If equipment or materials are provided by or available from others on site (such as ladders, scaffolding, and forklifts) prior to any use thereof by Subcontractor, Subcontractor shall obtain the written consent of the provider, and it is Subcontractor's responsibility to inspect such equipment and materials and, as between Contractor and Subcontractor, Subcontractor accepts sole responsibility for use of such equipment for materials in accordance with all local, state, and federal safety and health laws, orders, or regulations.

3. SPECIFIC INCLUSIONS

The scope of work specifically includes, but is not limited to the following:

4. EXCLUSIONS

The following work is not included in this scope of work:

ATTACHMENT - B

{Projects.Name}
{{Projects.GeneralNotes} ">"
Contract No.: {LegalDocInfo.OwnerJobNum}

SUBCONTRACTOR: {ToCompany.Name}
SUBCONTRACT NO.: {Contracts.ContractNumber}

SUBCONTRACTOR BOND FORMS

NOTE: Bonds are legal documents. As such, “white-out” type products are prohibited in correcting errors or changes

SURETY CARRIER INFORMATION:

- Surety carrier must be acceptable to Straub Construction, Inc.
- Surety carrier must be Best Rated “A-“ or better
- Surety carrier must be licensed in state where work is being performed

PERFORMANCE AND PAYMENT BONDS:

- Bond number at the top of Performance Bond and at top of Payment Bond (must be same number on each)
- Bond premium at top of Performance Bond below bond number
- **“Premium included in the Performance Bond”** or similar wording to that effect appears at top of Payment bond below bond number
- Full name (and address, if applicable) of Straub Construction, Inc. (no abbreviations unless part of legal name, i.e. Co. instead of Company)
- Full name (and address, if applicable) of Subcontractor (no abbreviations unless part of legal name, i.e. Co. instead of Company)
- Full name (and address, if applicable) of Surety (no abbreviations unless part of legal name, i.e. Co. instead of Company)
- Full Subcontract price appears in figures and words on Performance and Payment Bonds
- Project name, Project/Contract number appears in general job description area of each bond
- Project name, Project/Contract number, and scope of work appears in subcontractor job descriptions area of each bond
- Date of contract/subcontract precedes date of bonds
- Complete Subcontractors name, typed/printed name and title of signing agent appears near signature
- Complete Surety carriers name, typed/printed name and title of signing agent appears near signature

SIGNATURES:

- Subcontractor signed all bonds and affixed corporate seal near signature
- Surety carrier or carrier’s agent signed all bonds and affixed corporate seal near signature

ATTACHMENTS:

- Original Power of Attorney for **each bond** (two per set: one for Performance Bond, one for Payment Bond)
- Original Power of Attorney dated same date as Performance Bond and Payment Bond
- Original Power of Attorney must have corporate seal affixed and be legibly embossed
- If Power of Attorney is limited, it must cover the full amount of the bond
- One notary acknowledgement **for each bond** from Subcontractor (two per set)
- One notary acknowledgement **for each bond** from Surety Company (two per set)

**PLEASE EMAIL A COPY OF YOUR BONDS TO
{Projects.ProjectExecutive}, PRIOR TO SUBMITTING
THE ORIGINALS.**

PAYMENT BOND
(Subcontract)

Bond No. _____

Premium Amount: _____

KNOW ALL MEN BY THESE PRESENTS, That **{ToCompany.Name}** (hereinafter called the "Principal"), as Principal and

_____ a corporation organized and existing under the laws of the State of _____ (hereinafter called the "Surety"), as Surety, are held and firmly bound unto **Straub Construction, Inc., {LegalDocInfo.ContrAddr1}, {LegalDocInfo.ContrAddr2}**, (hereinafter called the "Obligee"), in the sum of **({Contracts.OrigValue} "NumToText")** Dollars **({Contracts.OrigValue} "Currency")** for the payment of which sum well and truly to be made, the said Principal and Surety bind themselves, and their respective heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the obligee has been awarded a contract (hereinafter called the "Prime Contract"), by **{LegalDocInfo.Owner} {Projects.UserText1}, for {Projects.Name} and Project Number # ({LegalDocInfo.OwnerJobNum})**.

WHEREAS, the Principal has entered into a written Subcontract with the Obligee, dated **({Contracts.ContractDate} "Long Date")** to perform, as Subcontractor, certain portions of the work in connection with said Prime Contract consisting of **{Contracts.ContractNumber}, {Contracts.Description}** work which Subcontract is hereby referred to and made a part hereof.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal shall promptly make payment to all persons supplying labor and material in the prosecution of the work provided for in said Subcontract and any and all modifications of said Subcontract that may hereafter be made, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

The said Surety agrees that no change, extension of time, alteration, addition, omission, or other modification of the terms of either the said Subcontract or the said Prime Contract, or both, or in the said work to be performed, or in the specifications, or in the plans, shall in anywise affect its obligation on this Bond, and it does hereby waive notice of any such changes, extensions of time, alterations, additions, omissions, and other modifications. The said surety agrees that the penal sum of the bond will be adjusted by any revisions to the subcontract.

The said Principal and the said Surety agree that this Bond shall inure to the benefit of all persons supplying labor and material in the prosecution of the work provided for in said Subcontract, as well as to the Obligee, and that such persons may maintain independent actions upon this Bond in their own names.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their several seals this _____ day of _____, 2017, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

_____(Seal)
(Principal)

Witness:

(Business Address)

By: _____
Signature

Or Secretary's Attest

By: _____
Typed Name and Title

Typed name

_____(Seal)
(Surety)

Witness:

(Business Address)

Or Secretary's Attest

By: _____
Signature

Typed name

By: _____
Typed Name and Title

Subcontractor Initials

Straub Construction, Inc. Initials

PERFORMANCE BOND
(Subcontract)

Bond No. _____

Premium Amount: _____

KNOW ALL MEN BY THESE PRESENTS, That **{ToCompany.Name}** (hereinafter called the "Principal"), as Principal and

_____ a corporation organized and existing under the laws of the State of _____ (hereinafter called the "Surety"), as Surety, are held and firmly bound unto **Straub Construction, Inc., {LegalDocInfo.ContrAddr1}, {LegalDocInfo.ContrAddr2}**, (hereinafter called the "Obligee"), in the sum of **{Contracts.OrigValue} "NumToText"** Dollars (**{Contracts.OrigValue} "Currency"**) for the payment of which sum well and truly to be made, the said Principal and Surety bind themselves, and their respective heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Obligee has been awarded a contract (hereinafter called the "Prime Contract"), by **{LegalDocInfo.Owner} {Projects.UserText1}, for {Projects.Name} and Project Number # {LegalDocInfo.OwnerJobNum}**.

WHEREAS, the Principal has entered into a written Subcontract with the Obligee, dated **{Contracts.ContractDate} "Long Date"** to perform, as Subcontractor, certain portions of the work in connection with said Prime Contract consisting of **{Contracts.ContractNumber}, {Contracts.Description}** work which Subcontract is hereby referred to and made a part hereof.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal shall well and truly perform all the undertakings, covenants, terms, conditions, and agreements of said Subcontract within the time provided therein and any extensions thereof that may be granted by the Obligee, and during the life of any guaranty required under said Subcontract, and shall also well and truly perform all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said Subcontract that may hereafter be made, and shall indemnify and save harmless said Obligee of and from any and all loss, damage, and expense, including costs and attorney's fees, which the said Obligee may sustain by reason of failure so to do, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

The said Surety agrees that no change, extension of time, alteration, addition, omission, or other modification of the terms of either the said Subcontract or the said Prime Contract, or both, or in the said work to be performed, or in the specifications, or in the plans, shall in anywise affect its obligation on the Bond, and it does hereby waive notice of any such changes, extensions of time, alterations, additions, omissions, and other modifications. The said surety agrees that the penal sum of the bond will be adjusted by any revisions to the subcontract.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their several seals this _____ day of _____, 2017, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Principal) (Seal)

Witness:

(Business Address)

By: _____
Signature

Or Secretary's Attest

By: _____
Typed Name and Title

Typed name

(Surety) (Seal)

Witness:

(Business Address)

Or Secretary's Attest

By: _____
Signature

Typed name

By: _____
Typed Name and Title

ATTACHMENT - C

SUBCONTRACTOR INFORMATION SHEET

Project Name: {Projects.Name}

SCI requests that you provide the following information regarding your company's organization so as to facilitate the forwarding of correspondence from SCI to your company. **Please include phone number and extension, and email address.**

Company Name: _____

Field or Local Office Address
(if different than Legal Address, that will be administrating the contract): _____

Field or Local Office
Phone Number: _____

Fax Number: _____

NAME/TITLE	PHONE NUMBER	E-MAIL ADDRESS
President/Onwer:		
Project Manager: Foreman/ Superintendent:		
Contract Execution and Change Order Execution:		
Submittals Processing:		
Certified Payroll:		
Scheduling:		
Accounts Receivables:		
Insurance:		
Safety:		
Quality Control:		