



Re:

Gentlemen:

We are pleased that you will be our Subcontractor on the above referenced project. Enclosed are the following:

- Two original Subcontract packets with Indemnification, Safety & Insurance Addenda
- Subcontractor Closeout Materials & Warranty Letter
- Payment Policy and Subcontractor's Application for Payment form
- Material Supplier Contact form

Please have a company officer or owner sign all documents where indicated. Check that your Subcontractor's license and your Federal ID number are correctly noted in the appropriate spaces in the lower left corner of the Subcontract.

Return one fully executed original Subcontract, Indemnification Addendum and Insurance Addendum to our office. If necessary, sign and return any original Exhibits also. ***WE WILL BE UNABLE TO PROCESS APPLICATIONS FOR PAYMENT UNTIL ALL OF THE ABOVE ARE RECEIVED.*** Please keep one copy of the Subcontract documents for your records. **NOTE: Any changes must be in writing and will not be valid until reviewed and initialed by the Project Manager.**

Foushée & Associates promotes the use of E-mail. Internet addresses for the office staff and field superintendents are First Initial, Last Name @foushee.com. We ask that you add [*@*foushee.com](mailto:*@foushee.com) to your "white" list so that our email correspondence is not directed to a spam folder.

You are required to provide to our office a Certificate of Insurance prior to commencing work on site. Please forward the attached insurance requirements to your agent and ask your agent to issue a certificate meeting these requirements.

Sincerely,

Project Administrator
Enclosures

GENERAL CONDITIONS

1. Either the signature on this Subcontract or commencement of performance by Subcontractor constitutes acceptance of this subcontract. Subcontractor's performance shall enable Contractor to fully comply with the Prime Contract schedule or the Contractor's schedule. Subcontractor shall, upon Contractor's request, furnish performance schedules, including periodic updates, showing the time frames when Subcontractor will be performing in conjunction with all other work on the project. Contractor shall have the right to determine the sequence or work including making change to Subcontractor's proposed schedule(s).

2. Subcontractor shall promptly make payments to all persons furnishing labor, materials and supplies to the project and shall defend, indemnify and hold Contractor and Owner harmless from any liens or claims arising out of non-payment, including claims against Contractor's sureties and retention being withheld by the Owner. Any claim filed in connection with Subcontractor's work shall be discharged within (10) days of filing or Contractor's demand; or, Subcontractor shall post a bond with an acceptable surety covering said claim. All funds paid to Subcontractor for the account of sub-subcontractors, suppliers, laborers or materialmen are deemed trust funds for their benefit. Failure to promptly pay sums when due entitles Contractor to discharge said lien or claim out of the funds due or to become due Subcontractor or to make joint checks payable to Subcontractor and any employee or supplier of Subcontractor. The amount of this subcontract shall be reduced accordingly in addition to all other remedies available to Contractor.

3. All drawings, prints, samples, tests and reports, if and as required, shall be promptly supplied by Subcontractor without charge. All such submittals shall be furnished to Contractor prior to performance of any work covered by submittal. Subcontractor shall not be paid for any work covered by that submittal until the submittal has been approved by the owner and/or architect. Approval of the submittal does not relieve the Subcontractor of responsibility for compliance with all requirements of the Prime Contract and this subcontract or be deemed to authorize deviation or changes in the contract documents.

4. Subcontractor is bound to all clauses of the Prime Contract, including but not limited to those relating to charges, differing site conditions, variation in quantities, extra work, default termination and all provisions of any disputes clause. Subcontractor shall give Contractor written notice of any claim or request for equitable adjustments in sufficient time to enable Contractor to comply with the notice requirements of the Prime Contract. Subcontractor shall be bound by all notice requirements of this subcontract and the Prime Contract which ever provides for the shortest notice period. In the event the disputes provisions of the Prime Contract provide for arbitration, Subcontractor agrees to be joined as a party in said arbitration.

5. In case of a dispute between Subcontractor and Contractor for or on account of acts and/or omissions of the Owner or the Owner's engineer/architect or agent the Contractor agrees to present to the Owner, in Contractor's name, all of Subcontractor's claims for equitable adjustment or time extensions and to invoke, if necessary, any dispute resolution procedure of the Prime Contract. Subcontractor is responsible for providing the materials in accordance with all applicable notice requirements, and at its own cost including attorney fees. The Contractor's decision shall be final as to whether any claims of Subcontractor are on account of acts and/or omissions of the Owner or Owner's engineer/architect or agent.

Subcontractor agrees to stay and suspend any legal action against Contractor, including any action claiming that the dispute does not entail an act or omission of the Owner or Owner's agent, until the action against the Owner has been exhausted, including any appeals. Subcontractor shall not be entitled to receive any greater amount from the Contractor than Contractor receives from the Owner for Subcontractor's work less appropriate mark-ups and Subcontractor agrees that it will accept such amount in full satisfaction and discharge of any Subcontractor's claim against Contractor or Owner by reason of said dispute. It is understood that the only fund from which claims for changes or extra work is to be paid is created by Owner's payment to Contractor and that Subcontractor will be paid only if Contractor is paid for Subcontractor's work. In the event the dispute arises during the performance of the work Subcontractor shall, nonetheless, proceed with the work pending final resolution of the dispute or any dispute arising out of this subcontract.

6. Subcontractor shall perform no work for which it claims extra time or compensation without first receiving written directives from Contractor to proceed. Failure to obtain such written directives shall constitute an absolute waiver of such claim. The Contractor may, at any time by written order of Contractor without notice to Subcontractor's sureties, make changes in, addition to and omissions from the work to be performed under this subcontract and the Subcontractor shall promptly proceed with the performance of this subcontract work as so changed. The subcontract price shall be equitably adjusted, upward or downward, per the terms of this Subcontract to reflect said changes.

7. In the event of any controversy between Contractor and Subcontractor as to the value of work added, deducted, or terminated, Contractor may inspect the books, contracts and records of Subcontractor who shall make them available upon request. Failure to permit such inspection shall constitute a waiver of any right to affirmative recovery.

8. If Subcontractor shall fail to commence the work at the specified time or fails to prosecute the work to insure timely completion or fails in any other way to perform its obligations, Contractor may elect to declare the Subcontractor in default by notice in writing given to Subcontractor. If Subcontractor fails to cure said default within 48 hours, from receipt of notice, Contractor shall have full power, without process of law, to take over and complete said work at Subcontractor's expense, including the use of Subcontractor's equipment and materials. In addition to the remedies specified above, Contractor reserves all other rights provided by law including the language of the Prime Contract against Subcontractor to recover damages from Subcontractor or its surety for the default. No further payments shall be made to Subcontractor until the work is completed and Contractor has determined the extent of all costs incurred for performing Subcontractor's work.

9. In the event the Subcontract, or any part of it, is based on unit prices, it is understood and agreed that any quantities and amounts referred to in the Prime Contract or Subcontract are approximate only, may be more or less at the same unit price, and may be subject to change as ordered and directed by the Contractor. Regardless of the variation in the estimated quantity, Subcontractor agrees to accept the unit prices set forth in this Subcontract unless an equitable adjustment is obtained from the Owner.

10. Job damage caused by Subcontractor on work other than its own shall be reported immediately to Contractor and Subcontractor shall be responsible for its repair. Job damage caused by Contractor on work of Subcontractor shall be reported immediately to the Subcontractor and Contractor shall be responsible for its repair.

11. Upon completion of any unit of its work, and upon final completion of all work thereof, Subcontractor shall clean up and remove from the site all refuse and rubbish around or alongside the same caused by the Subcontractor, at Subcontractor's expense, and shall promptly remove all excess material, tools, structures, and equipment, which may have been brought on the premises, or erected by the Subcontractor. In the event of the failure of the Subcontractor to do so, the Contractor may, after 24 hours notice to the Subcontractor, clean up the premises at the cost and expense of the Subcontractor.

12. The parties hereto shall be bound by the procedures outlined in "The National Plan for the Settlement of Jurisdictional Disputes" for labor disputes, which arise under this contract. The Subcontractor shall comply with and be bound by any labor agreements executed by the Contractor or on Contractor's behalf.

13. Subcontractor is responsible for and shall bear the risk of loss for any damage to the Subcontractor's work, including but not limited to materials, supplies and equipment, and shall promptly replace all such damaged work, supplies or materials. Subcontractor shall guarantee its work to the same extent that Contractor is obliged to guarantee its work per all provisions of the contract documents, but in no event shall such guarantee be less than one year from the date of substantial completion. Subcontractor shall indemnify the Contractor, and defend and save it harmless from any liability for damage to the work, materials, supplies, equipment or property of Owner, Contractor or others on the project, if such damage is directly or indirectly caused, occasioned or contributed to, in whole or in part, any act or omission of Subcontractor or anyone acting under its direction, control or in its behalf in connection with or incident to the work.

14. Within five (5) days of award of the Subcontract and PRIOR TO COMMENCING WORK, Subcontractor agrees to obtain and continuously carry during the period this agreement remains in force, insurance as Contractor and Owner consider necessary for proper protection of the parties in form approved by the Contractor. See Insurance Addendum, attached.

15. At any time prior to or during the performance of its work, Subcontractor shall, within ten (10) days of demand by Contractor, furnish such financial statements and information requested by Contractor to assure Contractor that Subcontractor, in the sole discretion of Contractor, has the financial resources to complete the performance of its work in accordance with the contract documents. Contractor may terminate this Subcontract if it determines, in its sole discretion, that Subcontractor is or may become unable to perform its work in accordance with this Subcontract. Subcontractor shall also furnish evidence that all licenses and registrations are current. The failure of Subcontractor to furnish said documents shall entitle Contractor to terminate Subcontract. In the event of termination, Contractor and Subcontractor shall owe each other no further obligation.

16. No subletting, assignment or hypothecation of this Subcontract or any portion of the work, or any amount due or payable hereunder, may be made by Subcontractor without prior written consent of Contractor, and shall be void, if made without such consent. Any such assignment shall be subordinate to any and all liabilities and obligations of Subcontractor to Contractor under this Agreement.

17. Should one or more other contracts, now or hereafter exist between the parties hereto concerning this or any other construction project, then, in addition to all other available remedies, in the event of a failure of performance by Subcontractor of any of said contracts, the Contractor may at its option, terminate any or all of the contracts or may withhold monies due or to become due on any of such contracts and apply the same toward payment of any loss suffered on that or any other such contract.

18. By executing this Subcontract Subcontractor warrants that it has familiarized itself, or has been afforded the opportunity to do so, with all site conditions, the scope of work, and warrants that it is able to perform the work encompassed herein.

19. Before proceeding with the work under this Subcontract, Subcontractor will thoroughly field check all previous and surrounding work done by other trades and determine the correctness of that work. Failure by Subcontractor to detect or report discrepancies constitutes a waiver of any claims by Subcontractor against Contractor for the recovery of costs, expense or damage resulting therefrom.

20. Time is of the essence with respect to all terms and provisions of this Subcontract.

21. Payment: Subcontractor shall receive payments from Contractor only in amounts allowed to Contractor by Owner as on account of Subcontractor's work, and only to the extent of Subcontractor's interest therein, less any deductions or offsets which may be otherwise allowed to be deducted under this agreement or by law. In any event, no payment or retention or other compensation to Subcontractor for work hereunder shall be due to Subcontractor unless or until Contractor has received payment from Owner. Receipt of such payment from Owner shall constitute and is acknowledged by Subcontractor to be a condition precedent to Contractor's obligation to pay Subcontractor.

Prior to any payment, including retention, Contractor has the right to require Subcontractor to furnish Contractor and/or Owner with lien and claim releases, in forms acceptable to Contractor, releasing Owner, Contractor, Contractor's surety, architect or engineer, or others and land, underlying improvements, and all improvements from any and all claims, claim of lien, or claims on bonds or any other security or funds.

Payment Schedule: Subcontractor will submit to Contractor an original "Subcontractor Application for Payment" form as supplied by Contractor at such times as will enable Contractor to apply and obtain payment from Owner. Unless otherwise specified, the complete original and notarized Application for Payment and other required documentation must be received in the Contractor's office by the 25th of the month for payment the following month pursuant to the Subcontract terms. Unless otherwise specified, 10% retention will be withheld. Invoices received after the 25th will be processed in the following month's cycle and will be paid on the appropriate date with discounts taken, if applicable. The balance due the Subcontractor shall be paid 30 days after the final acceptance by Owner and final payment to Contractor by Owner, provided that Subcontractor as-built, guarantees, warranties and Subcontractor's documentation required by the Prime Contract have been received and accepted by Owner. No progress payment to Subcontractor shall be construed as approval or acceptance of the work done or materials furnished under this Subcontract. All prior progress payments are subject to correction in any subsequent payment. Subcontractor agrees that all payments of labor and materials for the project shall not be diverted elsewhere until all project creditors have been paid.

Release of retention by Contractor shall not be construed as a waiver of any future claims against Subcontractor arising out of Subcontractor's work.

22. At the request of Contractor and prior to making final payment to Subcontractor, Subcontractor will provide proof that all of the Subcontractor's laborers (including union trust funds), materialmen and suppliers have been paid and that all persons or entities entitled to make claim against the property or any improvements there of, or claims against the fund designated for the construction of the project, the Owner, retention or Contractor's surety, have been paid in full.

If for any reason, joint checks become necessary, Contractor will require Subcontractor and payee/creditor to enter into Contractor's Joint Check Agreement. A \$50.00 charge will be charged to Subcontractor's amount.

23. Subcontractor shall have full and exclusive liability for payment of any and all taxes, and contributions for unemployment insurance, retirement benefits, and life pensions and annuities which may now or hereafter be imposed by the United States, any state, municipality or any labor agreement to which Contractor is a party, whether measured by the wages, salaries or other form of remuneration paid to persons employed by Subcontractor, or on some other basis, in connection with the subcontract work.

24. Materials delivered by or on account of the Subcontractor and intended to be incorporated into the construction hereunder shall remain on the jobsite and shall not be removed without mutual consent; but, the Subcontractor may repossess himself of any surplus remaining at the completion of Subcontractor's contract. All scaffolding, apparatus, ways, works, machinery and plant brought upon the premises by the Subcontractor shall remain its property. But in case of inability to use the said scaffolding, apparatus, ways, works, machinery and plant without cost, or liability for depreciation or damage by use and without prejudice to Contractor's other rights or remedies for any damage or loss sustained by reason of said inability. It shall be the Subcontractor's responsibility to store and protect his materials and the Subcontractor shall bear the risk of loss and replacement.

25. Subcontractor acknowledges that a written Substance Abuse Policy is in effect for this project and is available for review at Subcontractor's request. Subcontractor agrees to be bound by all of the terms of said Policy. Subcontractor further acknowledges that said policy shall remain in effect until rescinded by written notice from Contractor. Subcontractor and its sub-tier subcontractors shall maintain a written Accident Prevention Plan.

Indemnification Addendum, executed as a separate page is hereby made part of this Subcontract.

In case of any litigation concerning this Subcontract, the prevailing party shall be entitled to all costs and attorney's fees.

Safety Addendum, executed as a separate page, is hereby made part of this Subcontract.

JOB SITE INFORMATION

OWNER INFORMATION

ARCHITECT INFORMATION



INDEMNIFICATION ADDENDUM

Subcontractor, at its sole cost and expense, agrees to defend, indemnify, and hold harmless Contractor from any and all claims, demands, losses, and liabilities to or by third parties arising from, resulting from, or connected with work performed or to be performed under this Subcontract by Subcontractor, its agents, employees and subtier subcontractors and suppliers of any tier, even though such claims may prove to be false, groundless or fraudulent, to the fullest extent permitted by law and subject to the limitations provided below. The indemnity and hold harmless obligations shall include all costs of defense including, without limitation, expert and consultant fees incurred by Contractor.

Subcontractor's duty to indemnify Contractor shall not apply to liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the sole negligence of Contractor or its agents or employees. Subcontractor's duty to indemnify Contractor for liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the concurrent negligence of (a) Contractor or its agents or employees, and (b) Subcontractor or its agents, employees and subtier subcontractors and suppliers of any tier shall apply only to the extent of negligence of Subcontractor, its agents, employees and subtier subcontractor and suppliers of any tier.

SUBCONTRACTOR SPECIFICALLY AND EXPRESSLY WAIVES ANY IMMUNITY THAT MAY BE GRANTED IT UNDER THE WASHINGTON STATE INDUSTRIAL INSURANCE ACT, TITLE 51, RCW. FURTHER, THE INDEMNIFICATION OBLIGATION UNDER THIS SUBCONTRACT SHALL NOT BE LIMITED IN ANY WAY BY ANY LIMITATION ON THE AMOUNT OR TYPE OF DAMAGES, COMPENSATION OR BENEFITS PAYABLE TO OR FOR ANY THIRD PARTY UNDER WORKERS' COMPENSATION ACTS, DISABILITY BENEFITS ACTS, OR OTHER EMPLOYEE BENEFITS ACTS; PROVIDED SUBCONTRACTOR'S WAIVER OF IMMUNITY BY THE PROVISIONS OF THIS PARAGRAPH EXTENDS ONLY TO CLAIMS AGAINST SUBCONTRACTOR BY CONTRACTOR, AND DOES NOT INCLUDE, OR EXTEND TO, ANY CLAIMS BY SUBCONTRACTOR'S EMPLOYEES DIRECTLY AGAINST SUBCONTRACTOR.

Subcontractor's duty to indemnify Contractor for liabilities or losses, other than for bodily injury to persons or damage to property caused by or resulting from negligence of Subcontractor, its agents, employees and subtier subcontractors and suppliers of any tier, shall apply only to the extent of the fault of Subcontractor, its agents, employees and subtier subcontractors or suppliers of any tier, except in situations where fault is not a requirement for liability in which case indemnity will be provided to the extent the liability or loss was caused by Subcontractor or its agents, employees, subtier subcontractors or suppliers of any tier.

Defense cost recovery shall include all fees (of attorneys and experts), and costs and expenses. In addition, Contractor shall be entitled to recover compensation for all of its in-house expenses (including materials and labor) consumed in its defense.

THE UNDERSIGNED CERTIFY THAT THIS INDEMNIFICATION PROVISION WAS MUTUALLY NEGOTIATED. SUBCONTRACTOR SPECIFICALLY AGREES AND ACKNOWLEDGES THAT THIS AGREEMENT OF INDEMNIFICATION AND HOLD HARMLESS TOGETHER WITH SUBCONTRACTOR'S WAIVER OF IMMUNITY UNDER RCW TITLE 51, WAS THE SUBJECT OF DISCUSSION AND NEGOTIATION BETWEEN SUBCONTRACTOR AND CONTRACTOR AND THAT SUBCONTRACTOR'S PROMISES AND WAIVER HEREIN ARE A PART OF THE CONSIDERATION FOR CONTRACTOR ENTERING INTO THIS SUBCONTRACT AND SUBCONTRACTOR'S OBLIGATIONS AND WAIVER HEREIN WERE CONSIDERED BY SUBCONTRACTOR WHEN ARRIVING AT A PRICE FOR WHICH SUBCONTRACTOR AGREED TO DO THE WORK CONTEMPLATED BY THE SUBCONTRACT.

Dated: 08/22/2011 _____

Contractor: Foushee & Associates Co., Inc. _____

By: _____

Dated: _____

SubContractor: _____

By: _____

Title: _____



SAFETY ADDENDUM

Subcontractor and its subtier subcontractors shall take all reasonably necessary safety precautions pertaining to their Work and Work performance, including compliance with applicable laws, ordinances, regulations and orders issued by a public authority, whether federal, state, local, OSHA/WISHA or other, and any safety measures requested by Contractor. Subcontractor shall at all times be responsible for providing a safe jobsite and be responsible for the Work performance and safety of all employees, personnel, equipment and materials within Subcontractor's or its subtier subcontractors' care, custody or control. Subcontractor and its subtier subcontractors shall furnish all required safety equipment for their Work and ensure all of their employees have and wear personal protective equipment in compliance with applicable OSHA/WISHA requirements and Contractor's safety rules. Subcontractor shall promptly provide Contractor with written notice of any safety hazard or violation found anywhere on the job site, and of any injury, which occurs on the job site.

Subcontractor certifies that it and its subtier subcontractors are registered contractors and maintain a written Accident Prevention Plan and a job site-specific safety plan in compliance with applicable OSHA regulations. Subcontractor's Accident Prevention Plan should address Subcontractor's role and responsibility pertaining to safety on the job site, training, and corrective action and be tailored to enforce a disciplinary action schedule in the event any safety violations are discovered, which should vary depending on the severity of the violations. When requested by Contractor, Subcontractor shall provide information regarding any and all safety matters to Contractor.

Contractor's supervision may direct Subcontractor's superintendent to remove employees not in compliance with the above. In the event Subcontractor does not promptly correct any safety violations Contractor may order Subcontractor to stop Work until the violation is corrected, and may correct the violation and charge all costs of compliance to Subcontractor.

Subcontractor agrees to defend, indemnify and hold Contractor harmless from all OSHA and/or WISHA claims, demands, proceedings, violations, penalties, assessments or fines that arise out of or relate to Subcontractor's failure to comply with any safety-related laws, ordinance, rules, regulations, orders, or obligations hereunder. Contractor may charge against the sums otherwise owing to Subcontractor the amount of the fines, fees, costs, and expenses incurred by Contractor due to claims, citations or fines assessed against Subcontractor or its subtier subcontractors.



INSURANCE ADDENDUM - REQUIRED INSURANCE COVERAGE

This contract requires that adequate insurance coverage be carried to protect the OWNER, CONTRACTOR and SUBCONTRACTOR from claims for damages because of bodily injury including death and/or property damage which may arise from and during operations under this Contract, whether such operations be by the CONTRACTOR, SUBCONTRACTOR, or anyone directly or indirectly employed by either of them and from claims under Worker's Compensation Acts.

The SUBCONTRACTOR shall not commence work under this Contract until insurance required hereunder has been obtained and Certificates of Insurance and the required Endorsements have been filed with CONTRACTOR. Except for Worker's Compensation and Professional Liability, the policies shall include and the certificate of insurance shall designate CONTRACTOR and OWNER as additional insureds, with coverage applying on a primary and non-contributory basis.

LIMITS and COVERAGES

Minimum limits required as follows:

- | | |
|---|-------------|
| 1.) Commercial General Liability | |
| (a) Combined single limit each occurrence | \$1,000,000 |
| (b) Products and completed operations aggregate | \$2,000,000 |
| (c) General Aggregate (per project) | \$2,000,000 |
| 2.) Automobile Bodily Injury and Property Damage Liability | |
| (a) Combined single limit each accident | \$1,000,000 |
| 3.) Contractor's Pollution Liability (including "mold") | \$1,000,000 |
| (Required if subcontract includes any remediation of pollutants/ hazardous substances OR mechanical work) | |
| 4.) Worker's Compensation | STATUTORY |
| Employers Liability or Stop Gap | \$1,000,000 |
| 5.) Architects & Engineers/ Contractors Professional Liability | \$1,000,000 |
| (Required if subcontract includes any design or design/ build work) | |
| 6.) Excess or Umbrella Liability | |
| (a) Bodily Injury and Property Damage per Occurrence | \$1,000,000 |
| (b) Bodily Injury and Property Damage Aggregate | \$1,000,000 |

Commercial General Liability

Commercial General Liability coverage will be written on an industry standard ISO Commercial General Liability Occurrence form (CG 00 01) and shall include the following coverage extensions:

Per Project Aggregate (CG 25 03)

Additional Insured (CG 20 10 11 85) **OR**;
Additional Insured (CG 20 10 10 93 or later) **AND** Additional Insured (CG 20 37 07 04) **OR**;
A Blanket Additional Insured form that provides additional insured status for both ongoing and completed operations.

The requirement to add CONTRACTOR and OWNER as additional insured specifically includes completed operations for the period coverage is required to be in force under this subcontract. The policy and/or endorsement shall contain no special limitations on the scope of protection afforded to the additional insureds and all endorsements are subject to CONTRACTOR's approval.

Subcontractor's commercial general liability insurance shall be primary as respects CONTRACTOR and OWNER, and any other insurance maintained by CONTRACTOR and OWNER shall be excess and not contributing insurance with SUBCONTRACTOR's insurance. All non-standard coverage exclusions or limitations must be disclosed on the certificate including, but not limited to "mold", professional liability, residential construction, broad form property damage limitations, or any other exclusion or limitation not included within the standard ISO policy form.

Automobile Liability

Subcontractor's Auto Liability insurance shall be written on an industry standard Business Auto Liability policy form (CA 00 01). Coverage will include owned, non-owned and hired automobiles.

Contractors Pollution Liability

Coverage will include "mold" as defined pollutant if covering mechanical work.

Workers Compensation and Employers Liability

Subcontractor's Worker's Compensation insurance shall be written on an industry standard Worker's Compensation and Employer's Liability policy form (WC 00 00 00). Where applicable, Subcontractor shall furnish United States Longshoremen's and Harbor Worker's Act Insurance at statutory limits including coverage B-Employers Liability (maritime) with limits not less than required by the main contract but in no event less \$1,000,000. In monopolistic states coverage shall be confirmed through the applicable state agency as being in-force, or that the SUBCONTRACTOR is approved as self-insured employer by the state. In the case of any self insured employer, the waiver of subrogation shall apply as respects any excess coverage that may be in force along with any claims within any self insured retention.

Architect & Engineering/ Contractors Professional Liability

Coverage will include professional services performed by or on behalf of the SUBCONTRACTOR. Any definition of covered professional services will be broad enough in scope to include all services performed by SUBCONTRACTOR under this agreement.

Property Insurance

Subcontractor shall provide insurance against any losses that may occur to SUBCONTRACTOR's tools and equipment whether owned or leased, brought onto the project premises. The Subcontractor shall waive all rights of subrogation against Contractor and Owner for losses covered by Insurance policy. The waiver shall also apply to any deductibles assumed by the subcontractor.

ADDITIONAL INSURANCE REQUIREMENTS

All insurance carriers shall maintain a minimum "Best Rating" of A-VII and otherwise be acceptable to CONTRACTOR.

Limit requirements can be met through a combination of "primary" and umbrella" or "excess" policies

All deductibles or self-insured retentions (SIR) shall not be in excess of \$25,000. All deductibles or SIRs, regardless of size will remain the responsibility of SUBCONTRACTOR. Certificate shall include a 45 day notice of cancellation and delete the language "endeavor to" and "but failure to mail such notice shall impose no obligation or liability upon the company, it's agents or representatives". Notice of cancellation or reduction in coverage of insurance contracts shall be furnished by the insurance carrier to Attn: Accounting Department

Liability policies furnished by SUBCONTRACTOR shall be primary to other liability policies which may be carried by CONTRACTOR and/or OWNER. Coverages maintained by CONTRACTOR and/or OWNER shall be excess and not contribute with policies of SUBCONTRACTOR.

SUBCONTRACTOR shall maintain all insurance required under this article for a period of twenty-four months following completion of Subcontractor's work. Completed operations insurance (including CONTRACTOR AND OWNER as additional insured), Contractors Pollution Liability (if required) and Professional Liability (if required) must be maintained for not less than the time period defined in the statute of repose for the state where the project is located.

All of SUBCONTRACTOR's insurance policies (with the exception of coverage provided by the state agencies that specifically do not allow it), regardless of whether they are required specifically hereunder or not, shall by appropriate language exclude any claim on the part of the insurer to be subrogated on payment of loss or otherwise to any claim against CONTRACTOR or OWNER. SUBCONTRACTOR hereby waives any right or claim to be subrogated on payment of loss or otherwise to any claim against CONTRACTOR or OWNER and further waives any right against CONTRACTOR or OWNER for damages caused by fire or other perils to the extent covered by property insurance maintained by CONTRACTOR or OWNER pursuant to the Contract documents, except such right as SUBCONTRACTOR may have to the proceeds of such insurance held by CONTRACTOR or OWNER as Trustee.



Subcontractor Closeout Materials and Warranty Letter

Closeout Materials Requirements:

- Foushée and Associates, Inc. requires, as part of contract completion, one original paper copy of all final product information; one copy of all final submittal drawings, one original warranty letter, any original product warranties, and final as-built drawings. All information is to be first hand (no faxed or copied material). The information shall also be free from any binding marks such as hole punches, staples, binder marks, etc.
- Foushée and Associates, Inc. will also require one electronic copy on a CD of the information outlined above. This information will be placed into one PDF file and should match the following outline in succession.

- Subcontractor Warranty Letter
- Product Information
- Submittal Information
- As-Built Drawings

-Electronic documents must be created with Adobe Acrobat 5.x. MS Office documents such as MS Word (.doc) or MS Excel (.xls) are also acceptable.

-As-built drawings should be submitted in AutoCAD format (.dwg) and PDF (.pdf).

-Adobe Acrobat PDF files must be saved in such a way so as to be displayed at 100% size upon opening the file.

Warranty Letter:

Subcontractor: _____

Project: _____

Job Number: _____

The undersigned subcontractor does hereby warrant all materials, labor and supplies for a minimum period of one year (or longer as required by all provisions of the contract documents) for the above referenced project from the date of substantial completion. All work and materials are per project contract documents. Any defects or deficiencies that occur within the warranty period will be repaired or replaced, as needed and in a prompt manner, at no cost to Foushée and Associates or the Owner.

Dated: _____

Subcontractor Signature: _____

Subcontractor Title: _____



PAYMENT POLICY

PROGRESS PAYMENTS

Please note that payment will be made only if all of the following criteria are met:

- Subcontractor Pay Application (or vendor company invoice for Purchase Orders) is received in Foushee's office on time.
 - 25th for both Subcontractors & Purchase Orders

Do not fax Subcontractor Application for Payment (or invoice).

- Subcontractor Pay Application must be on Foushee form
 - Signed by an officer and notarized
 - Must have Foushee job number on it
 - Must have signed/notarized Conditional Waiver of Lien attached
- Signed Subcontract and up to date Subcontractor's Insurance Certificates must be on file in Foushee's office.

Payment dates:

- Discounts - postmarked on the 10th
 - All others - postmarked on or about the 25th
- All checks for Progress Payments will be mailed.

RETENTION (Subcontracts only)

Retention check runs are processed monthly on or about the 25th.

When we receive retention from the owner, we produce checks on the next available retention run.

Unconditional final lien waivers will be faxed to you. You can either exchange the lien waiver for the check in person or we will mail the retention check upon receipt of the signed and notarized original waiver.

It is not necessary to invoice us for retention.

To: Foushee and Associates Co., Inc.

From: _____ Phone #: _____

Project Number and Name: _____

Payment Request No: _____ Invoice #: _____

Period: _____, 20____ to _____, 20____.

STATEMENT OF CONTRACT ACCOUNT:

| | | |
|-----|---|-------------|
| 1. | Original Contract Amount | \$ _____ |
| 2. | Approved Changes: <input type="checkbox"/> Net <input type="checkbox"/> Add/Deduct <input type="checkbox"/> As per attached breakdown | \$ _____ |
| 3. | Adjusted Contract Amount | \$ _____ |
| 4. | Value of Work Completed to Date: | \$ _____ |
| 5. | Value of Approved Change Orders Completed to Date: | \$ _____ |
| 6. | Materials Stored on Site: | \$ _____ |
| 7. | Total (lines 4+5+6) | \$ _____ |
| 8. | Less Amount Previously Billed | \$(_____) |
| 9. | Amount This Application | \$ _____ |
| 10. | Less Retainage (_____ %) | \$(_____) |
| 11. | Amount of this Request: | \$ _____ |

CONDITIONAL WAIVER AND RELEASE UPON PROGRESS PAYMENT

Upon receipt by the undersigned of a check from Foushee & Associates Inc., in the amount of \$ _____, Payable to _____, when the check has been paid by the bank or other institution upon which it is drawn, this document shall become effective to waive and release any Mechanic's or Materialmen's Lien, equitable line, stop notice, bond or retainage claim right, the undersigned has on the project owned by _____ Known as the _____ located at _____, for labor, services, equipment or material furnished to Foushee & Associates Company, Inc. through the date of _____, PROVIDED, however, that this waiver and release shall not be effective as to retainage or other payments under the undersigned's contract which are not currently due and payable to the undersigned.

Nothing herein shall be construed to waive or release any such rights which may accrue to the benefit of the undersigned for labor, services, equipment or material furnished to the above project subsequent to said date or for compensation due to the undersigned for the following items which are in dispute:

In consideration of this progress payment, the undersigned hereby indemnifies and agrees to hold Foushee & Associates Company, Inc. and the Owner (see above) harmless from any claim, cause of action or liability, including but not limited to costs, expenses, arbitration fees, interest and reasonable attorney's fees, arising from any claims hereafter made on account of labor, services, equipment or material covered by this progress payment.

Before any recipient of this document relies upon it, the recipient should verify that the payor bank honored the foregoing payment check.

NOTARY SEAL

Date: _____

Subscribed and sworn before me this _____ day of _____

20____

Notary Public: _____

My Commission Expires: _____

FINAL WAIVER OF LIEN AND RELEASE UPON FINAL PAYMENT

To: Owner(s) of the premises located at _____
_____ Known as _____
Foushee & Associates Company, Inc., prime contractor; and to whom it may concern:

The undersigned _____ having entered into a contract as detailed below hereby provides the following final waiver and release.

| | |
|---------------------------------|----------|
| Original Contract | \$ _____ |
| Total Change Orders | \$ _____ |
| Final Contract Total | \$ _____ |
| Value of Work Completed To Date | \$ _____ |
| Payments Made To Date | \$ _____ |
| Payment Due | \$ _____ |

The undersigned has been paid in full for all labor, services, equipment or material furnished to the above referenced location and does hereby waive and release any mechanic's lien, stop notice or bond right and all causes of action for breach of contract, express or implied, that the undersigned has on the above referenced project.

The undersigned further warrants and represents that is has paid all employees (wages and benefits) for work performed on this project, and if it has furnished materials, that it has paid all material suppliers in connection with this project. The undersigned realizes that the Owner, prime contractor, construction lender and surety, if any, rely upon these representations in making this payment. The undersigned agrees to indemnify and hold each of the foregoing parties harmless from any and all claims or liens lodged against this project arising out of the undersigned's furnishing of labor, material or equipment through the date hereof.

Subcontractor: _____

By: (Authorized Corporate Officer/Partner/Owner) _____

Title: _____

