

ADDENDA 2 ARTICLE 1 - THE SUBCONTRACT DOCUMENTS

1.1 The Subcontract Documents consist of (1) this Subcontract; (2) the Agreement between the Owner and Contractor and the Contract Documents enumerated therein (collectively referred to as "Prime Contract"); and (3) Modifications to this Subcontract issued after execution of this Agreement. These form the Subcontract, and are as fully a part of this Subcontract as if repeated herein. The Subcontract represents the entire and integrated agreement and supersedes all prior negotiations, representations or agreements, either written or oral.

1.2 Contractor makes no representation or warranty to Subcontractor concerning the acceptability, accuracy or completeness of the Subcontract Documents or other information and data prepared by persons other than Contractor and shall have no liability to Subcontractor with respect to any patent or latent defects, deficiencies, errors and omissions therein. Subcontractor acknowledges that it has had an adequate opportunity to review and/or obtain copies of all existing Subcontract Documents and that it shall not be excused from any provisions therein due to any lack of knowledge or understanding of the existence or contents thereof at the time of executing this Subcontract.

1.3 Subcontractor shall assume toward Contractor all obligations and responsibilities which Contractor, under the Prime Contract, assumes toward Owner and to any other persons, and Contractor shall have the benefit of all rights, remedies and redress against Subcontractor which Owner, under the Prime Contract, has against Contractor.

1.4 The Subcontract Documents shall be deemed to include and require all items and aspects of labor, material, equipment, services and transportation incidental to or necessary for the proper and efficient execution and completion of the Work as it relates to the Project. The Subcontract Documents are complementary, and what is required by any one shall be as binding as if required by all. Work not specifically covered in the Subcontract Documents or which is subject to question and interpretation because of conflicts, duplications or ambiguities may, at Contractor's option, be required of Subcontractor if it is consistent therewith and is reasonably inferable therefrom as being necessary to produce the results intended by this Subcontract.

1.5 The minimum quality and fitness of products and workmanship shall be based on the requirements that all Work shall conform with the quality levels established by the Subcontract Documents and any decisions as to the acceptability of products or workmanship shall rest with Contractor and such other parties as provided by the Subcontract Documents. What is or has been usual or customary in a given trade or on other projects shall not limit, qualify or reduce the standards of quality, fitness and/or performance of products and workmanship established by or inferable from the Contract Documents

ARTICLE 2 - GENERAL OBLIGATIONS

2.1 Subcontractor shall (a) cooperate with Contractor in scheduling and performing the Subcontractor's Work to avoid conflict, delay in or interference with the Work of Contractor, other subcontractors or Owner's own forces; (b) cooperate with Contractor, other subcontractors and Owner's own forces whose Work might interfere with the Subcontractor's Work; and (c) advise Contractor of actual or potential conflicts between the Work of the

Subcontractor and that of Contractor, other subcontractors or Owner's own forces.

2.2 Subcontractor shall submit shop drawings, product data, samples and similar submittals required by the Subcontract Documents with reasonable promptness and in such sequence as to cause no delay in the Work or in the activities of Contractor or other subcontractors.

2.3 If Subcontractor shall make changes in design, including dimensional changes, either through shop drawings or actual fieldwork, it shall accept all responsibility for the structural and functional adequacy of such changes and their acceptance by Owner, Architect or Engineer. Subcontractor shall remedy any structural or functional inadequacies, which may develop because of such changes in spite of any approvals given by Owner, Architect or Engineer unless such change is specifically included in a change order provided for in Article 3. In addition, the costs of additional work, redoing or repairing work incurred by other trades or by Contractor resulting from such changes shall be borne by Subcontractor.

2.4 Subcontractor shall at all times supply adequate tools, appliances and equipment, a sufficient number of properly skilled workmen and a sufficient amount of materials and supplies of proper quality to efficiently and promptly prosecute the Work. Subcontractor shall promptly pay for all material purchased, shall pay required fringe benefits and shall pay all workmen each week, and, if requested by Contractor, obtain and furnish Contractor weekly with payroll verified by affidavit.

2.5 Subcontractor shall maintain adequate experienced and cooperative supervisory personnel acceptable and satisfactory to Contractor at the Work site at all times. If requested by Contractor, Subcontractor shall provide a full-time, on-site job manager or superintendent for the Project who shall be duly authorized to act for and on behalf of Subcontractor in all matters pertaining to the Project and said manager or superintendent shall attend all job-site meetings regarding the Project.

2.6 Subcontractor, in consideration of Contractor making this Subcontract, agrees that no stop work notices, mechanic's liens or claims, or any statutory claim notices to Owner shall be filed against the Project or premises or any interests therein, or against any fund or money due or to become due from Owner to Contractor for or on account of any work, materials, or other items performed or furnished in connection with the Work, whether by Subcontractor or others acting for, through or under Subcontractor. In the event that such waiver is prohibited by law, such notice, lien or claims shall not be filed or issued until and unless, as a contractual precondition to the right to proceed with such action, Subcontractor first furnishes written notice to Contractor of its nonpayment and the basis for and amount of such claim within five (5) days from the date that such claim first arises. Should Subcontractor fail to furnish such notice to Contractor, or fail to furnish it in a timely manner, Subcontractor's right to proceed to exercise such statutory remedies as may be provided to Subcontractor shall be barred. In the event that such waiver is not prohibited by law, then Subcontractor hereby expressly and unconditionally waives and releases any and all such rights and remedies to file such notices, liens and claims, and agrees that this waiver and release shall be an independent covenant and shall apply as well to work performed and materials furnished under a

change order or supplemental agreement for extra or additional work.

2.7 Subcontractor will save and keep the Project structures and improvements, the real estate within which the Project is situated, the interests of Owner and all other persons in such Project and real estate, and the contract proceeds or other moneys now due or hereafter to become due and payable by Owner to Contractor, free and clear from all third party mechanic's and other liens and from any claims against the contract proceeds or to establish the personal liability of Owner or Contractor by reason of the Work or any labor, materials or other things used therein. If Subcontractor fails to remove any lien or claim against Owner or the contract proceeds by any of its subcontractors, material suppliers or others for whom it is responsible, by bonding or otherwise as directed by Contractor, and within the time period required by Contractor, then Contractor may retain sufficient funds out of any money due or thereafter to become due by Contractor to Subcontractor to pay the same and all costs incurred by reason thereof and may pay or bond said lien and costs out of any funds at any time in the hands of Contractor and otherwise owing to Subcontractor.

2.8 Subcontractor shall (a) take necessary precautions to protect properly the Work of other subcontractors from damage caused by operations under this Subcontract; (b) take reasonable safety precautions with respect to performance of this Subcontract; (c) comply with safety measures initiated by the Contractor and with applicable laws, ordinances, rules, regulations and orders of public authorities for the safety of persons or property in accordance with the requirements of the Prime Contract; and (d) immediately report to the Contractor any injury to an employee or agent of the Subcontractor which occurs at the site.

2.9 Subcontractor shall secure and pay for permits and governmental fees, licenses and inspections necessary for proper execution and completion of the Subcontractor's Work.

2.10 Subcontractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations performed under this Subcontract.

2.11 Subcontractor warrants to Owner, Architect and Contractor that materials and equipment furnished under this Subcontract will be of good quality and new unless otherwise required or permitted by the Subcontract Documents, that the Work of this Subcontract will be free from defects not inherent in the quality required or permitted, and that the Work will conform with the requirements of the Subcontract Documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. This warranty shall be in addition to and not in limitation of any other warranty or remedy required by law or by the Subcontract Documents.

2.12 Subcontractor shall, at its sole expense, promptly and properly repair, replace or otherwise correct any Work that is (i) rejected by Owner, Contractor or Architect, or (ii) known, observed or discovered at any time by Subcontractor, Contractor, Owner or Architect to be defective or failing to conform to the Subcontract Documents and shall pay Contractor for all expenses incurred in any delay caused by remedying defective or otherwise nonconforming Work.

2.13 If within one year after final completion and acceptance of the Project, or such longer period as established with respect to

Contractor's obligations under the Subcontract Documents, the Work or any portion thereof is found to be not in accordance with the requirements of the Subcontract Documents, Subcontractor shall correct it promptly after receipt of written notice from Contractor to do so. The period within which Subcontractor shall be obligated to correct Work shall be extended with respect to portions of Work, including corrective work, first performed after final completion and acceptance of the Project. Subcontractor's obligations under this Paragraph shall survive completion and acceptance of the Work and Project and termination of this Subcontract.

2.14 To the fullest extent permitted by law, the Subcontractor shall indemnify, defend and hold harmless the Owner, Contractor, Architect, Architect's consultants, and agents and employees of any of them from and against claims, damages, losses and expenses, including but not limited to attorney's fees, arising out of or resulting from performance of Subcontractor's Work, or the use of any products, materials, machinery or equipment furnished by Subcontractor, and caused in whole or in part by any negligent act or omission or non-performance hereunder by Subcontractor or anyone directly or indirectly employed by him or anyone for whose acts he may be liable, regardless of whether it is caused in part by any negligent act or omission of a party indemnified hereunder. Without limiting the scope of the foregoing, Subcontractor's obligations under this Paragraph shall include, but not be limited to, claims, damages and expenses attributable to (a) bodily injury, sickness, disease, or death, (b) patent or other intellectual property infringement, (c) injury to or destruction of tangible property, including the loss of use resulting therefrom, and (d) actual or alleged violations of laws or regulations governing safety or environmental hazards or toxic substances. Subcontractor's obligations under this Paragraph shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Subcontractor under worker's compensation acts, disability benefit acts or other employee benefit acts.

2.15 In any instance whereby Contractor is entitled under this Subcontract to be indemnified by or recover any moneys from Subcontractor, Contractor shall be entitled, in addition, to recover from Subcontractor (i) interest on any sums due from Subcontractor at the rate of eight percent (8%) per annum from the date due until paid, notwithstanding any dispute or uncertainty concerning the means or standards by which the amount of monetary recovery is to be ascertained, (ii) attorney fees incurred by Contractor for all investigation, negotiation, litigation, arbitration and advisory services performed, and (iii) all court costs, fees paid to experts, arbitration fees and like expenses.

2.16 Subcontractor shall not assign the Work of this Subcontract without the written consent of Contractor, nor subcontract the whole of this Subcontract without the written consent of Contractor, nor further subcontract portions of this Subcontract without written notification to Contractor when such notification is requested by Contractor.

ARTICLE 3 - CHANGES IN THE WORK AND CLAIMS

3.1 Subcontractor's Work may at any time be modified in any respect by changes, additions or deletions directed by or on behalf of Owner or Contractor, and the Subcontract Sum and the Subcontract Time may be adjusted accordingly, by written change order or change directive, as applicable, in accordance with the Subcontract Documents.

3.2 No alterations, increases or decreases shall be made in the Work as shown or described by the Subcontract Documents except as specifically authorized or directed by a written order signed by a duly authorized representative of Contractor. Subcontractor shall have no claim for additional, extra or changed Work unless such Work is undertaken pursuant to such written signed order. Any Work performed without such written order will be at Subcontractor's sole risk and expense.

3.3 Subcontractor shall make claims promptly to Contractor for additional costs, damages and extensions of time in accordance with the Subcontract Documents. A claim which will affect or become part of a claim which Contractor is required to make under the Prime Contract within a specified time period or in a specified manner shall be made in sufficient time to permit Contractor to satisfy the requirements of the Prime Contract. Such claims shall be submitted to Contractor not less than five working days preceding the time by which Contractor's claim must be made. Failure of Subcontractor to make such a timely claim shall bind Subcontractor to the same consequences as those to which Contractor is bound.

3.4 If Owner, Contractor or Architect disputes the validity or amount of a change proposal or claim submitted by Subcontractor or if a dispute exists between Subcontractor and Contractor concerning whether the Work entitles Subcontractor to additional compensation but Contractor nevertheless directs Subcontractor to proceed with the disputed work, Subcontractor shall promptly commence, prosecute and complete such Work pending resolution of the dispute.

3.5 Only representatives designated by Contractor in writing shall have the authority on behalf of Contractor to make economic decisions affecting Subcontractor, to direct the actions of Subcontractor, to authorize changes in Subcontractor's Work and to issue Change Orders or otherwise modify the terms of this Subcontract. Contractor may rely on the authority of any on-site or off-site managerial or supervisory employee or officer of the Subcontractor to bind the Subcontractor concerning such matters.

3.6 Amounts payable to Subcontractor with respect to any type or nature of claims arising under this Subcontract shall not include any actual or alleged consequential damages or other indirect or impact costs, including but not limited to, labor inefficiencies, extended or unabsorbed office overhead, loss of use, lost profits or income, financing losses, lost business opportunities and injury to reputation.

ARTICLE 4 – DISPUTES AND ARBITRATION

4.1 Any decision or determination under the Subcontract Documents that in any manner and by whatever means becomes binding upon Contractor shall also become equally binding upon Subcontractor insofar as it relates to or affects Subcontractor's Work or other obligations assumed or to be fulfilled by Subcontractor, including without limitation any amounts and payments to which Subcontractor may be entitled or for which Subcontractor may be liable. Any award, judgment or agreement in settlement of a dispute concerning such matters and resulting from arbitration, litigation or negotiations in which Contractor is a party or participant shall be as binding upon Subcontractor and its Surety as though Subcontractor and its Surety were named and joined in such proceeding, provided that Subcontractor has been given a reasonable opportunity to join, participate, assist or provide

supporting evidence in the presentation of any claim, defense or other issue in controversy that is settled or resolved thereby.

4.2 Any controversy or claim between Contractor and Subcontractor arising out of or related to this Subcontract, or the breach thereof, shall be settled by arbitration, which shall be conducted in the same manner and under the same procedure as provided in the Prime Contract with respect to claims between Owner and Contractor, except that a decision by Architect shall not be a condition precedent to arbitration. If the Prime Contract does not provide for arbitration or fails to specify the manner and procedure for arbitration, it shall be conducted in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association currently in effect unless the parties mutually agree otherwise. Venue for such arbitration shall be in Howell Michigan and the laws of the State of Michigan shall govern the proceedings. The arbitrator may not vary or disregard the terms of this Purchase Order.

4.3 This agreement to arbitrate shall be specifically enforceable in any court having jurisdiction thereof, and any arbitration award shall be final, and judgment may be entered upon it in accordance with applicable law in any such court.

ARTICLE 5 - DEFAULT AND TERMINATION

5.1 If Subcontractor defaults, fails or neglects to carry out the Work in accordance with this Subcontract and fails within 48 hours after receipt of written notice from Contractor to commence and correct such default, failure or neglect with diligence and promptness, Contractor may, without prejudice to any other remedy Contractor may have, make good such deficiencies and may deduct the cost thereof, including an allowance of 20% for overhead and profit, from the payments then or thereafter due Subcontractor.

5.2 If Subcontractor defaults, fails or neglects to supply an adequate quality or quantity of workers, supervision, materials, equipment, services or facilities, or fails in any respect to prosecute the Subcontractor's Work with promptness, diligence and in accordance with the Subcontract Documents, or fails to perform and fulfill any other obligations arising thereunder and fails within 48 hours after receipt of written notice to commence and correct such default, failure or neglect with diligence and promptness, Contractor may, and without prejudice to any other remedy Contractor may have, terminate the Subcontract and finish Subcontractor's Work by whatever method Contractor may deem expedient.

5.3 In the event that Contractor shall elect to proceed as provided under Paragraph 5.2 hereof, Subcontractor shall not be entitled to receive any payment under the Subcontract which might otherwise be due it until the Work shall be finished and payment in full therefor shall be made by Owner to Contractor, at which time, if the unpaid balance of the amount to be paid under this Subcontract shall exceed the expenses incurred by Contractor in completing and correcting Subcontractor's Work, plus any costs and damages sustained by Contractor by reason of such failure or lack of performance by Subcontractor, including but not limited to delay damages, attorney fees, costs of administration, and an allowance of 20% for overhead and profit, such excess shall be paid by Contractor to Subcontractor, but if such expense plus costs and damages shall exceed such unpaid balance, Subcontractor and its surety shall be liable to Contractor for such deficiency. A determination of default made by Contractor in good faith under the belief that a default exists under the terms hereof, shall be

conclusive on the fact of such default and on Contractor's right to proceed as herein provided.

5.4 Contractor may, at any time, terminate the Subcontract for Contractor's convenience and without cause. Upon receipt of written notice from Contractor of such termination Subcontractor shall (a) cease operations as directed by Contractor in the notice; (b) take actions necessary, or that Contractor may direct, for the protection and preservation of the Work; and (c) except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing sub-subcontracts and purchase orders. In case of such termination for convenience, the Subcontractor shall be entitled to receive payment for Work executed, and costs incurred by reason of such termination, but shall not be entitled to any compensation with respect to the Work not executed. Recovery by Subcontractor of lost anticipated profit, overhead, or other direct, indirect or consequential damages relating to portions of Work not performed under the uncompleted portions of the Subcontract is hereby specifically excluded. The payment provided by this Paragraph shall constitute Subcontractor's exclusive remedy in the event of such termination.

ARTICLE 6 - COMMENCEMENT AND COMPLETION

6.1 Unless otherwise specified in this Agreement, the date of commencement of Subcontractor's Work shall be the date of this Agreement, as first written above, unless provision is made for the date to be fixed in a notice to proceed issued by Contractor.

6.2 The Work of this Subcontract shall be performed and completed in accordance with the Schedule Requirements stated on Page 1, and Contractor's schedules, subject to adjustments of this Subcontract Time as provided in the Subcontract Documents, it being understood and agreed that time is of the essence of this Subcontract and any breach of same shall go to the essence thereof.

6.3 Subcontractor, in agreeing to complete the Work within the times and sequences herein mentioned, has taken into consideration and made allowances for all hindrances, delays and adverse working conditions which are or may be incident to its Work. Subcontractor acknowledges and agrees that the times allotted by the Subcontract for the performance and completion of the Work are reasonable and take into account the risks and adverse conditions assumed by Subcontractor hereunder. If, in the opinion of Contractor, Subcontractor is behind schedule in its Work or is failing, without cause, to maintain progress of its Work to conform to the general progress of all work for the Project, Subcontractor shall, at its own expense, perform such overtime work, use extra labor, and undertake all other means necessary to bring its Work back on schedule.

6.4 If Subcontractor is responsible for any delay in the prosecution or completion of any Work or causes a disruption of any time, sequence or scheduled work activity of Contractor, Owner, other subcontractors or third parties, Subcontractor shall pay Contractor for all costs and damages suffered by Contractor as a result of such delay or disruption including, without limitation, any actual or liquidated damages assessed against Contractor by the Owner. In the event that any such delay or disruption is caused by the concurrent acts, omissions or neglect of Contractor, other subcontractors or third parties, Subcontractor agrees to pay Contractor a proportionate share of damages suffered, incurred by or assessed against Contractor, including assessed liquidated damages, as allocated by Contractor, in good faith, between and among Subcontractor and other responsible parties. Such sums

may be deducted by Contractor from any unpaid portion of the Subcontract Amount, and without limiting the option of Contractor to terminate this Subcontract for default as herein elsewhere provided.

6.5 In the event Subcontractor's performance of the Work is delayed, suspended, hindered or disrupted for any period of time by individual or cumulative acts or omissions of or interference by Owner, Contractor, Architect, other subcontractors or third parties or due to fire or other casualty, or on account of riots or of strikes, or other combined action of workmen or others, or on account of any acts of God, or any other cause whether or not within the Owner's or Contractor's control, Subcontractor may request an extension of time for performance of the Work; provided, that the extension of time granted to Subcontractor shall not under any circumstances exceed the extension of time granted to Contractor therefor. The right to such time extension shall be Subcontractor's sole and exclusive remedy and accordingly, Subcontractor shall not be entitled to claim or recover any increase in the Subcontract Amount or damages or additional compensation of any type whatsoever as a consequence of any such delays, suspensions, hindrances or disturbances, whether or not contemplated by the parties and regardless of the severity or duration thereof. Subcontractor hereby assumes the risk of all suspensions of, delays in, or hindrances to the performance of the Work, regardless of the length thereof, arising from any and all causes whatsoever, including, without limitation, those causes listed above or on account of any circumstances caused or contributed to by Subcontractor.

ARTICLE 7 - TERMS OF PAYMENT

7.1 Contractor shall make monthly progress payments of the Subcontract Sum to Subcontractor as provided below and elsewhere in the Subcontract Documents, based upon applications for payment submitted to Contractor by Subcontractor, corresponding to Applications for Payment submitted by Contractor to Architect, and Certificates for Payment issued by Architect. Contractor shall pay Subcontractor each progress payment within seven working days after Contractor receives payment from Owner.

7.2 Each application for payment shall be based upon the most recent approved schedule of values submitted by Subcontractor in accordance with the Subcontract Documents. The schedule of values shall allocate the entire Subcontract Sum among the various portions of Subcontractor's Work and be prepared in such form and supported by such data to substantiate its accuracy as Contractor may require. Applications for payment submitted by the Subcontractor shall indicate the percentage of completion of each portion of Subcontractor's Work as of the end of the period covered by the application for payment.

7.3 Payments shall not become due to Subcontractor unless and until Contractor receives payment for such Work from Owner and the amount due shall not exceed the amount actually received by Contractor as applicable to Subcontractor's Work; otherwise the time when such payments shall be due Subcontractor shall be postponed until Contractor has received same from Owner. Such receipt of payment by Contractor is intended as a condition precedent to Contractor's duty to pay Subcontractor and Subcontractor accepts such risk. Subcontractor expressly contemplates that payments to it are contingent upon Contractor receiving payment from Owner, and Subcontractor expressly agrees to accept the risk that it will not be paid for work performed by it in

the event that Contractor, for whatever reason, is not paid by Owner for such work. Subcontractor relies primarily for payment for work performed on the credit and ability of Owner, and not Contractor, and Subcontractor agrees that payment by Owner to Contractor for work performed by Subcontractor shall be a condition precedent to any payment obligation of Contractor to Subcontractor.

7.4 Subcontractor shall pay for all materials, machinery, equipment and labor used in, or in connection with, the performance of this Subcontract through the period covered by previous payments received from Contractor, and no interim or final payments shall become due until Subcontractor has furnished affidavits, waivers, releases, certificates, or other evidence, in substance and form satisfactory to Contractor, to establish Subcontractor's payment to or discharge of claims and liens in respect of such materials, machinery, equipment and labor, and any other documents or evidence required by the Subcontract Documents in a form acceptable to Contractor. Such receipts and evidence shall be a condition precedent to any right or claim Subcontractor may have for payment for any work done under the Subcontract.

7.5 If, at any time Contractor, in its sole discretion, determines that Subcontractor's financial condition has become, in Contractor's opinion, unsatisfactory, Subcontractor shall furnish adequate financial security or other equivalent proof of ability to perform, satisfactory to Contractor, within five (5) days after receipt of written notice. Failure to provide the security or proof requested hereunder may be treated by Contractor as a breach or default under Article 5 of this Subcontract.

7.6 Subcontractor agrees that moneys received for the performance of the Work hereunder shall be held in trust for payment for labor and material utilized in performing Subcontractor's Work, and said moneys received in payment by Contractor to Subcontractor shall not be diverted to satisfy any other obligations of Subcontractor on work other than this project and under the Subcontract.

7.7 Payments otherwise due to Subcontractor may be withheld by Contractor upon the existence or reasonable belief of Contractor concerning the existence or probability of (i) uncorrected defective or non-conforming Work, (ii) claims or liens filed or reasonable evidence indicating the probability of the filing of claims, (iii) Subcontractor's failure or neglect to make payments properly due to its sub-subcontractors or for materials, machinery, fuel or labor, or applicable taxes, fees and fringe benefits, (iv) reasonable doubt that the Subcontract can be completed for the balance then unpaid, (v) any other breach of this Subcontract or (vi) any other conditions specified as grounds for such withholding by the Contract Documents. If the said causes are not removed, Contractor may, upon written notice, rectify the same at Subcontractor's expense and may make direct disbursement to unpaid subcontractors, material suppliers and other claimants from payments withheld; the right of Contractor to make such direct payment shall not be construed to create a duty to do so. Contractor may offset and recoup against any sums due Subcontractor the amount of any liquidated or un-liquidated obligations of Subcontractor to Contractor, whether or not arising out of this Subcontract.

7.8 Notwithstanding any other provision for interest in the Prime Contract or Subcontract Documents, Contractor shall not

pay any interest, finance charges or carrying charges unless or until payment is due and unpaid in accordance with the terms hereof, in which event, provided Subcontractor is not otherwise in breach or default of the terms of the Subcontract, payments shall bear interest, finance charges or carrying charges at the rate of eight percent (8%) per annum from the date payment is otherwise due and owing.

7.9 When Subcontractor's Work or a designated portion thereof is substantially complete and in accordance with the requirements of the Prime Contract, Contractor shall, upon application by Subcontractor, make application for payment for such Work, and shall make payment to Subcontractor within 91 days following issuance by Architect of the Certificate for Payment covering such substantially completed Work, deducting any portion of the funds for Subcontractor's Work withheld in accordance with the Certificate to cover costs of items to be completed or corrected by Subcontractor. Such payment to Subcontractor shall be the entire unpaid balance of the Subcontract Sum if a full release of retainage is allowed under the Prime Contract for Subcontractor's Work prior to the completion of the entire Project. If the Prime Contract does not allow for a full release of retainage, then such payment shall be an amount which, when added to previous payments to Subcontractor, will reduce the retainage on Subcontractor's substantially completed Work to the same percentage of retainage as that on Contractor's Work covered by the Certificate.

7.10 Final payment to Subcontractor shall not become due until and unless (i) all Work for the Project is fully completed and performed in accordance with the Subcontract Documents and is satisfactory to and approved by Owner, Contractor and Architect, (ii) delivery by Subcontractor of all manuals, "as-built" or record drawings, guarantees, and warranties for material, machinery and equipment furnished by Subcontractor, and testing and/or inspection results or reports, (iii) delivery to Contractor of satisfactory evidence that all labor and material accounts incurred by Subcontractor in connection with his work have been paid in full, (iv) other submittals have been provided as required by the Subcontract Documents, (v) Subcontractor has fulfilled all other requirements which are prescribed by this Subcontract or the Subcontract Documents to serve as conditions to final payment, and (vi) Contractor has received full and final payment from Owner for such Work, which receipt of payment is a condition precedent to Contractor's duty to pay Subcontractor.

ARTICLE 8 - INSURANCE AND BONDS

8.1 Subcontractor shall purchase and maintain insurance of the types of coverage and limits of liability as provided by the Subcontract Documents, or as otherwise stated in an exhibit attached hereto. Coverages, whether written on an occurrence or claims-made basis, shall be maintained without interruption from date of commencement of the Subcontractor's Work until date of final payment and termination of any coverage required to be maintained after final payment.

8.2 Certificates of insurance acceptable to Contractor shall be filed with Contractor prior to commencement of Subcontractor's Work. These certificates and the insurance policies required by this Article shall contain a provision that coverages afforded under the policies will not be canceled or allowed to expire until at least 30 days' prior written notice has been given to Contractor. If any of the foregoing insurance coverages are required to remain in force after

final payment, an additional certificate evidencing continuation of such coverage shall be submitted with the final application for payment. If the insurer does not furnish any information concerning reduction of coverage, Subcontractor shall furnish it with reasonable promptness according to Subcontractor's information and belief.

8.3 Contractor and Subcontractor waive all rights against (1) each other and any of their Subcontractors, Sub-subcontractors, agents and employees, each of the other, and (2) Owner, Architect, Architect's consultants, separate contractors, and any of their subcontractors, Sub-subcontractors, agents and employees for damages caused by fire or other perils to the extent covered by

property insurance provided under the Prime Contract or other property insurance applicable to the Work, except such rights as they may have to proceeds of such insurance held by Owner as fiduciary.

8.4 If a Performance Bond and/or Payment Bond is required to be provided by Subcontractor, the furnishing of such Bonds shall be a condition precedent to Contractor's obligations with respect to payment to Subcontractor.

ARTICLE 9 - ADDITIONAL PROVISIONS

This Subcontract is not valid unless signed by Contractor and shall become effective on the date first above written notwithstanding different dates of execution hereof. Any acceptance by Subcontractor purporting to add, delete or otherwise alter the terms hereof as submitted by Contractor shall have no force and effect except as otherwise separately and expressly agreed in writing by Contractor.

SUBCONTRACTOR:

By:
Title:

Date signed:

Signed_____

CONTRACTOR: DC Construction Mgmt. LLC

By: David Hamman
Title: Owners Representative, Secy. DC Construction Management LLC.

Date signed:

Signed_____