

GENERAL SUBCONTRACTOR PROVISIONS

Article 1.

It is understood and agreed that the execution of this contract by the Subcontractor shall be taken as prima facie evidence that he has fully acquainted himself with conditions relating to construction and labor at the site and that he fully understands the facilities, difficulties and restrictions attending the execution of the work there under.

Subcontractor certifies and agrees that he is fully familiar with all the terms, conditions and obligations of the Contract Documents, as herein specifically defined, the location of the job site and the conditions under which the work is to be performed, and that he enters into this agreement based upon his own investigation of all such matters and is in no way relying upon any opinions or representations of the Contractor. Copies of said Contract Documents shall be kept on file in the office of the Contractor for reference by the parties hereto. It is agreed that the Subcontractor assumes, for the work covered by this agreement, to the full extent thereof, all obligations and responsibilities placed upon the Contractor by the aforesaid contract documents, which the Contractor has assumed toward the Owner. The Subcontractor further agrees to be bound to the Contractor by the architect's interpretations of his drawings, specifications and addenda.

Article 2.

It is understood and agreed that the schedules, if any are hereto attached, are included in and constitute a part of this contract. The Subcontractor agrees to commence work at the site and elsewhere as soon as directed by the Contractor. The Subcontractor shall prosecute his work with promptness and diligence and shall complete the several parts and the whole herein sublet in accordance with progress schedules as may be prepared and issued to the Subcontractor at any time by the Contractor. It being mutually understood and agreed that time is of the essence of this contract, the Subcontractor shall at all times have a sufficient number of workers, materials and equipment at the job, so that, to the satisfaction of the Contractor, the work may be carried out and completed as rapidly as required by the Contractor.

It is understood and agreed that said progress schedules are based on reasonable expectation that the condition of the project will be such as will permit the Subcontractor to perform as therein provided, and they may accordingly be changed from time to time. If this is not the case and Subcontractor shall be delayed in the commencement, prosecution or completion of this work by reason thereof, or by reason of other cause beyond his control and without his fault or negligence, the schedules herein above for completion of the work may be extended by such time as shall be fixed by the Contractor, but no such extension shall be made unless a claim stating a basis of thereof is presented in writing to the Contractor within three (3) days of the start of such delay, and agreed to by the Contractor.

No such extension shall be deemed a waiver of his right to terminate this contract for cause as herein provided or relieve the Subcontractor from full responsibility for performance of his obligations hereto, and no such delay shall give rise to any right to the Subcontractor to claim damages therefore from the Contractor. Contractor shall not be liable for any damages that may occur from delays or other causes on the part of other Contractors, Subcontractors, or suppliers involved in the work, or the furnishing of materials pertaining to this project.

It is understood and agreed that if the Subcontractor fails to commence or complete his work, or any part thereof as herein prescribed, and said failure causes the Contractor to incur actual and/or liquidated damages, the Subcontractor shall pay the cost thereof.

Article 3.

Prior to commencing the work, Subcontractor shall furnish Contractor with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth below. All coverage's required below will be placed with insurance companies licensed to do business in the State of California, with a minimum Best rating of A-VII. All certificates shall provide for 30 days written notice to Contractor prior to the cancellation (or material change) of any insurance referred to herein. The words "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted from the certificate form's cancellation provision. Failure of Contractor to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Contractor to identify a deficiency from evidence that is provided shall not be construed as a waiver of Subcontractor's obligation to maintain such insurance. Contractor shall have the right, but not the obligation, of prohibiting Subcontractor or any Subcontractor from entering the project site until such certificates or other evidence that insurance has been placed in complete compliance with these requirements is received and approved by Contractor. Failure to maintain the required insurance may result in termination of this contract at Contractor's option. If Subcontractor fails to maintain the insurance as set forth herein, Contractor shall have the right, but not the obligation, to purchase said insurance at Subcontractor's expense. With respect to insurance maintained after final payment in compliance with a requirement above, an additional certificate(s) evidencing such coverage shall be promptly provided to Contractor whenever requested. Subcontractor shall provide certified copies of all insurance policies required above within 10 days of Contractor's written request for said policies. By requiring insurance herein, Contractor does not represent that coverage and limits will necessarily be adequate to protect Subcontractor, and such coverage and limits shall not be

deemed as a limitation on Subcontractor's liability under the indemnities granted to Contractor in this contract. If Contractors' liability policies do not contain the standard ISO separation of insured's provision, or a substantially similar clause, they shall be endorsed to provide cross-liability coverage. Subcontractor shall cause each Subcontractor employed by Subcontractor to purchase and maintain insurance of the type specified above. When requested by Contractor, Subcontractor shall furnish copies of certificates of insurance evidencing coverage for each Subcontractor.

Subcontractor shall obtain insurance of the types and in the amounts described below.

Subcontractor shall maintain commercial general liability (CGL) and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000 each occurrence. If such CGL insurance contains a general aggregate limit, it shall apply separately to this project as evidenced by Endorsement CG 25 03 or equivalent. CGL insurance shall be written on an ISO occurrence form CG 00 01 07 98 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products/completed operations, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

Contractor shall be included as an insured under the CGL, using ISO additional insured endorsement CG 20 10 11 85 or its equivalent, which endorsement shall include coverage for Contractor with respect to liability arising out of the completed operations of Subcontractor, and which coverage shall be maintained in effect for the benefit of Contractor through the applicable statute of repose (up to 10 years) following the completion of the work specified in this contract. Additional insured coverage as required in the subparagraph shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to Contractor. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from the pollution, explosion, collapse, underground property damage, or employment-related practices. Subcontractor waives all rights against Contractor and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the commercial general liability or commercial umbrella liability insurance maintained pursuant to the above.

If the scope of services as defined in this contract includes the use of cranes, the Subcontractor must provide on-hook and boom coverage. If the scope of services includes the handling, transportation or disposal of any hazardous or non-hazardous materials, the Subcontractor must furnish the Contractor evidence of at least \$1,000,000 of Pollution Legal Liability coverage and a Motor Carrier Act (MCS 90) endorsement for both the Subcontractor and the disposal site operator.

Subcontractor shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit of not less than \$1,000,000 each accident. Such insurance shall cover liability arising out of any auto (including owned, hired, and non-owned autos). Business auto coverage shall be written on ISO form CA 00 01, or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage equivalent to that provided in the 1990 and later editions of CA 00 01. Subcontractor waives all rights against Contractor and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the business auto liability or commercial umbrella liability insurance obtained by Subcontractor [or under any applicable auto physical damage coverage].

Subcontractor shall maintain workers compensation and employers liability insurance. The commercial umbrella and/or employers liability limits shall not be less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease. Subcontractor waives all rights against Contractor and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the workers compensation and employer's liability or commercial umbrella liability insurance maintained pursuant to the above.

Subcontractor may be required to furnish Performance and Payment Bonds. If such bonds are required, Subcontractor shall furnish within ten (10) calendar days 100% Performance and Payment Bonds on acceptable bond forms executed by a surety listed on the Treasury Circular 570 and is acceptable to the Contractor. The Subcontractor will be reimbursed for the paid bond premium to the surety not to exceed 1% of the contract price at final completion.

Article 4.

Subcontractor will be allowed no additional cost without proper approval via Dickinson Cameron Construction Co., Inc. work authorization. No additional costs will be allowed if additional costs result from the acts of others beyond the control of Contractor. Subcontractor will perform, without delay, all his work pertaining to the project in accordance with the contract documents.

It is understood and agreed that the Contractor, without in any way invalidating this contract, shall have the right to make contemplated and/or actual changes, additions and/or omissions in the work, upon written order to the Subcontractor. The Subcontractor shall then promptly submit an itemized estimate, in a detailed breakdown form

listing all quantities and associated unit costs of the value of the work involved and shall, if so directed by the Contractor, proceed diligently to prosecute the work so ordered. Upon determination, by the Contractor, of the value of the work involved, the Contractor will issue a Change Order to the Subcontractor, adjusting the contract sum accordingly.

The hourly wage rates, per trade classification, Subcontractor may charge for changes and extra work may be verified and determined based on review of Subcontractors certified payroll documents. Back-up information from material supplies and below tier Subcontractors and vendors may also be requested.

Subcontractors are entitled to a total markup not to exceed 10% for additions of material and labor provided for change order time and material work.

Article 5.

In the event of Subcontractor's failure of performance, the Contractor may take over the work, after a 24 hour written notice, and complete the work or have the same completed at Subcontractor's expense.

Article 6.

The Subcontractor agrees that if at any time there shall be evidence of any lien or any other claim of any kind or description for which the Contractor may become liable, and which is chargeable to the Subcontractor, or any other subcontractor of his, and/or when damage shall be caused by this Subcontractor to the work of the Contractor, or any other contractor or subcontractor, the Subcontractor shall promptly discharge or relieve such lien and/or claim by bonding, payment or otherwise, and in case of the failure of the Subcontractor to so discharge such lien and/or claim, the Contractor shall have the right, in addition to any other right afforded him under the contract, to retain out of any payment then due or thereafter to become due and amount sufficient in the opinion of the Contractor to completely indemnify the Contractor against any such lien or claim.

Article 7.

To the fullest extent permitted by law, Subcontractor agrees to fully Indemnify, defend, and hold harmless Contractor, Contractor's officers, directors, shareholders, employees and agents, Contractor's surety, Owner, and all person or entities Contractor is required to indemnify under the Contract Documents (collectively, the "Indemnities") for, from and against any and all claims, demands, causes of action, damages (including without limitation any liquidated damages under the Contract Documents), liens, costs, penalties, fines, liability and expenses, including without limitation reasonable attorney's fees, which Indemnities may at any time suffer or sustain or become liable for by alleged reason of:

1. any damages or injury either to person (including death) or property, including without limitation to the Project or adjoining property, in any manner arising out of or relating to the acts or omissions of Subcontractor, its sub-subcontractor, suppliers and material men, or anyone employed by any of them or anyone for whose acts they may be liable, or the presence of Subcontractor on the Project site, even though the same may have resulted from the joint, concurring or contributory act, omission or negligence, whether passive or active, of Contractor, other indemnities, or any other person or entity, unless the same caused solely by the negligence or willful misconduct of an Indemnities;
2. infringement of patents, or violation of patent rights by Subcontractor;
3. any damage to or delay in the execution of the work on the Project for the Contractor, any subcontractor or any other person or entity, arising out of or relating to the acts or omissions of Subcontractor;
4. any liens, stop notices or bond claims filed against the Project or Contractor relating to Subcontractor's work;
5. failure of Subcontractor to comply with any federal, state, or local law, regulation or ordinance pertaining to Subcontractor's work; or
6. any damages or injury either to person or property, including without limitation the Project or adjoining property, in any manner arising out of Subcontractor's use of Contractor's equipment or operators.

The coverage of any Insurance policy required hereunder or actually carried by Subcontract shall not limit the extent of Subcontractor's liability under the foregoing Indemnity.

Article 8.

It is agreed that the Subcontractor will take all proper precautions to prevent accidents or damage to persons and property on, about or adjacent to the project premises, and he will erect and properly maintain all necessary safeguards and danger signs in connection with his work. Subcontractor shall comply with all OSHA regulations and SB 198 concerning safety issues and programs. Subcontractor is responsible for development and enforcement of safety for their job and employees in compliance with all government regulations.

Article 9.

To the end that work may not be interrupted by labor disputes, the Subcontractor shall employ such labor as, to the satisfaction of the Contractor, will work in harmony with other trades upon the project. Contractor may require Subcontractor to dismiss any workman or workmen or others employed on work whom Contractor may deem incompetent, improper, or a hindrance to progress of any work on the project, whereupon any such workman or workmen shall be discharged and when so discharged, shall not again be employed on any part of the work without written consent of the Contractor.

This Subcontractor agrees to comply with the Procedural Rules and Regulations of the National Joint Board for Settlement of Jurisdictional Disputes of the Building and Construction Industry, and/or its successors; and to immediately accept and comply with any decision and/or interpretation rendered by said Board.

In connection with the performance of work under this contract, the Subcontractor agrees not to discriminate against any employee or applicant for employment because of race, religion, color or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

Article 10.

The Subcontractor agrees to pay for utilities used directly for the benefit of the Subcontractor during the progress of construction.

Article 11.

During the progress of construction, the Contractor may install a material hoist or one or more of the permanent elevators for use in hoisting lighter materials. If the Subcontractor uses such hoist or elevators, he agrees to pay for same an amount set up by the Contractor.

Article 12.

It is understood and agreed that all work, equipment and materials furnished and erected hereto shall be in strict conformity with the "Law". The "Law" shall include all applicable laws, codes, ordinances, rules, regulations and requirements of Federal, State, County and Municipal authorities, and the National Board of Fire Underwriters, and any local fire insurance exchange. Should the Contract Documents conflict with the "Law", the Subcontractor shall perform the work required by "Law" at no additional cost. Should the documents require more than the "Law" requires, the Contract Documents shall be followed.

Article 13.

The Subcontractor agrees that upon receipt of the agreement executed by the Contractor, he will forthwith submit to the Contractor for approval, within ten (10) days of the date hereof, or earlier as required to comply with the Progress Schedule, the following:

(a) All shop drawings and samples of materials complete with full information concerning the materials and articles which he contemplates incorporating into the work.

(b) A full list of material and equipment that he proposes to use, together with all required cuts, illustrations, catalogues or other explanatory and descriptive data that will assist in the securing of prompt approval, so there will be no delay in the placing of orders. The Subcontractor will furnish the names of manufacturers of equipment and materials which he contemplates incorporating in the work, together with their performance capacities and other pertinent information.

(c) It is understood that the approval of the Subcontractor's submittals is a general approval and shall not excuse errors, discrepancies or omissions. No equipment or materials shall be installed or used without such approval.

(d) It is understood and agreed that the Subcontractor shall be solely liable for all costs to others which may result from any item, submitted by the Subcontractor, which varies from, but is approved as equal to, the specified requirements for said item.

Article 14.

The Contractor will furnish to the Subcontractor one complete set of drawings, specifications and addenda. Additional copies will be charged to the account of the Subcontractor, if charged by the Owner or Architect.

It is understood and agreed that anything mentioned in the specifications and not shown on the drawings or shown on the drawings and not mentioned in the specifications, shall be of like effect as if shown or mentioned in both. In case of any discrepancy in the figures, drawings or specifications, the matter shall be immediately submitted to the Contractor without whose decision said discrepancy shall not be adjusted by the Subcontractor, save only at his own risk and expense. The Contractor will furnish to the Subcontractor additional information and drawings, as may be prepared by the Architect, to further describe the work to be performed by the Subcontractor, who shall accept the same as part of this agreement when substantially in accordance with the Contract Documents.

Article 15.

It is understood and agreed that the Subcontractor will do no work in weather which, in the opinion of the Contractor, is unsuitable; that the work will be done under the direction of the Contractor; that all matters shall be subject to inspection, examination and test by the Architect and/or Contractor at any and all times during manufacture and/or construction and at any and all places where such manufacture and/or construction is carried on; that should the Subcontractor furnish any work, materials or equipment which are not in strict conformity herewith, the Contractor may either require such work to be taken down and removed from the premises, at the Subcontractor's expense, in which case the Subcontractor will immediately replace said work or materials with work, materials or equipment in strict conformity herewith, or the Contractor may decide that such removal is inexpedient and allow such work or materials to remain, whereupon the Contractor shall have the right to accept such work and materials and to deduct from any sums then or thereafter due the Subcontractor and amount which, in the opinion of the Contractor, shall be equivalent to the difference in value between the work, materials or equipment, the Contractor may, by adopting any method he may deem expedient, replace such work, materials, or equipment and charge the costs thereof to the Subcontractor.

Article 16.

It is understood and agreed that the Subcontractor will forward to the Contractor as required by the Contractor, a summary report of the progress of the various parts of the work under this contract in the mills or shops and in the field, stating the existing status, rate of progress, estimated time of completion, and cause of delay, if any.

Article 17.

The Subcontractor shall be represented on the job site, during the course of his work by a qualified English speaking supervisor acceptable to the Contractor.

It is understood and agreed that the Subcontractor, or a responsible representative of his, duly authorized to act in his place and stead, will attend progress meetings, the date, hour and place of which will be established by the Contractor and will be present for all inspections relevant to their scope of work.

Article 18.

It is understood and agreed that the Subcontractor will, during the progress of the work and as directed by the Contractor, remove from the project at his own expense, the dirt and debris resulting from his operation. Upon completion of this work, he shall remove from the project all equipment and unused materials and leave the premises in a condition satisfactory to the Contractor. If subcontractor fails to do same, as deemed acceptable by the Contractor, Contractor may complete the work and charge Subcontractors account for all related material and equipment costs plus a fifty percent (50%) fee. Note: Basic labor rates will start at Fifty Dollars (\$50.00) per hour.

Article 19.

It is understood and agreed that if the Subcontractor should be adjudged bankrupt, or if he should make a general assignment for the benefit of his creditors, or if a receiver should be appointed of Subcontractor, or if he should refuse or fail to supply enough properly skilled workmen or proper materials, or if he should fail to make prompt payment for material or labor, or disregard laws, ordinances or the instructions of the Contractor, or otherwise be guilty of violation of any provision of this contract, in the opinion of the Contractor, then the Contractor may, without prejudice to any other right or remedy and after giving the Subcontractor 24 hours written notice, terminate this Agreement and take possession of the premises and of all materials, tools and equipment thereon and finish the work herein contemplated by whatever method he may deem expedient. In such case the Subcontractor shall not be entitled to receive any further payment until the work is finished. If the unpaid balance of the contract sum shall exceed the expense of finishing the work, including compensation for additional managerial and administrative services, such excess shall be paid to the Subcontractor. If such expense shall exceed such unpaid balance, the Subcontractor shall pay the difference to the Contractor.

Article 20.

The Subcontractor agrees to cooperate fully with all other contractors and/or subcontractors performing work on the project and to carefully fit his own work to that provided for under such contracts and/or subcontracts as may be directed by the Contractor. The Subcontractor shall not commit or permit any act and/or omission which will interfere with the performance of work by any other contractor or subcontractor.

Article 21.

Subcontractor agrees that he will not sublet, or assign, transfer this Contract or any part thereof, or any interest therein, or any moneys due there under, without first obtaining the written consent of the Contractor. Any work so sublet, assigned or transferred or any transfer of any interest or any moneys due hereunder shall be subject to all the provisions herein and such subletting, assignment or transfer shall not relieve the Subcontractor, his assignee or transferee of any of the responsibilities required by this Contract.

Article 22.

It is understood and agreed that no certificate, receipt, or payment made for work executed, materials, or equipment furnished, shall constitute an acceptance of any such work, materials or equipment that may subsequently be found to be defective nor relieve the Subcontractor of responsibility for such faulty materials, equipment or workmanship and, unless otherwise specified, he shall remedy any defects due thereto and pay for any damage to other work and/or other real or personal property resulting there from, which shall appear within a period of one year from completion and acceptance of the work, by the Owner, or such longer time as may be prescribed in the Specifications.

The Subcontractor further agrees that no such certificate, receipt of payment shall impair or in any way prejudice any right of action the Contractor may have against him should he fail in or omit the performance of any part of this Contract and no waiver by the Contractor of any one or more of these rights or remedies under the contract shall be, or for any purpose deemed to be, a waiver of any prior or subsequent right or remedy of the Contractor.

Article 23.

In the event of the Owner's approval of the Subcontractor is required by the Contract Documents, this Agreement is contingent upon said approval.

Article 24.

In the event arbitration, legal or equitable action involving Contractor and the Owner under any provision of the Contract Documents are herein above defined, which involves work performed under this Subcontract, the Subcontractor agrees that the Contractor shall have the right to select counsel of its own choosing in representing the Contractor and the Subcontractor's interest as they may appear, in any such arbitration or legal or equitable action; and the Subcontractor further agrees to pay its pro tanto share of the costs, including legal fees of such counsel aforesaid, of such arbitration or legal or equitable proceedings, such costs to be determined on the basis of the percentage of interest in the recovery of loss which the Subcontractor may obtain or suffer, in said arbitration or legal or equitable proceedings.