

Dawson

SUBCONTRACT AGREEMENT

This document has important legal consequences. Prior to its completion or modification, consultation with an attorney is encouraged. This document, unmodified, may not be appropriate in all circumstances.

Date: May 26, 2017

Project: «ProjectDescription»

Owner: «Owner»

Architect: «ArchEngName»

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

Contractor: Dawson Construction, LLC
Address: PO Box 30920
Bellingham, WA 98228-2920
Telephone: 360.756.1000

Subcontractor:
Address:
Telephone:

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

- (a) Lump Sum in the amount of:
«TotalSubcontract * DollarText *Caps » Dollars («TotalSubcontract»),
or
- (b) Unit Prices as set forth on the attached Unit Price Addendum which on the basis of Owner's estimated quantities will yield a gross contract price of approximately: **N/A**.

In consideration therefor, Subcontractor agrees as follows:

1. **Scope of Work:** The Subcontractor shall furnish and perform all labor, materials, tools, supplies, equipment, services, facilities, and supervision necessary for the complete and proper performance of the following portions of work ("Work"): «Scope»
2. **Contract Documents.** The Contract Documents for this Subcontract consist of (1) this Subcontract Agreement, including any and all exhibits or addenda attached hereto; (2) the contract agreement dated the **day of** , **201** , between Owner and Contractor; the terms and conditions (including the supplementary, and any special and/or other conditions, the specifications, drawings and any addenda) and; (3) if applicable, any contract (including general and special conditions of contract) between Contractor and any entity in privity with Contractor for which Contractor performs work or assumes duties or obligations on the Project; and

Other Contract Documents include the following:

- Attachment A - Special Provisions***
- Attachment B - Project Specific Requirements***
- Attachment C - Specifications & Drawing List***
- Attachment D - Scope Clarifications***
- Attachment E – Safety Responsibilities***

3. **Performance of Subcontract Work.** Subcontractor agrees to perform its Work in strict accordance with the Contract Documents including, but not limited to all terms and conditions of the Main Contract. Subcontractor also agrees to be bound by all laws, government regulations, and orders and all terms and conditions of the Main Contract, to the extent of the Work herein subcontracted, which provisions are hereby incorporated by reference.
4. Date of Commencement of the Work shall be the date of this Agreement.
5. Under provisions of Article P herein, a bond is not required in this Subcontract.
6. Under provisions of Article R herein, the amount of insurance required for this Subcontract is:

	General Liability	Automobile Liability	Products – Completed Operations	Property Coverage
Occurrence:	\$1,000,000.00	\$1,000,000.00	N/A	N/A
Aggregate	\$2,000,000.00	Combined Single Limit	\$2,000,000	N/A

7. Regarding the terms of Article V. INDEMNIFICATION, the parties by their initials here acknowledge that those terms have been separately negotiated and agreed to as part of this Subcontract:

_____ Contractor _____ Subcontractor

8. As defined in Article D herein, Subcontractor’s right to any and all payments for performance under this Subcontract is subject to the following:

Payment Contingent on Owner Payment

IN WITNESS WHEREOF, CONTRACTOR and SUBCONTRACTOR have executed this agreement, effective the date of the last authorized signature unless otherwise agreed.

 Dawson Construction, LLC

 Contractor (Authorized Signature)

 Contractor (Printed Name & Title)
 DAWSOCL848CS

 Contractor’s License No.

 Date

 Subcontractor (Company Name)

 Subcontractor (Authorized Signature)

 Subcontractor (Printed Name & Title)

 Federal Tax I.D. Number

 Contractor’s License No.

 Worker’s Comp.(L&I) Account I.D. Number (WA State)

 Date

Subcontract Terms & Conditions

A. OBLIGATIONS, RESPONSIBILITIES, AND NOTICE

It is agreed that Subcontractor will assume toward Contractor all obligations and responsibilities which Contractor has assumed under the Main Contract to the extent of the Work herein subcontracted, and Subcontractor shall be entitled to all privileges and protections granted Contractor under the Main Contract. In case of conflict between the terms of this Subcontract and the Main Contract, this Subcontract shall control. Subcontractor shall designate in writing all lower-tier subcontractors to Contractor and shall not subsequently change lower-tier subcontractors without Contractor's approval. Contractor shall furnish to Subcontractor, upon Subcontractor's request, the legal description of the premises covered by the Main Contract. A copy of the Main Contract will be made available upon request.

Subcontractor shall provide written notice to Contractor within 5 days or within sufficient time to allow Contractor to give notice to Owner pursuant to the Main Contract (whichever is sooner), after occurrence of any instances of interruption, extra work, additional work, delay, hindrance and/or efficiency loss of any nature whatsoever in Subcontractor's Work, believed by Subcontractor to be caused by the acts or omissions of Contractor, other subcontractors, Owner, Architect/Engineer or the employees or agents of any of them. In the event Subcontractor believes it is entitled to receive compensation due to damages from such an occurrence(s) and/or is entitled to an extension of time, Subcontractor's Statement of Claim (setting forth in detail the entitlement and quantum basis for Subcontractor's claim with supporting data and/or the entitlement basis to support an extension of time) shall be delivered to Contractor within an additional 15 days or within sufficient time to allow Contractor to forward Subcontractor's Statement of Claim to Owner (whichever is sooner), to meet any applicable Main Contract requirements. **FAILURE OF SUBCONTRACTOR TO PROVIDE TIMELY WRITTEN NOTICE, AS PROVIDED IN THIS PARAGRAPH, AND/OR FAILURE BY SUBCONTRACTOR TO TIMELY PROVIDE ITS STATEMENT OF CLAIM FOR AN INCREASE IN THE SUBCONTRACT AMOUNT, OR FOR AN EXTENSION OF TIME SHALL RESULT IN A WAIVER OF SUBCONTRACTOR'S CLAIM.**

Contractor does not waive the requirement for timely written notice and/or timely written submission of the Statement of Claim unless Contractor's waiver is unequivocal, explicit, and in writing.

B. DRAWINGS

Subcontractor agrees to furnish drawings, specifications, final selections of materials and other specified items in the quantity required by the Main Contract for approval by Owner or Owner's agent so as not to delay progress of the Work.

C. SCHEDULING

Contractor shall give Subcontractor advance notice of anticipated starting date for Subcontract Work. Contractor shall consult with Subcontractor on development and update of a construction schedule ("Project Schedule") at Subcontractor's request and shall make the Project Schedule available to Subcontractor at Subcontractor's request. Subcontractor shall start work on the date named by Contractor and shall complete the several portions and the whole of the work herein described at such times as will enable Contractor to timely comply with the Main Contract. Subcontractor shall cooperate with Contractor and other subcontractors. Subcontractor will be bound by any provisions in the Main Contract for liquidated damages and, if liquidated damages are assessed against Contractor by Owner, shall pay such damages for any delay to the extent caused by Subcontractor. The preceding language shall not be construed to deprive Contractor of any right to recover separate or additional damages for delay to the extent caused by Subcontractor.

D. PAYMENTS

Subcontractor to submit all pay applications to the Contractor on the 20th day of the month, projected to the last day of the month. Subcontractor will use the Contractor provided form for all pay applications. All pay applications submitted without Contractor's form will be rejected.

Subcontractor to submit a Schedule of Values with their pay application on the Contractor provided form. Initial payment will be held until the Schedule of Values has been approved.

Subcontractor can only bill up to 95% complete until all required closeout items (as-builts, O & M's, warranty, extra stock, etc.) have been submitted for approval.

In the event Contractor reasonably determines Subcontractor has failed to timely pay its union trust fund contributions for the Project, Contractor may stop issuing payments due to Subcontractor under this Subcontract Agreement without being in breach of this Subcontract Agreement and, at Contractor's sole option, either: 1) require Subcontractor to sign a joint-checks agreement satisfactory to Contractor with Subcontractor's union trust fund. We reserve the right to charge \$100/per joint check; and/or 2) start an interpleader action in Whatcom County Superior Court for the State of Washington and deposit any amounts coming due and owing under this Subcontract Agreement into the Registry of the Court until final resolution of any and all disputes and/or claims raised by Subcontractor's union trust. Subcontractor shall not have a claim against Contractor based upon Contractor's election of any remedy set forth in this paragraph.

Subcontractor is to provide the Contractor a list of union trusts funds that apply to all workers on this project.

Contractor shall be entitled to an offset against amounts due and owing to Subcontractor under Subcontract Agreement for any and all damages, including attorneys' fees and costs, incurred by Contractor arising out of any claims made by Subcontractor's union trust for payment related to the Project.

Subcontractor agrees to defend, indemnify and hold harmless the Contractor, its directors, shareholders, employees, and agents (collectively "Indemnitees") from and against all liability or claims of liability (including attorney's fees) for any contributions Subcontract fails to make on a timely basis for this project to Subcontractors union trust fund.

Subcontractor is to provide the Contractor with a list of all material suppliers and subcontractors of any tier. The list should include the company name, address, phone, fax and contact person. Subcontractor to provide contractor on a monthly basis, payment status information for lower tier subcontractors, and material and equipment suppliers. Payment status information shall include but not be limited to total contract or purchase order amount and payments to date. Contractor provided form is attached.

In the event Contractor reasonably determines Subcontractor has failed to timely pay its suppliers and/or subcontractors of any tier on the Project, from monies paid by Contractor to the Subcontractor on behalf of subcontractors suppliers & subcontractors, Contractor may stop issuing payments due to Subcontractor under this Subcontract Agreement without being in breach of this Subcontract Agreement and, at Contractor's sole option, either: 1) require Subcontractor to sign a joint-checks agreement satisfactory to Contractor with Subcontractor's suppliers and/or subcontractors. We reserve the right to charge \$100/per joint check; and/or 2) start an interpleader action in Whatcom County Superior Court for the State of Washington and deposit any amounts coming due and owing under this Subcontract Agreement into the Registry of the Court until final resolution of any and all disputes and/or claims raised by Subcontractor's

suppliers and/or subcontractors. Subcontractor shall not have a claim against Contractor based upon Contractor's election of any remedy set forth in this paragraph.

Contractor shall be entitled to an offset against amounts due and owing to Subcontractor under Subcontract Agreement for any and all damages, including attorneys' fees and costs, incurred by Contractor arising out of any claims made by Subcontractor's suppliers and/or subcontractors of any tier for additional payment related to the Project.

As determined by the parties' selection in Item 6, page 2, Subcontractor's right to any and all payments for performance under this Subcontract is subject to the following:

Payment Contingent If and When Contractor receives Owner Payment. It is agreed that as a condition precedent to any payment by Contractor to Subcontractor hereunder the Contractor must first receive payment from the Owner for the Work of Subcontractor for which payment is sought. Subcontractor specifically agrees that it is relying upon the Owner's credit (not the Contractor's) for payment, and Subcontractor specifically accepts the risk of nonpayment by the Owner. At the reasonable request of Subcontractor, Contractor agrees to furnish such information as is reasonably available to Contractor from Owner regarding Owner's financial ability to pay for performance under the Main Contract. The parties agree Contractor does not warrant the accuracy or completeness of information provided by Owner.

Subcontractor shall submit to Contractor applications for payment at such times as will enable Contractor to timely apply for payment from Owner. Unless otherwise mutually agreed, Contractor shall withhold retainage from Subcontractor in the amount of percent (%) or as required by law. Contractor's obligation to release retainage to Subcontractor shall be subject to proof that there are no unpaid claims which would provide the basis of a lien against the premises, retainage or payment bond, or subject to (1) withholding of sufficient funds or (2) furnishing an adequate and sufficient payment and performance bond. Subcontractor shall be paid for Work to date of Contractor's last progress billing date, as approved by Owner or its representative, within ten days after Contractor has received payment for such progress billing. Final payment for Work under this Subcontract shall be made within ten days after Contractor has received final or complete payment provided Subcontractor has completed its Work and fulfilled each of its obligations under this Subcontract. When required by Contractor, and as a condition precedent to any payment, Subcontract shall provide in a form satisfactory to Contractor partial lien releases, claim waivers and affidavits of payment from Subcontractor, and its lower-tier subcontractors and suppliers of any tier, for the completed portion of Subcontractor's Work.

If the Main Contract permits payment for materials delivered to the jobsite or to satisfactory storage facilities, Subcontractor may invoice for materials so delivered and receive payment as outlined above; provided, however, that such stored materials shall be at the risk of Subcontractor until acceptance of the Subcontract Work. Subcontractor acknowledges that all payments accepted by it or which are otherwise due under this Subcontract shall constitute a trust fund in favor of laborers, materialmen, governmental authorities, and all others who are legally entitled to claim a lien on the premises covered by this Subcontract or otherwise file a claim against any retainage or payment bond. Subcontractor shall pay its own subcontractors and suppliers all sums owed them within ten days of receipt of payment from or on behalf of Contractor.

Progress payments shall be deemed advances and are subject to adjustment at any time prior to final payment for errors, overpayment or Contractor's good faith determination that the remaining balance of payment may be insufficient to insure completion of Work covered by this Subcontract or to pay lien, retainage, or bond claims. If Contractor determines in good faith that Subcontractor is obligated to Contractor, lower tier subcontractors and/or suppliers of any tier

and employees for labor, fringe benefits, taxes, supplies, materials, equipment rental or other proper charges against the Work covered by this Subcontract, the amount of such obligation may be deducted by Contractor from any payment or payments, including retainage, made under this provision. Provided further that Contractor may from time to time require, and Subcontractor shall promptly provide within 3 days after written demand, a statement in writing, including supporting documents setting forth what amounts, if any, are due or payable by Subcontractor to third parties for labor, fringe benefits, taxes, supplies, materials, equipment, or other proper charges against the Work in connection with, or arising out of the performance of, this Subcontract. In the event such statement with supporting documentation is not provided by Subcontractor, Contractor may withhold payment until such statement with supporting documentation is provided. Should Subcontractor fail to provide such statement and supporting documentation in a timely manner, Contractor may terminate this Subcontract without further notice. In case of such termination, and in addition to any other rights and remedies Contractor may have, Contractor shall have all rights due as specified in Section J of this Subcontract. If retainage is held in an interest bearing account, then proportionate interest will be paid to Subcontractor.

Subcontractor agrees not to subcontract a substantial portion of the performance of this Subcontract without the prior written consent of Contractor. Subcontractor shall require any assignee, who takes an interest in the Subcontract as collateral, to agree that: (1) it shall have no right to payment unless and until all sub-subcontractors, suppliers, employees, union trust funds and taxing authorities have been paid, and any claims of Contractor have been satisfied; and (2) it will repay to Contractor immediately upon request any amount overpaid. Any assignee taking an assignment of any payment otherwise due under this Subcontract shall be bound to the terms and the limitations regarding payment contained in this Subcontract Agreement.

E. CHANGE ORDERS

Contractor may, without invalidating this Subcontract, order in writing extra work or make changes by altering, adding to, or deducting from the Work and the Subcontract price shall be adjusted accordingly. All such Work shall be executed under the conditions hereof and of the Main Contract, except that any claims for extension of time caused thereby must be agreed upon at the time of ordering such change. Subcontractor shall make no claims for extras unless the same shall be agreed upon in writing by Contractor prior to the performance of any such extra work. If additional work has been fully accepted by Owner, payment shall be made to Subcontractor within 10 days after payment to Contractor unless the request for additional work originated with Contractor, rather than with Owner, in which case payment will be made in a reasonable amount of time following acceptance of the Work by Contractor. In case of any dispute over adjustment of the Subcontract price or time, Subcontractor shall proceed with the Work and the dispute shall be resolved in accordance with the procedures set forth in the Main Contract, to the extent that Contractor is bound by such procedures, otherwise by the procedures set forth in Article U. Subcontractor shall not be entitled to any additional compensation or extension of time unless Subcontractor shall have made written request to Contractor for such within sufficient time to permit Contractor to give timely notice to Owner. Subcontractor acknowledges that, unless expressly stated otherwise within a written change order, any change in the contract price and time effected through a written change order shall constitute full payment and accord and satisfaction for all cost incurred, labor performed, material and equipment furnished, and any delay, acceleration, or loss of efficiency associated with the change in the Work.

F. NATURE OF WORK

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

G. SUBCONTRACTOR EMPLOYER

Subcontractor has the status of "employer" as defined by the Industrial Insurance, Workers' Compensation, Unemployment Compensation, Social Security, and other similar federal, state, and local statutes. Subcontractor further warrants and acknowledges the following: (a) Subcontractor is customarily engaged in an independently established business of the same nature as the Work performed under this Subcontract; (b) Subcontractor is responsible for filing a schedule of expenses with the IRS for the type of business Subcontractor is conducting; (c) Subcontractor has an account with the Department of Revenue and other appropriate state agencies for the payment of all applicable state taxes, and has registered for and received a unified business identifier number from the State of Washington and (d) Subcontractor maintains a separate set of books or records that reflect all items of income and expenses of its business.

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

H. LICENSES, TAXES

Subcontractor shall obtain and pay for all licenses necessary for the performance of this Subcontract and shall pay any and all federal, state, and local taxes, applicable to the Work to be performed under this Subcontract. Owner or Contractor shall obtain and pay for the initial building permit applicable to the Main Contract.

I. MATERIALS

Materials delivered by or for Subcontractor and intended to be incorporated into the construction hereunder shall remain on the jobsite and shall become property of Owner upon payment, but Subcontractor may repossess any surplus materials remaining at the completion of the contract. All scaffolding, apparatus, ways, works, machinery, and plants brought upon the premises by Subcontractor shall remain his property. It shall be Subcontractor's responsibility to unload, store, and protect its materials, to bear the risk of loss thereof and to protect such material against loss until actually incorporated into the Work, and until the Work is accepted, even though title thereto may previously have passed to the Owner under the preceding provisions, except that Subcontractor shall not bear that portion of such loss to the extent it arose out of the fault of Contractor or its employees.

J. **TAKEOVER**

1. Termination/Suspension by Owner. In the event Contractor's Work under the Main Contract is terminated, other than for Contractor's default, prior to project completion, an equitable adjustment to the contract price for Work performed under this Subcontract prior to such termination will be made as provided for in the Main Contract; if no such provision exists, then by mutual agreement; or, failing either of these methods, by arbitration as provided for in the Disputes clause of this Subcontract. Subcontractor shall be entitled to prospective profits on unperformed Work only to the extent Contractor is able to recover such profits.

In the event Owner, for any cause other than Contractor's default, temporarily suspends Work under the Main Contract, Contractor may order Subcontractor to suspend Work under this Subcontract. Subcontractor shall be entitled to reimbursement for actual costs to preserve and protect work in progress or damage for such suspensions, only to the same extent, Contractor receives additional compensation from Owner under the provisions of the Main Contract for Subcontract Work.

2. Termination/Suspension for Convenience. Upon three (3) calendar days written notice to Subcontractor, Contractor may terminate this Subcontract in whole or in part for Contractor's convenience and/or at its option. Subcontractor's remedy for such convenience or optional termination is limited to the following: (1) payment pursuant to the terms of this Subcontract for all Work properly performed prior to termination; (2) partial payment for lump sum items of Work on the basis of the percent complete of such items at the time of termination; and (3) Subcontractor's reasonably close-out costs. In no event shall Subcontractor be entitled to any compensation for loss of anticipated profits or unallocated overhead on work not performed.

3. Termination for Default. If Subcontractor refuses or fails to supply enough properly-skilled workers or materials to maintain the schedule of Work, refuses or fails to make prompt payment to lower-tier subcontractors or suppliers of labor, materials or services, fails to correct, replace, or re-execute faulty or defective Work done or materials furnished, disregards the law, ordinances, rules, regulations or orders of any public authority having jurisdiction, files for bankruptcy, or is guilty of a material breach of this Subcontract, and fails to correct the default and maintain the corrected condition within not less than three (3) working days of receipt of written notice of the default, then Contractor, without prejudice to any rights or remedies otherwise available to it, shall have the right to any or all of the following remedies:

- (1) Supply such numbers of workers and quantity of materials, equipment, and other facilities as Contractor deems necessary for the completion of Subcontractor's Work, or any part thereof, which Subcontractor has failed to complete or perform after the above notice, and to charge the cost thereof to Subcontractor who shall be liable for the payment of same including reasonable overhead and profit.
- (2) Contract with one or more additional subcontractors to perform such part of Subcontractor's Work as Contractor shall determine to provide prompt completion of the Project and charge the cost thereof to Subcontractor.
- (3) Withhold payment of any monies due or to become due Subcontractor pending corrective action to the extent required and to the satisfaction of Contractor.
- (4) Terminate this Subcontract, use any materials, implements, equipment, appliances, or tools furnished for the job and paid for or will be paid for by Contractor to complete

Subcontractor's Work and furnish those materials, equipment, and/or employ such workers as Contractor deems necessary to maintain the orderly progress of the Work: Subcontractor's equipment shall only be utilized when equivalent equipment is not locally available to lease and will not be supplied by a substitute subcontractor and when procurement of substitute equipment will not delay completion of the Main Contract. All of the costs, including reasonable overhead, profit and attorneys' fees, incurred by Contractor in arranging to and performing Subcontractor's Work shall be charged to Subcontractor and Contractor shall have the right to deduct such expenses from monies due or to become due Subcontractor. Subcontractor shall be liable for the payment of any expenses incurred in excess of the unpaid balance of the Subcontract Price.

In the event of any emergency (life & death, fire or natural disasters), Contractor may proceed as above without notice.

K. UNIT PRICE

In the event this Subcontract contains unit price items it is understood and agreed that any quantities mentioned are approximations only and subject to change as required by the Main Contract or as ordered and directed by Contractor.

L. QUALITY/WARRANTY

Materials or Work condemned by Contractor, Architect/Engineer, or Owner as failing to conform to the Main Contract, shall, upon notice from Contractor, be immediately removed by Subcontractor. Failure of Contractor to immediately condemn any Work or materials as installed shall not in any way waive Contractor's right to object thereto at any subsequent time.

Subcontractor warrants the Subcontract Work and materials furnished here under to Contractor and Owner on the same terms, and for the same period, as Contractor warrants the work to Owner under the Main Contract. With respect to Subcontract's Work, Subcontractor shall owe all warranty obligations and responsibilities of Contractor under the Main Contract. All Subcontract warranties shall be in addition to and not in limitation of other warranties or remedies required and/or were arising pursuant to applicable law.

M. JOB DAMAGE

Job damage caused by Subcontractor, its lower-tier subcontractor or supplier of any tier, to Work other than its own shall be reported immediately to Contractor and Subcontractor shall be responsible for its repair. Job damage caused by Contractor to Work of Subcontractor shall be reported immediately to Subcontractor and Contractor shall be responsible for its repair.

N. SAFETY

Subcontractor and its lower-tier subcontractors shall take all reasonably necessary safety precautions pertaining to its Work and its Work performance, including compliance with applicable laws, ordinances, regulations and orders issued by a public authority, whether federal, state, local or other, 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 lower-tier subcontractors' care, custody or control. Subcontractor and its lower-tier subcontractors shall furnish all required safety equipment for its Work and ensure all of their employees and lower-tier subcontractors' employees have and wear personal protective equipment in compliance with applicable Governing State requirements and Contractor's safety rules, as provided in writing to Subcontractor.

Subcontractor certifies that it and its lower-tier subcontractors are registered contractors. Subcontractor certifies that it and its lower-tier subcontractors maintain a written Accident Prevention Plan and a jobsite-specific safety plan in compliance with applicable Governing State regulations. Subcontractor's Accident Prevention Plan should address subcontractor's role and responsibilities pertaining to safety on the jobsite, training and corrective action and be tailored to safety and health requirements for the Work involved. Subcontractor shall have and enforce a disciplinary action schedule in the event safety violations are discovered. When and as requested by Contractor, Subcontractor shall provide information regarding safety matters.

Subcontractor shall promptly provide Contractor with written notice of safety hazard(s) or violation(s) found on the jobsite or of any injury to its or its lower-tier subcontractors' workers incurred on the jobsite.

Contractor's supervisor may direct Subcontractor's superintendent to remove employees not in compliance with the requirements of this Agreement. In the event Subcontractor does not promptly correct its safety violation, Contractor may order Subcontractor to stop Work until the violation is corrected, and may correct the violation and charge all costs of compliance to the Subcontractor.

Subcontractor agrees to defend, indemnify and hold Contractor harmless from all Federal and/or Governing State claims, demands, proceedings, violations, penalties, assessments or fines that arise out of or relate to Subcontractor's failure and sole negligence to comply with any safety-related laws, ordinances, rules, regulations, orders or its obligations hereunder. Contractor may charge against the sums otherwise owing to Subcontractor the Amount of the fine and the fees, costs and expenses incurred by Contractor in the defense of the claims citation and/or fine arising from or relating to the Subcontractor's above-referenced failure.

O. HOUSEKEEPING, CLEAN UP AND HAZARDOUS MATERIALS

Subcontractor shall regularly remove all refuse, waste and debris produced by its operation. Refuse shall not be permitted to accumulate to the extent that it interferes with free access to the jobsite or creates a safety hazard. Avoidance of safety hazards through good housekeeping is an important part of Subcontractor's obligations. In the event Subcontractor or its lower-tier subcontractor fails or refuses to meet these requirements, Contractor may remove refuse and charge all costs to the Subcontractor, provided that Subcontractor has received 24 hours or one full working day, whichever is greater, prior written notice. In the event Contractor determines emergency conditions exist, life & death, fire or natural disaster, Contractor may proceed as above without prior notice.

Subcontractor shall comply with all applicable hazardous waste regulations under federal, state or local laws. Subcontractor shall provide Contractor with all Material Safety Data Sheets for any and all hazardous substances covered under all applicable laws before commencing Work. Subcontractor shall, prior to commencing Work, inform Contractor of its intent to use any hazardous substances at the Project and shall continuously update the Contractor of any new hazardous substance brought to the Project during performance of the Work. Failure to comply with this paragraph may result in fines and damages being assessed to Subcontractor. Subcontractor shall defend, indemnify and hold Contractor harmless from any and all costs and expenses, including attorneys' fees, arising from the use or discharge of any hazardous substance by Subcontractor at or off the Project site.

P. BOND

If Item 5 on page 2 of this Subcontract requires Subcontractor to supply bonds for this project, then Subcontractor shall as its own expense furnish contractor, within ten (10) days of receipt of

this Subcontract, performance and payment surety bonds, acceptable to Contractor, in an amount equal to the Subcontract price. The bonds shall be conditioned upon the full and faithful performance of all terms, provisions, and conditions of this Subcontract and upon payment for all labor, materials, equipment and supplies used in the prosecution of the Work described herein.

Q. WORKERS' COMPENSATION

Subcontractor shall furnish to Contractor evidence that it has in force Workers' Compensation Insurance including Employer's Liability, as may be required by the jurisdiction or jurisdictions in which the Work is being performed. Where applicable, this shall include United States Longshoremen's and Harbor Workers' Insurance including Coverage B – Employer's Liability (Maritime) with limits not less than the Bodily Injury limits required of the Contractor by the Main Contract, but in no event less than \$500,000.

R. INSURANCE

Subcontractor shall obtain and keep in force during the term of this Subcontract, during the applicable Statute of Repose, commercial general liability insurance with dollar limits and coverage equal to, or greater than the types and amounts of coverage noted at the front of this Subcontract. Such insurance shall be "occurrence-based" and shall include contractual liability coverage applicable to the indemnity provisions of this Subcontract and "completed operations" coverage. Subcontractor shall furnish to Contractor evidence of this insurance including the provision regarding notice of cancellation or reduction in coverage. Such evidence of insurance shall be in the form of an Insurance Certificate issued by an insurer satisfactory to Contractor and shall provide for not less than 30 days prior written notice to Contractor of cancellation or reduction in coverage. In the event Subcontractor fails to maintain any and all insurance required by this Subcontract during the entire life of this Subcontract, Contractor may at its option, and without waiver of other available remedies, purchase such insurance in the name of Subcontractor and deduct the cost of same from payments due Subcontractor.

Subcontractor shall provide insurance that: (1) names Contractor and Owner as additional insureds for liability arising out of the Subcontractor's work, including completed operations losses, without qualification, limitation or reservation; (2) is endorsed to be primary and non-contributory with any insurance maintained by Contractor or Owner; (3) does not contain a "cross liability" or similar exclusion that would bar coverage for claims between or among insureds; (4) contains a severability of interest provision in favor of Contractor and Owner; and (5) contains a waiver of subrogation against Contractor and Owner. Before commencing work, Subcontractor shall provide a copy of the additional insured endorsement to Contractor as evidence of additional insured status.

If Builder's Risk or any other property insurance is provided by others, Contractor and Subcontractor waive all rights against each other and Owner, and subcontractors, agents and employees each of the other, for loss or, damage to the extent covered by Builder's risk or any other property or equipment insurance, except such rights as they may have to the proceeds of such insurance. Subcontractor shall be responsible for that portion of the Builder's Risk policy's deductible (or self-insured retention) which is proportionate to the loss or damage resulting from acts or omissions attributable to Subcontractor. Subcontractor shall procure and maintain, at Subcontractor's own expense, property and equipment insurance for portions of the Subcontract Work stored off the site or in transit. Contractor and Owner neither represent nor assume responsibility for the adequacy of the Builder's Risk insurance to protect the interests of Subcontractor. It shall be the obligation of Subcontractor to purchase and maintain any supplementary property insurance that it deems necessary to protect its interest in the Work.

Contractor makes no representations that the required minimum amount of insurance is adequate to protect Subcontractor. The procuring and/or carrying of insurance shall not limit Subcontractor's obligation or liability pursuant to this Subcontract or as a matter of law.

S. LOWER-TIER SUBCONTRACTORS

Any lower-tier subcontractor shall be bound to Subcontractor to the same extent Subcontractor is bound to Contractor and to the same extent Contractor is bound to Owner. This form may be used for lower-tier subcontracts and when so used the term "Owner" (in the General Conditions) shall include any entity in privity with Contractor for which Contractor performs work or assumes duties and/or obligations.

T. MODIFICATIONS

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

U. DISPUTES

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

Subcontractor agrees to be bound by the procedure and final determinations as specified in the Main Contract and agrees that it will not take, or will suspend, any other action or actions (including but not limited to any arbitration(s) or action(s) commenced pursuant to the Federal Miller Act, state lien statutes, Bond or Retainage Act(s)) with respect to any such claims and will pursue no independent litigation with respect thereto, pending final determination of any dispute resolution procedure between Owner and Contractor. It is expressly understood and agreed that as to any and all claims asserted by Subcontractor in connection with this project arising from the actions or fault of Owner, Contractor shall not be liable to Subcontractor for any greater amount than Owner is liable to Contractor, less any markups or costs incurred by Contractor. As to any claims asserted by Subcontractor for or on account of acts or omissions of Owner or its agents or design professionals, at the sole option of Contractor, Subcontractor agrees to prosecute such claims in Contractor's name. For any amount recovered or collected (whether through

proceedings or settlement) by Subcontractor, Contractor shall be entitled to 10% of such amount received or collected as its mark-up for such claims. Subcontractor shall have full responsibility for preparation and presentation of such claims and shall bear expenses thereof including attorneys' fees.

- (2) Arbitration: All other claims, disputes, and other matters in question between Contractor and Subcontractor arising out of, or relating to, the Main Contract or this Subcontract, the breach thereof, or Work thereunder (for which a dispute resolution procedure is not otherwise provided in the Main Contract), shall be decided by arbitration. Either party may initiate arbitration by sending a written arbitration demand to the other. If both parties agree the arbitration proceedings will be administered by the American Arbitration Association (AAA). Regardless whether administered by AAA. The arbitration will be conducted in accordance with the Construction Industry Arbitration Rules of the AAA, unless the parties agree otherwise. Contractor and Subcontractor agree to be bound by any findings and award of such arbitration finally and without recourse to any court of law other than for the enforcement of the arbitrator's decision. As between the parties to this Subcontract, the prevailing party in any arbitration shall be entitled to an award of its attorneys' fees, costs and expert fees incurred. Contractor and Subcontractor expressly grant the arbitrator the authority to award attorneys' fees and costs.
- (3) Mediation: As a condition precedent to the hearing of any trial or arbitration, the parties to this Subcontract shall submit any and all disputes between them to non-binding mediation with the assistance of an experienced mediator. The parties shall each designate a representative with full settlement authority who will participate for at least four hours in the mediation. The parties shall bear equally all expenses, exclusive of attorneys' fees, associated with the mediation.

V. **INDEMNIFICATION**

Subcontractor shall defend, indemnify and hold harmless Contractor, its officers, employees and agents from every claim, risk, loss, damage, demand, suit, judgment and attorney's fee, and any other kind of expense arising from, resulting from, or in any manner directly or indirectly connected with, performance of the Work under this Subcontract, by Subcontractor or Subcontractor's agents, employees, subtier Subcontractors or suppliers, to the fullest extent permitted by law and subject to the limitations provided below:

Subcontractor's indemnity obligations hereunder do not extend to liability resulting from the sole negligence of the Contractor, its agents or employees.

If the claim, suit, or action for injuries, death, or property damage is caused by or results from the concurrent negligence of (a) the Subcontractor or its officer, employee or agent and (2) the Contractor, its officers, employees or agents, this indemnity provision shall be enforceable only to the extent of the negligence of the Subcontractor, its officers, employees, or agents.

FOR PURPOSES OF THE FOREGOING INDEMNIFICATION PROVISION ONLY, AND ONLY TO THE EXTENT OF CLAIMS AGAINST SUBCONTRACTOR BY CONTRACTOR UNDER SUCH INDEMNIFICATION PROVISION, SUBCONTRACTOR SPECIFICALLY WAIVES ANY IMMUNITY IT MAY BE GRANTED UNDER THE WASHINGTON STATE INDUSTRIAL INSURANCE ACT, TITLE 51 RCW. THE INDEMNIFICATION OBLIGATION UNDER THIS SUBCONTRACT SHALL NOT BE LIMITED IN ANY WAY BY ANY LIMITATION ON THE AMOUNT OR TYPE OF DAMAGES, COMPENSATION OR BENEFITS PAYABLE TO OR FOR ANY THIRD PARTY UNDER WORKERS' COMPENSATION ACTS, DISABILITY BENEFIT ACTS, OR OTHER EMPLOYEE BENEFIT ACTS.

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

Subcontractor agrees that Contractor's rights to defense, indemnity and to be held harmless by Subcontractor as set forth herein shall accrue upon discovery by Contractor of a claim, risk, loss, damage, demand, suit, or expense within the scope and coverage of this indemnification provision.

W. **MISCELLANEOUS**

This Subcontract shall be considered to have been made in and shall be interpreted under the laws of the State of Washington. The site of any arbitration or venue of any lawsuit arising out of this Subcontract or the Work hereunder shall be in Bellingham, Washington.

Any written notice required to be given to a party shall be hand-delivered or delivered to the address of that party indicated above. Subcontractor shall comply with all federal, state and local laws, regulations and orders prohibiting discrimination on the basis of race, religion, sex or national origin. This Subcontract represents the final understanding of the parties and Contractor assumes no responsibility for any different understanding or any representations made by any of its officers, agents, or others prior to the execution of this Subcontract unless expressly stated herein.

Time is of the essence in this Subcontract.

X. **SPECIAL PROVISIONS: See Attachment A**

«SL» - «SLDescription»

General Requirements

All Subcontract Attachments supersede the Subcontract Terms & Conditions.

Once roofing installation is complete, Contractor may conduct a non-destructive test/inspection method to determine if there are any leaks or areas with potential for leaks. If there are no leaks, Contractor will bear the entire cost of testing/inspection. If there are leaks due to material and/or installation discrepancies, the roofing subcontractor will bear the cost of the test & repairs. If the source of the leak is a combination of material failure or improper installation and/or trade damage, the cost of the test & repairs will be shared by the responsible parties.

Compliance with Equal Employment Opportunities

EEO - By signing this contract the Contractor & Subcontractor acknowledges this notice of the requirement to undertake affirmative action to overcome any discrimination or underutilization. Subcontractor confirms that they are eligible to hold government contracts and they will make every effort to comply with any affirmative action requirements of this contract.

During the performance of this contract, the Subcontractor agrees as follows:

1. The Subcontractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The Subcontractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action 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. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
2. The Subcontractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.
3. The Subcontractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. The Subcontractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
5. The Subcontractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
6. In the event of the Subcontractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept 24, 1965, and such other sanctions may be imposed and remedies invoked

as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

7. The Subcontractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of Sept. 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Subcontractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

Management

Subcontractor shall have a foreman on site at all times during the course of their work.

Subcontractor's foreman shall have authority to act on behalf of the Subcontractor. Subcontractor will keep the same foreman on site for the duration of the project. If Subcontractor needs to make a foreman change, it is the Subcontractor's responsibility to ensure that the new foreman understands the project. If Contractor's personnel has to do any type of training, Subcontractor will be charge a fee of \$1,000.00.

Subcontractor's crew will be sent home if they come unprepared to the jobsite.

Subcontractor shall designate one office contact person for all aspects of their work. If Subcontractor is providing more than one section of work, Subcontractor may have one contact person for each section. Subcontractor shall have a superintendent on site at all times during the course of their work that shall have the authority to act on behalf of the subcontractor. Subcontractor shall remove from the project site any employee Contractor determines unacceptable in terms of quality of work, cooperation with other trades, or who does not follow reasonable project rules and procedures established by Contractor's Superintendent.

Quality Control

Subcontractor shall comply with all requirements of Contractor's Quality Control program and shall participate in QC review, planning, mock-ups, inspections, etc. as required.

Subcontractor must have a foreman on site at all times who is able to speak and understand English.

Subcontractor to provide a work plan prior to starting work on site that includes:

- Resume of experienced English speaking foreman that is dedicated to our job;
- Items that Contractor needs to provide;
- Work sequence.

Subcontractor's foreman will go through Subcontractor Orientation with Contractor's superintendent before any work is performed on site.

Subcontractor's foreman will come to the jobsite prepared with plans, specifications & approved submittals.

Subcontractor's foreman will have a clear understanding of their scope of work and the work plan.

Subcontractor will demonstrate that their materials are per the approved submittal(s).

Insurance

Before starting work, Subcontractor shall procure and maintain in force all insurance coverage per Article R of the Subcontract.

Certificates of Insurance and policy endorsement(s) are required to name Contractor, Its Agents, Representatives, Officers, Directors, Officials and the Owner as additional insureds must be filed with the Contractor prior to commencement of Work. Additional insured endorsement(s) MUST be included with the certificate.

Contractor, Owner, Its Agents, Representatives, Officers, Directors, Officials and Employees shall be additional insured(s) on a primary/non-contributory basis under each policy, except for Worker's Compensation, that Subcontractor is required to maintain. Such additional insured endorsement shall also include a Waiver of Subrogation. Additional insured endorsement shall not be limited to ongoing operations. Completed Operations Coverage must be for all limits carried and not limited to the minimum acceptable as required herein.

Additional Insured Endorsement, including Completed Operations Coverage shall be maintained throughout the applicable state and federal statutes of limitations/repose or six (6) years, whichever is greater.

General Aggregate shall apply per project; endorsement(s) must be included with the certificate.

Subcontractor shall provide a waiver of subrogation endorsement in favor of the Contractor & Owner shall be provided by Subcontractor for General Liability, Automobile, Umbrella, Pollution Liability, Professional Liability and Worker's Compensations policies.

Cancellation Clause - Attach a Cancellation endorsement (CG 80 61 01 88 or equivalent) that indicates 30 days written notice will be sent in the event of cancellation or changes to the policy that reduce or restrict the coverage.

All non-standard coverage exclusions that would potentially exclude work covered under the subcontractor's scope of work must be disclosed on the certificate and hard copies of the non-standard exclusions will be provided to the Contractor.

All insurance carriers shall maintain a minimum "Best Rating" of A-VII and rating shall be shown on the certificate(s) by Subcontractor's insurance carrier.

This project is subject to U.S. Longshore and Harbor Worker's Compensation Act. Evidence of coverage under the subcontractor's Worker's Compensation policy is required.

In addition to coverage indicated under Item #5 of the subcontract, Marine Liability coverage is required for your work. Subcontractor to provide Protection & Indemnity with a limit of \$1,000,000 Limit of Liability.

This project is will require your employees to be working on a vessel over the water. Evidence of Maritime Employee Liability coverage under the Subcontractor's Worker's Compensation policy is required.

If Subcontractor's scope of work requires Pollution Liability coverage, Subcontractor to provide \$1,000,000 per Claim / \$1,000,000 Aggregate.

If Subcontractor's scope of work requires Professional Liability coverage, Subcontractor to provide \$1,000,000 per Claim / \$1,000,000 Aggregate.

Safety

The use, possession, purchase, sale, or distribution of illicit drugs, being under the influence of alcohol, or misuse of legal drugs while in Contractor's offices, vehicles, job sites, and/or while conducting Contractor's business is strictly prohibited. This includes subcontractor employees at any tier.

To ensure that the Contractor provides a workplace safe and free of violence for all personnel, the possession or use of firearms on jobsites is prohibited. A license to carry the firearm does not supersede this clause. Any person not complying with this clause will be removed from the jobsite.

State statute RCW 28A.400.330 guidelines require all subcontractors of any tier to have a background check performed on all employees assigned to work on or around the school grounds of this project.

RCW 49.17.430 and WAC 296-155-533 RCW 49.17.430 and WAC 296-155-533 apply to all projects.

- All cranes used for construction work will be load tested and certified annually by an accredited crane certifier. (RCW 49.17.430 and WAC 296-155-533). Crane certification documents shall be provided to the Contractor's project superintendent prior to setting up a crane, boom truck, or any other piece of hoisting equipment covered by these statutes on the job site.
- Full responsibility to provide equipment with sufficient hoisting capacity for all cranes or hoisting equipment shall rest with the party providing said equipment, however, Contractor shall reserve the right to obtain any necessary information regarding the equipment's capacity, the anticipated loads, and the staging plan prior to allowing access to the site for mobilization or operation. If hoisting equipment provided is deemed to be inadequate for any reason, the equipment shall be rejected and not allowed on site, with any costs to re-mobilize properly sized equipment being the responsibility of the party that provided the inadequate equipment.
- All crane operators will have a current and valid crane operator certificate for the type of crane being operated, issued by an accredited crane operator testing organization, issued through a nationally recognized accrediting agency. (RCW 49.17.420, WAC 296-155-531, WAC 296-155-532).
- Any crane that has not been certified, or crane operator without current operator's certification, will not be allowed to operate on a Contractor's project.

Any subcontractor that is issued two or more Safety Citations, from the Contractor, for similar safety violations on the jobsite will be responsible for providing and immediate and effective solution to prevent reoccurrence. Should a third Safety Citation be issued, Contractor reserves the right to provide a site safety person to continuously monitor work and enforce all safety regulations and be authorized to remove persons from the jobsite for non-compliance. All costs of the site safety person or due to removal of personnel from jobsite will be the responsibility of the subcontractor.

Without limiting the generality of any of Subcontractor's obligations set forth herein, Subcontractor shall defend, indemnify and hold Contractor harmless from any fines, costs or expenses (including, but not limited to, attorneys' fees and costs) related to or arising out of any "parallel" safety citation Contractor receives from any governmental agency arising out of or the sole negligence of,

Subcontractor or any of its employees or agents.

At Contractor's request, Subcontractor is required to contact L&I's Division of Occupation Safety & Health and request an on-site visit to review work practices and safety programs for the scope of work being performed. The report of findings provided by L&I will be made available to the Contractor.

Subcontractor to provide two copies of Material Safety Data Sheets/Safety Data Sheets (MSDS/SDS sheets) for all materials to be used in conjunction with your work.

Subcontractor to designate a safety representative and provide a written safety program, and if applicable, an excavation program, fall protection plan, and Material Safety Data Sheets/Safety Data Sheets (MSDS/SDS) for materials provided or used in connection with Subcontractor's work. All safety materials and / or devices required under the scope of this subcontract will be provided by the Subcontractor.

All electrically powered equipment or devices provided by Subcontractor shall be U.L. listed and approved.

By signing below, Subcontractor acknowledges that they have read and agree to this Attachment. Subcontractor further acknowledges that they will pass along each requirement of this Attachment to any lower tier subcontractors hired by Subcontractor. For the purpose of this form "Subcontractor" is interpreted to mean "Subcontractor or any lower tiered Subcontractor".

Dawson Construction, LLC

Subcontractor (Company Name)

Contractor (Authorized Signature)

Subcontractor (Authorized Signature)

Contractor (Printed Name & Title)

Subcontractor (Printed Name & Title)

State of Washington Public Works Requirements

State statute RCW 39.06.020 guidelines require all public works contractors to verify responsibility criteria, listed in RCW 39.04.350(1), for a subcontractor of any tier. Subcontract shall have an established procedure which it utilizes to validate the responsibility of each of its subcontractors.

Subcontractor Bidder Responsibility Criteria Requirement – This requirement applies to all subcontractors regardless of tier and must be included in all subcontracts or any tier.

At the time of subcontract execution of any lower tier subcontract, the Subcontractor shall verify that each of its first tier subcontractors meets the following bidder responsibility criteria:

1. Have a current certificate of registration in compliance with chapter 18.27 RCW, which must have been in effect at the time of subcontract bid submittal;
2. Have a current Washington Unified Business Identifier (UBI) number;
3. If applicable, have:
 - a. Have Industrial Insurance (workers' compensation) coverage for the subcontractor's employees working in Washington, as required in Title 51 RCW;
 - b. A Washington Employment Security Department number, as required in Title 50 RCW;
 - c. A Washington Department of Revenue state excise tax registration number, as required in Title 82 RCW;
 - d. An electrical contractor license, if required by Chapter 19.28 RCW;
 - e. An elevator contractor license, if required by Chapter 70.87 RCW.
4. Not be disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065 (3).

Certified Payroll

Federal Davis Bacon Commercial and/or Residential wages are required for this project, all contractors will use Wage Rate Determination No. _____, effective _____. Weekly certified payroll is required for this project. Subcontractors will send original Certified Payroll forms to the Contractors office. Indicate "Start" on your first payroll, and "Final" on your last payroll for the project. If there was no activity for a particular week, indicate "No Activity".

Prevailing Wages

Subcontractor is required per RCW 39.12 to pay Prevailing Wages that are effective as on MM/DD/YYYY.

Subcontractor is required to submit weekly certified payroll to contractor. Certified payroll is to be emailed to our Bellingham office at cp@dawson.com.

Subcontractor is required to file Intent to Pay Prevailing Wages with the Washington Department of Labor before they can work on site. To file go online to <http://www.ini.wa.gov/TradesLicensing/PrevWage/IntentAffidavits/File/default.asp>

Contractor's Intent to Pay Prevailing Wages No. is «udDOLno».

Upon completion of Subcontractor's work, Subcontractor is required to file Affidavit of Wages Paid.

Special Reporting

The apprenticeship program requires that a minimum of 15% of total labor hours be provided by Washington State Apprenticeship and Training Council (WSATC)-enrolled apprentices. All apprentices must be enrolled in an approved apprenticeship program as described in RCW 39.04.300 through 39.04.320.

This reporting is required whether you are union contractor or not. There are Apprenticeship programs available in the State of Washington that is not part of a union program. If you don't employ apprentices all your hours will be reported in the "Journeyman" section of the report.

Monthly reporting (form is provided) will be required and is due with your monthly billing. Any monthly pay applications without the Apprenticeship report will be returned as incomplete.

If your subcontract value is over \$90,000.00 a Section 3 Action will be required to be completed and returned with you signed subcontract. Progress payments will be held until Subcontractor's Section 3 Action Plan has been received by the Contractor.

If your subcontract value is over \$90,000.00, quarterly Section 3 reporting will be due by the 10th day following the end of the quarter. If not submitted by the due date, progress payments will be held until quarterly reporting has been received by the Contractor.

Closeout

One (1) electronic copy & one (1) hard copy, or as specified in the project documents, of the Operations & Maintenance manuals will be required.

As-builts for work will be done with marked-up paper plans.

Punch list call backs as the result of the Subcontractor not completing their punch list will be at the expense of the Subcontractor.

General Requirements

Subcontractor shall be available and participate in regularly scheduled project coordination meetings, as requested by the Contractor.

Subcontractor shall submit for approval a location plan of all access doors required for their scope of work.

Subcontractor will immediately notify Contractor of any circumstance or occurrence which may delay or interfere with the progress of the work, including but not limited to: pending change orders, field directives issued by Contractor or Owner, material acquisition, strikes or lockouts, transportation problems, damaged or stolen stored materials.

Subcontractor will in a timely manner provide Contractor with locations of all penetrations and embedded items in or through concrete and masonry. Subcontractor will provide necessary information to Contractor for layout on coordination drawings. Subcontractor will provide materials, field layout and installation of sleeves, embeds, and penetrations in masonry and concrete.

Subcontractor to provide location and weight of all suspended or roof mounted equipment.

No smoking on the jobsite.

Subcontractor is responsible for inspection and approval of substrate. Upon Subcontractor complete acceptance of substrate finish materials may be applied.

Subcontractor shall provide sleeves and fireproofing for penetrations necessary for Subcontractor's

work.

All materials provided by Subcontractor which are to be painted, must be left in a "ready to paint" condition. Grease, oil, glue, dirt, etc., that is a result of subcontractor's work, must be removed. Pre-finished materials must be left ready for final cleaning that does not require the use of special solvents or detergents. All temporary labels, not used for instruction or operation, must be removed. All excess glazing compounds and caulking must be removed. Final cleaning will be performed by Contractor, and will include vacuuming, dusting, mopping, and window washing.

Contractor's Equipment

Use of Dawson provided forklift, crane or other equipment: If subcontractor uses Dawson equipment or requests Dawson personnel to operate equipment on subcontractor behalf, subcontractor agrees to accept all responsibility, cost impacts and/or liability resulting from use and/or operation of equipment. If Contractor's personnel are operating the equipment on behalf of the subcontractor, Subcontractor is not responsible for the loss if it is a direct result of the negligence of the Contractor's personnel.

Subcontractor waives all claims for the loss or damage to the Contractor's property from the use of the Contractor's equipment. Subcontractor to protect, defend, indemnify and hold Contractor harmless against all claim, damages and losses (including without limitation, legal fees and disbursements) for injury to persons or damage to property arising out of or resulting from the Subcontractors use of the Contractor's equipment.

Forklift operators must be certified and documentation provided to Contractors superintendent. If Subcontractor does not have a certified operator they will have to pay for Contractor's personnel time. Crane operators must meet all the requirements called out in the Safety & Security Section above.

By signing below, Subcontractor acknowledges that they have read and agree to this Attachment. Subcontractor further acknowledges that they will pass along each requirement of this Attachment to any lower tier subcontractors hired by Subcontractor. For the purpose of this form "Subcontractor" is interpreted to mean "Subcontractor or any lower tiered Subcontractor".

Dawson Construction, LLC

Contractor (Authorized Signature)

Contractor (Printed Name & Title)

Subcontractor (Company Name)

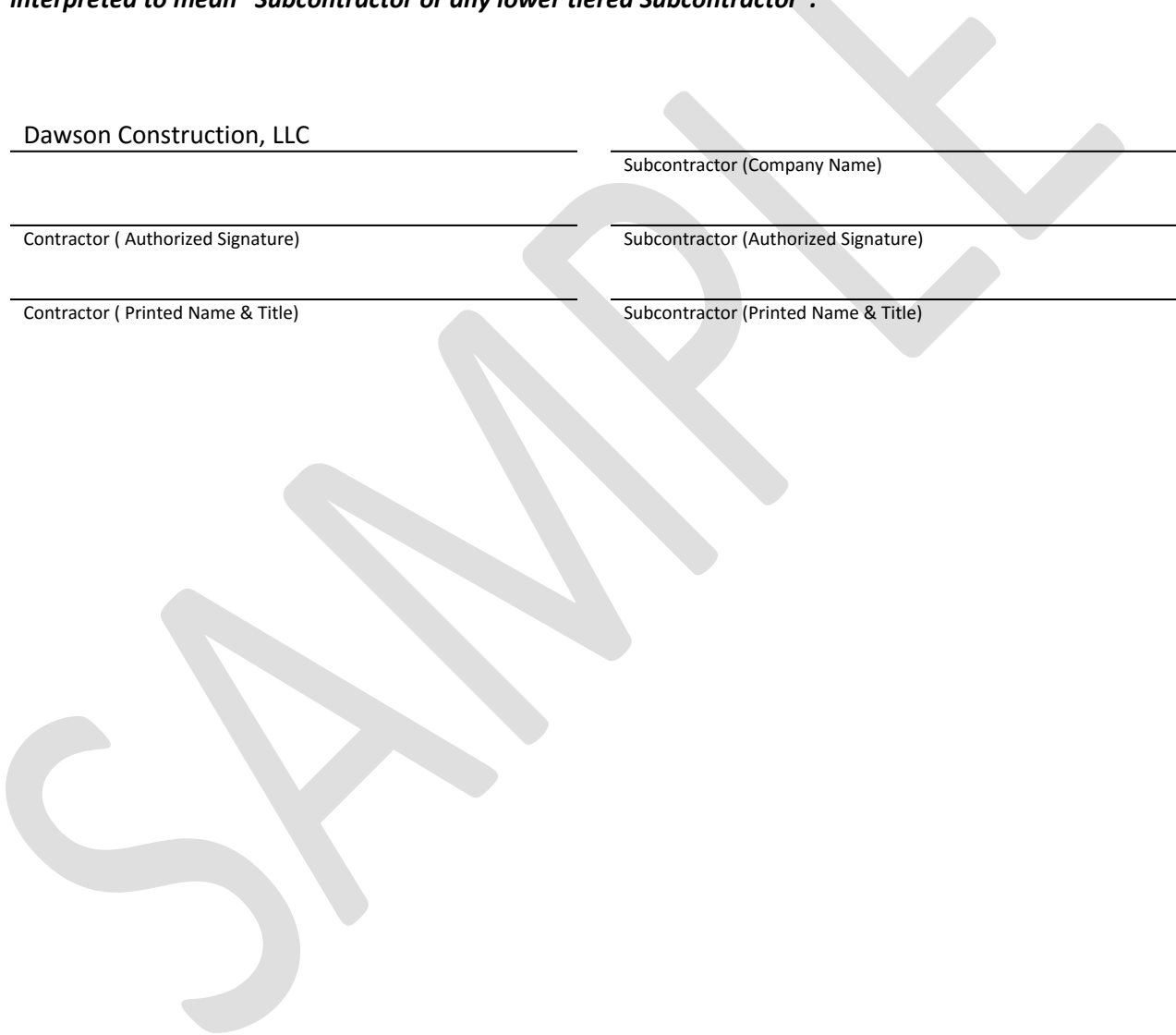
Subcontractor (Authorized Signature)

Subcontractor (Printed Name & Title)

Specifications Dated _____, including Addenda

By signing below, Subcontractor acknowledges that they have read and agree to this Attachment. Subcontractor further acknowledges that they will pass along each requirement of this Attachment to any lower tier subcontractors hired by Subcontractor. For the purpose of this form "Subcontractor" is interpreted to mean "Subcontractor or any lower tiered Subcontractor".

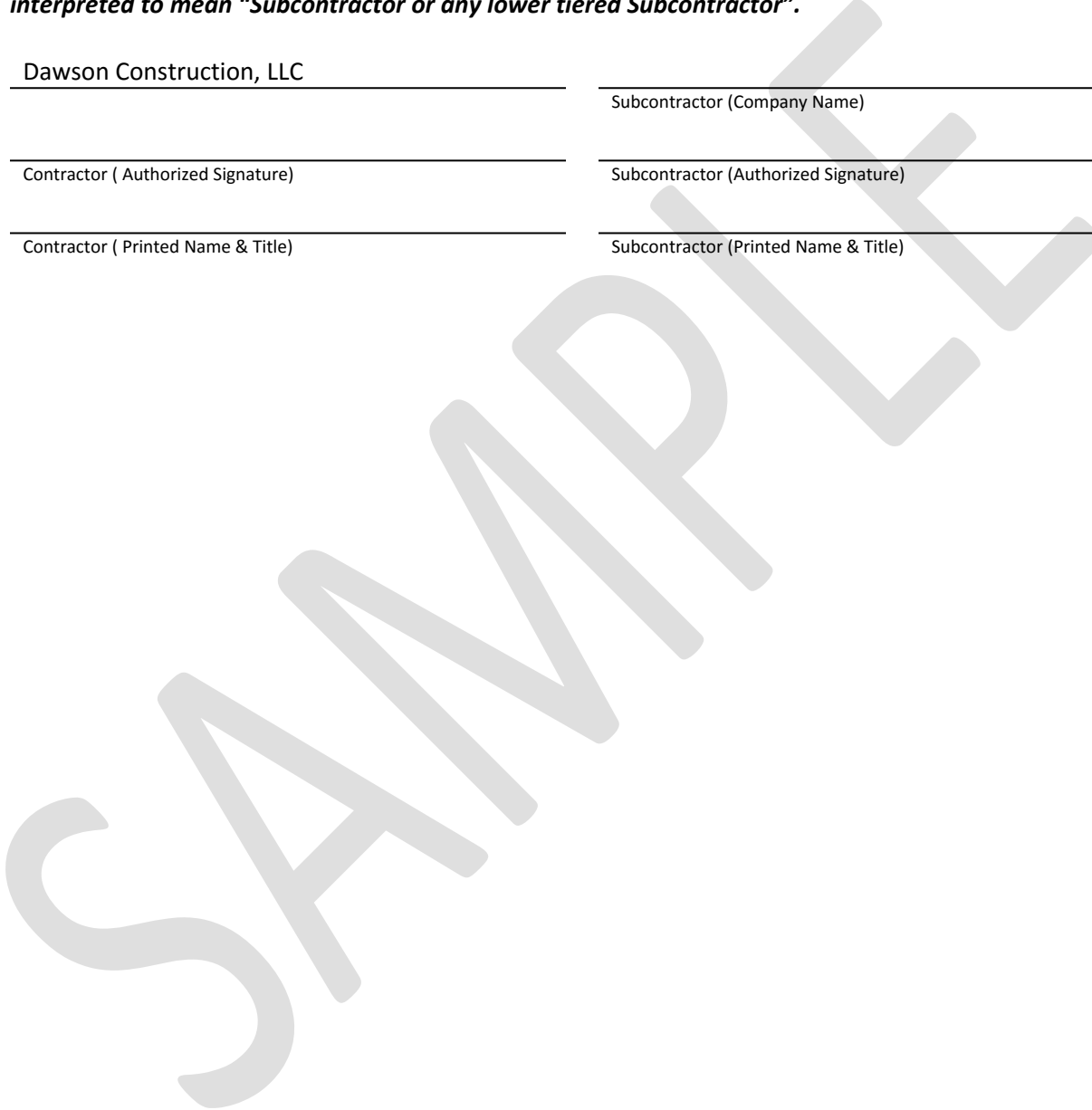
_____	_____
Dawson Construction, LLC	Subcontractor (Company Name)
_____	_____
Contractor (Authorized Signature)	Subcontractor (Authorized Signature)
_____	_____
Contractor (Printed Name & Title)	Subcontractor (Printed Name & Title)



Subcontractor's scope will be inserted here....

By signing below, Subcontractor acknowledges that they have read and agree to this Attachment. Subcontractor further acknowledges that they will pass along each requirement of this Attachment to any lower tier subcontractors hired by Subcontractor. For the purpose of this form "Subcontractor" is interpreted to mean "Subcontractor or any lower tiered Subcontractor".

_____	_____
Dawson Construction, LLC	Subcontractor (Company Name)
_____	_____
Contractor (Authorized Signature)	Subcontractor (Authorized Signature)
_____	_____
Contractor (Printed Name & Title)	Subcontractor (Printed Name & Title)



When working on a Dawson project, you are part of a team that operates with a high degree of interdependence upon which the successful outcome of the project is reliant. One area that is crucial in this respect is safety and the expectation of sending everyone home without injury. Our goal of zero injuries requires a team effort from management, supervisors, employees, and subcontractors to eliminate unsafe conditions and behaviors.

Safety Responsibilities

As employers, ALL contractors have an ethical and regulatory responsibility to provide a safe workplace. The following is a list of key employer responsibilities in the construction industry:

- Provide a safe jobsite and comply with all applicable standards, rules and regulations including developing a site specific safety plan appropriate to the scope of work and hazards anticipated
- Maintain a list of hazardous chemicals used on the jobsite and corresponding Safety Data Sheets (formally called MSDS)
- Communicate safety requirements, hazards & provide safety training
- Ensure employees use safe tools and equipment
- Designate a competent person to implement and enforce the safety requirements
- Conduct frequent and regular safety inspections of the work area(s). Inspections must be documented at least weekly

Multi-Employer Jobsites

OSHA's "Multi-Employer" or "Parallel" citation policy allows any contractor on the jobsite to be cited for safety violations created by another contractor, even if their own employees were not in danger or had no knowledge of the violation. OSHA determines who created a hazard, whose employees are exposed to it, who can control the hazard but didn't, and who is required to correct it. OSHA will issue a citation to one or more contractors for any given safety violation.

As the general contractor, Dawson is generally considered the "controlling contractor" and will receive a parallel citation for a hazard created by a subcontractor unless reasonable care is taken to communicate safety responsibilities, monitor/inspect the jobsite for hazards, take corrective actions, and enforce the rules.

Dawson recognizes that accident prevention, productivity and quality of performance go hand in hand, and that safety is an integral part of all activities. Working towards our goal of zero injuries and no safety citations, we require that all subcontractors working on a Dawson jobsite have the following responsibilities:

- PM/site supervisor shall participate in a pre-construction meeting led by Dawson that includes a review of subcontractor responsibilities and reaffirms the importance of safety.
- All employees shall complete a jobsite orientation with the Dawson superintendent or designee before starting work. The orientation will cover general safety rules and site-specific policies and a verbal warning that safety violations will not be tolerated.
- Subcontractor will complete a Pre-Task Assessment (PTA) for each phase of work.

- Subcontractor will take immediate corrective actions for unsafe practices and conditions when observed, or immediately report the hazard to the Dawson superintendent.
- Subcontractor will stop all unsafe work whenever there is imminent danger to life and/or health.
- All onsite crews shall attend the weekly Dawson toolbox safety training meetings.
- Subcontractor will enforce all safety requirements. Dawson may issue a safety citation for unsafe actions or volatile conditions to the offending subcontractor. Depending on severity, corrective action may include removal of offending personnel from the jobsite.
- Should Dawson receive a parallel OSHA citation related to, or arising from, any action or condition created by a subcontractor or any of its employees or agents, subcontractor shall pay all penalties, administrative and legal costs for Dawson to defend against.

As a contractor working for Dawson construction, we are committed to preventing injuries. All work will be done in a safe manner, meeting all applicable OSHA standards and Dawson work practices including, but not limited to, those summarized in this document.

Furthermore, I understand my responsibilities for safety to our employees and those working around us, when working on multi-employer jobsites.

Subcontractor further acknowledges that they will pass along each requirement of this Attachment to any lower tier subcontractors hired by Subcontractor. For the purpose of this form "Subcontractor" is interpreted to mean "Subcontractor or any lower tiered Subcontractor".

Dawson Construction, LLC

Subcontractor (Company Name)

Contractor (Authorized Signature)

Subcontractor (Authorized Signature)

Contractor (Printed Name & Title)

Subcontractor (Printed Name & Title)