

# SUBCONTRACT AGREEMENT

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Initials \_\_\_\_\_ / \_\_\_\_\_

# 3-00

Rev 3/02/BWF

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THIS AGREEMENT, made this      Day of      Month, 20      yr, by and between \_\_\_\_\_

Company Name

Address

City, State Zip

Phone

West Coast Contractors

2320 Courage Drive

Fairfield, CA 94533

707-435-1000

hereinafter called Subcontractor, including its heirs, executors and successors, and \_\_\_\_\_

hereinafter called Contractor, including its heirs, executors, successors, and assigns, WITNESSETH:

**SECTION 1. PROJECT DESCRIPTION.** Subcontractor agrees to furnish all necessary materials, labor, tools, equipment and supplies necessary to perform and to perform all work set forth in Section 2 hereof in the construction of      Project Name       
     City, CA     

Owner Name     for      address     hereinafter called Owner, at     

The Prime Contract, together with the General Conditions, supplemental conditions, special conditions, plans, drawings, specifications, addenda, change orders, modifications made hereafter and all other contract documents between Contractor and Owner will be hereinafter referred to as the "Contract Documents." Subcontractor certifies that it is fully familiar with all of the terms of the Contract Documents, the location of the job site, and the conditions under which the Work is to be performed and that it enters into this Subcontract based upon its investigation of all such matters and is not relying on any opinions or representations of Contractor. The Contract Documents are incorporated in this Subcontract by reference, and insofar as the provisions of the Contract Documents do not conflict with specific provisions contained in this Subcontract, Contractor shall have all rights, remedies, powers, and privileges as to or against Subcontractor which Owner has against Contractor under any of the Contract Documents. Subcontractor (as well as its subcontractors, suppliers and/or materialmen to any tier) shall have all the responsibilities and obligations as to Contractor which Contractor has to Owner in the Contract Documents and Subcontractor (as well as its subcontractors, suppliers and/or materialmen to any tier) will be and are bound by the Contract Documents insofar as they relate in any way, directly or indirectly, to the Work covered by this Subcontract including, without limitation, administrative provisions. Subcontractor agrees to be bound to Contractor in the same manner and to the same extent as Contractor is bound to the Owner under the Contract Documents, including, but not limited to, all applicable terms and provisions thereof, except that as to all time limits, the Subcontractor will submit any and all claims, pay requests, documents or other materials to Contractor in sufficient time to permit the Contractor to reasonably process such documents and transmit them to the Owner or Architect within the time constraints of the Contract Documents. If anything in this Subcontract is inconsistent with the Contract Documents, this Subcontract will govern, except where the Contract Documents impose a stricter duty on Subcontractor, in which case Subcontractor shall be obliged to comply with such stricter standards or duty. Where, in the Contract Documents, reference is made to Contractor, and the work or specifications therein pertain to Subcontractor's trade, craft or type of work, such work or specifications shall be interpreted to apply to Subcontractor instead of to Contractor.

**SECTION 2. WORK TO BE PERFORMED.** It is agreed that the materials to be furnished and work to be done by Subcontractor are as follows:

2.1 Subcontractor agrees to furnish all labor, materials, equipment services and taxes necessary to complete all work. This work includes but, is not limited to, all work of any nature in regards to Sections:

2.2 Subcontract bonds are not required.

2.3 Addenda number(s)      and      are made part of this subcontract agreement.

REGARDLESS OF THE PROVISIONS IN THE GENERAL CONTRACT, SUBCONTRACTOR SHALL FURNISH AND PAY FOR ALL LAYOUT, BACKING, TESTING, SCAFFOLDING AND PLANKING, HOISTING OF MEN AND MATERIALS, AND TEMPORARY HEAT, POWER AND LIGHTS REQUIRED FOR WORK TO BE PERFORMED UNDER THIS SUBCONTRACT.

If material is to be furnished but is not required to be installed under this Subcontract, such material is to be delivered F.O.B.      Job Site     

**SECTION 3. PAYMENTS.** Contractor shall pay Subcontractor for furnishing the materials and performing the work, as specified herein, the sum of      Dollars and No Cents

     Dollars (\$     ), subject to additions and deductions for changes agreed upon or determined as hereinafter provided. Partial payments will be made to Subcontractor in an amount equal to 90 per cent of the value of work and materials incorporated in the construction as estimated by Owner's Representative, less previous payments, but such partial payments shall not become due to Subcontractor until      days after Contractor receives payment from Owner. Upon complete performance of this Subcontract by Subcontractor and final approval and acceptance thereof by Owner, Contractor will make final payment to Subcontractor of the balance due under this Subcontract within 10 days after full payment for such work and materials has been received by Contractor from Owner.

The following language shall apply to all payments otherwise due from Contractor to Subcontractor under this Subcontract:

(a) In any event, where Owner has withheld any payment(s), a portion of which arose from or was based on compensation for Subcontractor's Work ("Subcontractor's Portion of Payment"), Contractor's obligation to make payment for Subcontractor's Portion of Payment shall be temporarily suspended while Contractor undertakes reasonable efforts to collect such payment(s) ("Collection Efforts"). Such Collection Efforts shall include negotiation, mediation, arbitration and/or litigation, and no funds relating to Subcontractor's Portion of Payment shall be due or payable until such Collection Efforts have been exhausted.

(b) Notwithstanding the language of Subparagraph (a), above, in the event the actions or inactions of Subcontractor contributed in whole or in part to the Owner's non-payment of any sum hereunder, Subcontractor shall hold Contractor harmless and indemnify Contractor from loss resulting therefrom; and the costs of Collection Efforts and any consequential loss or damages resulting from Subcontractor's actions or inactions shall be the responsibility and obligation of Subcontractor and may, without limitation, be used as an offset against any sum owed to Subcontractor.

No partial payment to Subcontractor shall operate as approval or acceptance of work done or materials furnished under this Subcontract. If this Subcontract provides for payment for work to be performed on a unit price basis, Subcontractor agrees to be bound by Owner's measurement of the quantity of work; however, if Owner does not provide any measurement of work, Subcontractor agrees to be bound by Contractor's measurement of the work. Any partial payment or payments made by Contractor to Subcontractor will be subject to final audit and adjustment and Subcontractor agrees to reimburse Contractor for any overpayment. Acceptance by Subcontractor of final payment shall release Contractor and its surety of all claims arising under or by virtue of this Subcontract except those claims previously submitted in writing by Subcontractor. As between the parties hereto and except as expressly provided otherwise in this Agreement, Subcontractor accepts the price or prices set forth herein as full compensation for doing all work and furnishing all materials contemplated and embraced in this Subcontract; for all loss or damage arising out of the nature of the work aforesaid or from the action of the elements or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by Owner; for all risks of every description connected with the work; for all expense incurred by or in consequence of the suspension or discontinuance of work; and for faithfully completing work and the whole thereof in the manner and according to the requirements of Contractor and Owner and Owner's Representative.

Contractor may deduct from any amounts due or to become due to Subcontractor any sum or sums owing by Subcontractor to Contractor whether or not arising under this Subcontract and in the event of any breach by Subcontractor of any provision or obligation of this Subcontract, or in the event of the assertion by other parties of any claim of lien against Contractor or its surety or the construction site arising out of Subcontractor's performance of this Subcontract, Contractor shall have the right, but is not required, to retain out of any payments due or to become due to Subcontractor an amount sufficient to completely protect Contractor from any and all loss, damage or expense therefrom until the situation has been remedied or adjusted by Subcontractor to the satisfaction of Contractor.

Contractor reserves the right to make payment by joint check or by direct check to Subcontractor and to Subcontractor's material men or subcontractors or any person who has right of action against Contractor or its surety under any law. Contractor reserves the right to determine the manner and amount of payment to be made.

Subcontractor shall furnish, if requested by Contractor, sworn affidavits from time to time, in accordance with the form provided by Contractor, which shall state amounts due or to become due and amounts paid to suppliers and other parties contractually related with Subcontractor with respect to labor and materials furnished or to be furnished under this Subcontract.

Subcontractor agrees and covenants that money received for the performance of this Subcontract shall be used solely for the benefit of persons and firms supplying labor, materials, supplies, tools, machines, equipment, plant or services exclusively for this project in connection with this Subcontract and having the right to assert liens or other claims against the land, improvements or funds involved in this Project or against any bond or other security posted by Contractor or Owner, that any money paid to Subcontractor pursuant to this Subcontract shall immediately become and constitute a trust fund for the benefit of said persons and firms, and shall not in any instance be directed by Subcontractor to any other purpose until all obligations arising hereunder have been fully discharged and all claims arising therefrom have been fully paid.

Subcontractor agrees, as a condition precedent to payment hereunder, to furnish Contractor with such partial or final releases of claims or waivers of Lien as Contractor may from time to time request.

If at any time Contractor, at its sole discretion, shall determine that Subcontractor's financial condition has become unstable or unsatisfactory, Subcontractor shall furnish additional security satisfactory to Contractor within three days after written demand therefor is delivered to Subcontractor, and, in default of furnishing said additional security, Contractor shall have the option to terminate Subcontractor's right to proceed or to initiate such other action as Contractor may, at its sole discretion, deem necessary for the protection or preservation of its interests and the prevention of delay in the progress of work on the Project, including but not limited to the work to be performed by Subcontractor hereunder. In the event of such cancellation, the rights of Contractor shall be the same as if Subcontractor had willfully refused to further perform the Subcontract.

**SECTION 4. RETAINAGE REDUCTION.** If at any time prior to final payment hereunder Owner reduces the amount of retainage held from Contractor, Contractor may, at its sole discretion, without the consent of Subcontractor's Surety, reduce accordingly the retained percentage withheld from Subcontractor.

**SECTION 5. CHANGES AND EXTRA WORK.**

(a) Contractor may, at any time by written order and without notice to Subcontractor's Surety, make changes in, additions to and omissions from the work to be performed and materials to be furnished under this Subcontract, and shall make an appropriate adjustment in the Subcontract price and time of performance. If Subcontractor shall disagree with such adjustment, Subcontractor shall give written notice to Contractor and any further adjustment shall be agreed upon in writing by the parties hereto, but Subcontractor shall immediately proceed with the performance of this Subcontract as so changed. Any change or modification shall be subject to all the terms and conditions of this Subcontract.

(b) If Owner shall order any changes or extra work, including additions, reductions or deletions, in the work to be performed hereunder or within the general classification of any work to be performed hereunder, Subcontractor will upon written order of Contractor perform the work required, and any adjustment in compensation or in the time for performance shall be as the parties agree. If the parties are unable to agree, Subcontractor shall nevertheless proceed with such work and shall give prompt written notice thereof to Contractor. The amount of compensation and the time of performance shall be adjusted only to the extent allowed by Owner. Subcontractor shall comply with and be bound by any notice provisions and claims procedure, including arbitration, contained in the General Contract or required by Owner. If any claim of Subcontractor is presented to Owner together with claims of Contractor or others, Contractor's determination as to Subcontractor's share of any award by Owner shall be binding and conclusive on Subcontractor.

(c) Subcontractor will make all claims for extra compensation to the Contractor promptly in accordance with this Article and in sufficient time to allow the Contractor a reasonable amount of time in which to meet any and all conditions in the Contractor Documents to submit claims to the Owner or Architect. Subcontractor shall give notice of claim relating to any work for which extra compensation is asserted within the shorter of the following: ten (10) working days after the events first giving rise to such claim(s) or one full working day less than such time as is provided in Contract Documents. If such notice is not given, Subcontractor shall be deemed to have abandoned any claim therefore.

**SECTION 6. EXAMINATION OF DOCUMENTS AND SITE.** Subcontractor represents that it has carefully examined all of the documents comprising the General Contract and is familiar with the terms and conditions thereof, and has fully acquainted itself with all jobsite conditions relevant to the work that it has made all investigations essential to a full understanding of the difficulties which may be encountered in performing the work; and that, as between the parties hereto and except as expressly provided otherwise in this Agreement, Subcontractor will complete the work for the compensation stated in this Subcontract and assumes full and complete responsibility for completion of the work.

**SECTION 7. PROGRESS OF WORK AND ORDER OF PERFORMANCE.** Time is of the essence of this Subcontract. Subcontractor shall furnish all materials, labor, tools, equipment and supplies necessary for the performance of this Subcontract in a proper, efficient and workmanlike manner and so as to perform the work in accordance with and within the time specified in progress schedules designated by Contractor or any revisions thereof. Subcontractor shall prosecute the work in a prompt and diligent manner whenever such work, or any part of it, becomes available, or at such other time or times as Contractor may direct, and so as to promote the general progress of the entire construction, and shall not interfere with or hinder the work of Contractor or any other Subcontractor. If Contractor shall deem it necessary, Subcontractor, at its own expense and on demand of Contractor, shall provide additional work forces, overtime or additional shifts and shall expedite the furnishing of materials so as to meet the progress schedule. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its work within the time or times provided for herein. Subcontractor shall reimburse Contractor for any and all damages suffered by or assessed against Contractor, including liquidated damages, which are attributable to or caused by Subcontractor's failure to furnish the materials or to perform the work required by this Subcontract within the time fixed or in the manner provided for herein. Payment of such damages shall not release Subcontractor from its obligation to otherwise fully perform this Subcontract. Upon written request by Contractor, Subcontractor shall furnish to Contractor such evidence as Contractor may require relating to Subcontractor's ability to fully perform this Subcontract in the manner and within the time specified herein.

If Subcontractor fails to comply or becomes disabled from complying with the provisions hereof as to character and time of performance, and the failure is not corrected within forty-eight hours after written request by Contractor to Subcontractor, Contractor may, without prejudice to any other right or remedy, take over and complete the performance of this Subcontract at the expense of Subcontractor, or Contractor may, without taking over the work, furnish the necessary materials and may employ any other person or persons including another subcontractor to finish the work and provide the materials therefor, all without liability on the part of Contractor for any damage, wear and tear, depreciation, theft, action of the elements, acts of God, fire, flood, vandalism, or other injury or damage to said materials, tools, and appliances and in case of such discontinuance of Subcontractor's employment by Contractor, Subcontractor shall not be entitled to receive any further payment under this Subcontract until the work shall be wholly finished and Contractor shall have received payment in full therefor from Owner, at which time, if the unpaid balance of the amount to be paid under this Subcontract exceeds the expenses incurred by Contractor in finishing the work, such excess shall be paid by Contractor to Subcontractor; but if such expense shall exceed such unpaid balance, then Subcontractor shall pay the difference to Contractor. As used in this Section the word "expense" shall mean actual cost to Contractor plus fifteen per cent (15%) for overhead. The expense incurred by Contractor as herein provided, either for furnishing materials or for finishing the work, and any damages incurred as a result of such default, shall be chargeable to and paid by Subcontractor and Contractor shall have a lien upon all materials, tools and appliances taken possession of, as aforesaid, to secure the payment thereof.

Contractor shall have the right to enter upon the premises and take possession for the purpose of completing the work included in this Subcontract, of all materials, tools and appliances thereon.

Subcontractor shall be considered disabled from prosecuting the work covered by this Subcontract if Subcontractor's interest herein, or any part thereof, be assigned or transferred in any manner, either voluntarily or involuntarily or by operation of law, or if a petition under the Bankruptcy Act or to appoint a Receiver is filed by or against Subcontractor, or if Subcontractor dies or becomes insolvent or (if an individual) dies or (if a business entity) dissolves or terminates its existence.

**SECTION 8. DELAYS, EXTENSIONS OF TIME, STOPPAGE OR SUSPENSION OF WORK, DISPUTES.** If Subcontractor's performance of this Subcontract is delayed or interfered with by acts of Owner, Contractor or other subcontractors, Subcontractor may request an extension of time for the performance of same, as hereinafter provided, but except as otherwise permitted by law, Subcontractor shall not be entitled to any increase in the Subcontract price or to damages or additional compensation as a consequence of such delays. If a progress schedule is furnished by Contractor to Subcontractor, Subcontractor shall comply with such schedule for the benefit of Contractor; however, Subcontractor must be ready to perform at the times indicated in the progress schedule. Contractor makes no representation that it will be ready for Subcontractor at the times indicated in said schedule regardless of whether delays may be within the control of Contractor. As required by Contractor, Subcontractor shall submit to Contractor progress schedules for the work subcontracted, or at Contractor's election, cooperate in the preparation of a progress schedule.

Subcontractor will make all claims for extensions of time in accordance with this Article and in sufficient time to allow the Contractor a reasonable amount of time in which to meet any and all conditions in the Contract Documents to submit claims to the Owner or Architect. Subcontractor shall give notice of claim relating to any extensions of time of performance within the shorter of the following: two (2) working days after the events first giving rise to such claim(s) or one full working day less than such time as is provided in Contract Documents. If such notice is not given, Subcontractor shall be deemed to have abandoned any claim therefore.

If Owner, with or without cause, shall terminate the General Contract or shall stop or suspend work under the General Contract, or if Owner shall fail to pay when due any sum payable under the General Contract, Contractor may order Subcontractor to stop or suspend work hereunder and Contractor shall be liable to Subcontractor for any such stoppage or suspension only if and to the extent that Owner shall be liable to Contractor therefor. Contractor will pay to Subcontractor the value of work that Subcontractor has completed before the work was stopped or suspended but only if and to the extent that Owner shall have paid Contractor for such work of Subcontractor.

In the event of any dispute or claim between Contractor and Owner which directly or indirectly involves the work required to be performed by Subcontractor under this Subcontract or in the event of any dispute or claim between Contractor and Subcontractor which directly or indirectly involves a claim against Owner for either additional compensation or an extension of time under the General Contract, 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 General Contract and by all decisions, findings, or determinations made thereunder, whether by the person so authorized in the General Contract, or by an administrative agency or court of competent jurisdiction or by arbitration, whether or not Subcontractor is a party thereto. If any dispute or claim is prosecuted or defended by Contractor, and Subcontractor is not directly a party or litigant, 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 attorney's fees, incurred in connection therewith to the extent of Subcontractor's interest in such claim or dispute. It is expressly understood and agreed in connection with the determination of such claims or disputes that, as to any and all work done and agreed to be done by Subcontractor, and as to any and all materials or services furnished or agreed to be furnished by Subcontractor, and as to any and all damages, if any, incurred by Subcontractor in connection with this project, Contractor shall never be liable to Subcontractor to any greater extent than Owner is liable to Contractor.

It is further specifically agreed by the parties hereto that no claim, dispute or controversy shall interfere with the progress and performance of work required to be performed under this Subcontract and that Subcontractor shall proceed as directed by Contractor in all instances with its work under the Subcontract and that any failure of Subcontractor to comply herewith and to proceed with its work shall automatically be deemed a breach of this Subcontract entitling Contractor to all remedies available in the event of breach.

**SECTION 9. RESPONSIBILITY FOR THE WORK.** Subcontractor shall be responsible for its own work, property and materials until completion and final acceptance of the General Contract and release of responsibility by Owner, and shall bear the risk of any loss or damage until such acceptance. In the event of loss or damage, Subcontractor shall proceed promptly to make repairs or replacement of the damaged work, property or materials at its own expense, as directed by Contractor. Subcontractor waives all rights Subcontractor might have against Contractor for loss or damage to Subcontractor's work, property or materials.

**SECTION 10. INSURANCE.** Subcontractor shall, at his expense, procure and maintain insurance on all of his operations, in companies acceptable to Contractor, as follows:

(a) **Worker's Compensation and Employer's Liability Insurance.** Workers' Compensation insurance shall be provided. Employer's liability insurance shall be provided in amounts not less than \$1,000,000 each accident for bodily injury by accident; \$1,000,000 policy limit for bodily injury by disease, and \$1,000,000 each employee for bodily injury by disease.

If there is an exposure of injury to Subcontractor's employees under the U.S. Longshoremen's and Harbor Workers' Compensation Act, the Jones Act or under laws, regulations or statutes applicable to maritime employees, coverage shall be included for such injuries or claims.

(b) **General Liability Insurance.** Subcontractor shall carry Comprehensive General Liability or Commercial General Liability insurance covering all operations by or on behalf of Subcontractor providing insurance for bodily injury liability and and property damage liability for the limits of liability indicated below and including coverage for:

- (1) premises and operations;
- (2) products and completed operations
- (3) contractual liability insuring the obligations assumed by Subcontractor in this Agreement;
- (4) broad form property damage (including completed operations);
- (5) explosion, collapse and underground hazards; and
- (6) personal injury liability.

Except with respect to bodily injury and property damage included within the products and completed operations hazards, the aggregate limits, where applicable, shall apply separately to Subcontractor's work under this Subcontract.

(c) One of the following coverage forms is required:

- (1) Comprehensive General Liability
- (2) Commercial General Liability (Occurrence)

(d) If Subcontractor carries a **Comprehensive General Liability** policy, the limits of liability shall not be less than a Combined Single Limit for bodily injury, property damage and Personal Injury Liability of:

- \$1,000,000 each occurrence
- \$1,000,000 aggregate

(e) If Subcontractor carries a **Commercial General Liability (Occurrence)** policy:

- (1) \$1,000,000 each occurrence (combined single limit for bodily injury and property damage)
- \$1,000,000 for Personal Injury Liability
- \$1,000,000 Aggregate for Products-Completed Operations
- \$1,000,000 General Aggregate

(2) If the policy does not have an endorsement providing that the General Aggregate Limit applies separately to this Project or if Defense Costs are included in the aggregate limits, then the required aggregate limits shall be \$2,000,000.

(f) With respect to whichever general liability policy form is furnished under subparagraphs (b) (c) or (d) above, Contractor, its officers, directors, and employees and Owner shall be named as Additional Insureds. The policy shall stipulate that the insurance afforded the Additional Insureds shall apply as primary insurance and that any other insurance carried by Contractor, its officers, directors and employees or Owner will be excess only and will not contribute with this insurance.

(g) Automobile Liability Insurance (Bodily Injury and Property Damage Liability) including coverage for all owned, hired and non-owned automobiles. The limits of liability shall not be less than \$1,000,000 Combined Single Limit for each accident. If Subcontractor's General Liability Insurance is provided by a Commercial General Liability policy, then Subcontractor's Automobile Liability insurance policy shall include coverage for Automobile Contractual Liability.

(h) Certificates of Insurance shall be furnished by Subcontractor to Contractor before any work is commenced hereunder by Subcontractor. The Certificate of Insurance shall provide that there will be no cancellation, reduction or modification of coverage without thirty (30) days prior written notice to Contractor. If Subcontractor does not comply with this section, Contractor may, at its option, provide insurance coverage to protect Owner and Contractor and charge Subcontractor for the cost of that insurance. The required insurance shall be subject to the approval of Contractor, but any acceptance of insurance certificates by Contractor shall not limit or relieve Subcontractor of the duties and responsibilities assumed by it under this Subcontract.

(i) If higher limits or other forms of insurance are required in the General Contract by the Owner, Subcontractor will comply with such requirements.

(j) Contractor and Subcontractor waive all rights against each other and against all other subcontractors and Owner for loss or damage to the extent covered by Builder's Risk or any other property or equipment insurance applicable to the work, except such rights as they may have to the proceeds of such insurance. If the policies of insurance referred to in this Section require an endorsement or consent of the insurance company to provide for continued coverage where there is a waiver of subrogation, the owners of such policies will cause them to be so endorsed or obtain such consent.

(l) The requirement for carrying insurance hereunder is cumulative and shall not be in derogation of other provisions of this Subcontract.

(k) All insurance carriers must have an A.M. Best Rating of A VII or better.

**SECTION 11. BONDS.** Unless waived in writing, Subcontractor shall furnish a Performance Bond in an amount equal to the full subcontract price and a Payment Bond in an amount equal to the full subcontract price. Such bonds shall be on forms furnished by Contractor and with a surety satisfactory to Contractor. No change, alteration or modification in or deviation from this Subcontract, its terms, conditions, plans or specifications, or in the manner, time or amount of payment as provided herein, whether or not made in the manner herein provided, shall release or exonerate, in whole or in part, any surety on any bond given in connection with this Subcontract. Said bonds shall extend to and cover any extra work or changes performed by Subcontractor pursuant to this Subcontract.

**SECTION 12. OBLIGATIONS OF SUBCONTRACTOR.** Subcontractor specifically obligates itself to Contractor in the following respects (and this agreement is made upon such express conditions) to wit:

(a) To indemnify Owner, Contractor and their members, officers, directors and employees against and save them harmless from any and all claims, suits, liability, expense, including attorney's fees or damage for any alleged or actual infringement or violation of any patent or patent right arising in connection with this Subcontract and anything done thereunder.

(b) With the exception that this Section shall in no event be construed to require indemnification by Subcontractor to a greater extent than permitted under the public policy of the State of California, Subcontractor shall indemnify and save harmless Contractor and Owner including their officers, directors, agents, employees, affiliates, parents and subsidiaries, and any other entities required to be indemnified by Contractor under the Contract Documents, and each of them (collectively referred to as "Indemnitees" and individually referred to as "Indemnitee"), of and from any and all claims, demands, causes of action in law or in equity, damages, penalties, costs, expenses, actual attorney's fees, experts' fees, consultants' fees, judgments, losses or liabilities, of every kind and nature whatsoever arising out of or in any way connected with or incidental to, the performance of the Work under this Subcontract or any of the obligations contained in this Subcontract ("Claims"). The obligations under this Section 12 shall apply to any acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of the Subcontractor, its subcontractors, agents, consultants, materialmen, employees, officers and/or partners. Without limitation, "damages" include personal injury, including, but not limited to bodily injury, emotional injury, sickness or disease, or death to persons, including, but not limited to, any employees or agents of Subcontractor, Contractor, Owner, or any other subcontractor, or any person; or other damages of any kind to anyone including, without limitation, economic loss, taxes, penalties, property damage, and loss of use.

(c) The Subcontractor agrees, at its own cost, expense and risk to defend the Indemnitees against any Claims as defined in this Article that may be brought or instituted by third persons, including, but not limited to, government agencies or employees of Subcontractor. In the event Subcontractor fails to do so, the Contractor, in addition to any other legal right it may have, may defend the same and all costs and expenses incidental to the defense thereof, including, but not limited to, actual attorneys' fees and expert costs, or settlement of any such claim or liability, or payment of any judgment, cost, attorneys' fees, expert fees, and expenses incidental thereto, or said amount as Contractor in its discretion deems necessary to defend and resolve such claims or liability, such costs shall be deducted from the amount due Subcontractor hereunder and withheld by Contractor. If Contractor is not withholding sufficient monies to compensate it for the above, then Subcontractor agrees to forthwith pay such amounts to Contractor. Contractor expressly reserves the right to select the attorney to be retained by Subcontractor to defend against Claims as defined in this Article.

(d) It is expressly acknowledged and agreed that each of the foregoing indemnities is independent and that each shall be given effect, and that each shall apply despite any acts or omissions, misconduct or negligent conduct, whether active or passive, on the part of Contractor, Owner or other Indemnitee; except that the duty to indemnify or hold harmless a particular Indemnitee shall not be applicable to damages for death or bodily injury to persons, injury to property, or any other loss, damage, or expense arising from the sole negligence or willful misconduct of such particular Indemnitee, its agents, servants, or independent contractors who are directly responsible to such particular Indemnitee, excluding Subcontractor herein. It is expressly acknowledged and agreed that Subcontractor and any other responsible parties shall be jointly and severally liable to Contractor with respect to Claims described herein above. At its sole discretion, Contractor may determine which indemnitor or indemnitors Contractor will look to for indemnification hereunder.

(e) In any and all Claims against any Indemnitee or any of its agents or employees by any employee of the Subcontractor, anyone directly or indirectly employed by it or anyone for whose acts it may be liable, the indemnification obligation under this Article shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Subcontractor under Workers Compensation or disability benefit acts or other employee benefit acts.

(f) The insurance requirements articulated in Section 10 are separate and distinct from other obligations contained in the Subcontract, including, without limitation, the obligations contained in Section 12(b); and Subcontractor's indemnification obligation under this Subcontract shall not be limited in any way by any limitation on the amount or type of insurance which may be available to Subcontractor.

(g) To pay for all materials, equipment, including repairs thereof and parts, and labor, including sales taxes and other taxes, ordered for or used in the project by Subcontractor and shall suffer no claim of lien or statutory withholding notice to be filed or served with respect to the subcontract work and shall present, on demand, to Contractor satisfactory evidence of any such payment.

(h) Subcontractor warrants to Owner, Contractor, their successors and assigns, and all other parties to whom the warranty runs under the Contract Documents that all materials and equipment furnished shall be new unless otherwise specified and that the work under this Subcontract shall be of good quality, free from faults and defects and in conformance with the Contract Documents. All work not conforming to any of the above requirements, including substitutions not properly approved and authorized, may be considered defective. Subcontractor agrees to promptly make good without cost to Owner of all such defects and all defects due to faulty workmanship and/or materials which may appear within the guarantee or warranty period so established in the Contract Documents, and no such period is stipulated in the Contract Documents, then such guarantee or warranty shall be for a period of one year from date of completion and acceptance of the project by Owner. The warranty provided in this Section shall be in addition to and not in limitation of any other warranty or remedy required by law or by the Contract Documents. Nothing herein shall shorten or limit any applicable periods of limitations, including, without limitation, any period of limitations delineated in California Code of Civil Procedure, Part 2, Title 2, Chapter 3.

(i) To assume towards Contractor all the obligations and responsibilities that Contractor assumes towards Owner as set forth in the General Contract, including all conditions, drawings, specifications and addenda thereto and other documents hereinabove referred to insofar as applicable, generally or specifically, to the materials to be furnished and the work to be performed under this Subcontract.

(j) To obtain and pay for all permits, licenses and official inspections made necessary by its work and to comply with all laws, ordinances and regulations bearing on its work and the conduct thereof.

(k) To be fully and exclusively responsible for, and to pay when due, any and all applicable contributions, allowances or other payments or deductions, however termed, required by union labor agreements or required by law now or hereafter in force.

(l) And subcontractor shall indemnify Contractor against, and save it harmless from any and all loss, damage, costs, expenses and attorney's fees suffered or incurred on account of any breach of the aforesaid obligations and covenants, and any other provision or covenant of this Subcontract. At any time before final settlement or adjudication of any loss, damage, liability, claim, demand, suit or cause of action for which Subcontractor in this Subcontract agrees to indemnify and save harmless Contractor, Contractor may withhold from any payments due or to become due under this Subcontract the reasonable value thereof, as determined solely by Contractor.

**SECTION 13. USE OR OCCUPANCY BY CONTRACTOR.** Whenever it may be useful or necessary to Contractor to do so, Contractor may occupy and use any portion of the work which has been either partially or fully completed by Subcontractor before final inspection and acceptance thereof by Owner, but such use or occupancy shall not relieve Subcontractor of its guarantee of said work and materials nor of its obligation to make good, at its own expense, any defect in materials and workmanship which may occur or develop prior to Contractor's release from responsibility by Owner. Provided, however, Subcontractor shall not be responsible for the maintenance of such portion of the work as may be used or occupied by Contractor, nor for any damage thereto that is due to or caused by the sole negligence of Contractor during such period of use. Subcontractor agrees further that if it shall cause any stains, blemishes, imperfections, marks or damage of any sort whatsoever, whether to its work or to the work of Contractor or to the work of another subcontractor, it will immediately remedy the damage so caused to the satisfaction of Contractor. Subcontractor further agrees when so required by Contractor to do any and all cutting and patching necessary in connection with Subcontractor's portion of the work and agrees further that such cutting and patching shall match other work performed under the General Contract.

**SECTION 14. DAMAGE TO OTHER WORK.** The work provided for in this Subcontract constitutes only a part of the work being performed for Owner by Contractor and other subcontractors. Subcontractor, therefore, agrees to perform the work called for in this Subcontract in such a manner that it will not injure or damage any other work performed by Contractor or any other Subcontractor, and further agrees to pay Contractor for any damage that may be caused to such other work by Subcontractor or by its agents or employees. If the performance of any item of work by Subcontractor is related to or dependent upon any other item of work performed or materials furnished by others, Subcontractor warrants, by undertaking to perform his work, that such other items are satisfactory and acceptable, and waives all claims against Contractor for additional compensation or for damages resulting from any defects therein.

**SECTION 15. INDEPENDENT CONTRACTOR.** Subcontractor represents that it is, or prior to the start of work hereunder that it will become, an Independent Contractor and an employing unit subject, as an employer, to all applicable Unemployment Compensation statutes and Federal and State statutes including Workers' Compensation statutes relating to payroll retention and contributions so as to relieve Contractor of any responsibility or liability for treating Subcontractor's employees as employees of Contractor for the purpose of keeping records, making reports and payment of Unemployment Compensation taxes or contributions or payroll contributions and retentions, and payment of Workers' Compensation Insurances. Subcontractor agrees to indemnify and hold Contractor harmless and reimburse it for any expense or liability incurred under said statutes in connection with employees of Subcontractor, including a sum equal to benefits paid to those who were Subcontractor's employees, where such benefit payments are charged to Contractor under any Merit Plan or to its individual Reserve Account pursuant to any State Unemployment Compensation statute or other statute, regulation or requirement, including Workers' Compensation statutes.

Subcontractor further agrees as regards (a) the production, purchase and sale, furnishing and delivering, pricing and use or consumption of materials, supplies, and equipment, (b) the hire, tenure or conditions of employment of employees and their hours of work and rates of and the payment of their wages, and (c) the keeping of records, making of reports, and the payment, collection, and deduction of Federal, State and Municipal taxes and contributions, that Subcontractor will keep and have available all necessary records and make all payments, reports, collections and deductions, and otherwise do any and all things so as to fully comply with all Federal, State and Municipal laws, ordinances and regulations in regard to any and all said matters insofar as they affect or involve Subcontractor's performance of this Subcontract, all so as to fully relieve Contractor from and protect it against any and all responsibility or liability therefor or in regard thereto.

**SECTION 16. OWNER'S REPRESENTATIVE.** The words "Owner's Representative" as used herein refer to the person appointed by Owner to supervise the work in behalf of Owner.

**SECTION 17. ASSIGNMENT AND SUBLETTING.** Any assignment, subletting or delegation, by operation of law or otherwise, in whole or in part, by Subcontractor of this Subcontract, of the work to be performed or of any claims arising hereunder without the prior written consent of Contractor shall be void. Contractor shall not recognize or be bound by any assignment of any right to payment earned or to be earned by performance hereunder by Subcontractor unless and until Contractor shall receive written notice which reasonably proves the assignment and identifies the rights assigned. Any assignment hereunder shall be subject to, and Contractor reserves all rights and remedies possessed by or available to Contractor by law or under this Subcontract as against Subcontractor, its sureties and assigns, including, without limitation, rights of set-off, to retain moneys, to amend or modify this Subcontract, and to assert all other defenses and claims whether or not arising under this Subcontract. The making of any assignment by Subcontractor or any consent thereto by Contractor shall in no event relieve Subcontractor, or its sureties hereunder, of any of their obligations, duties, responsibilities or liabilities.

Any subletting hereunder shall be on the express condition that the sub-subcontract shall be subject to the terms and conditions of this Subcontract and Subcontractor shall incorporate all terms and conditions of this Subcontract in any sub-subcontract.

**SECTION 18. SAFETY.**

(a) Subcontractor shall comply fully with all laws, orders, citations, rules, regulations, standards and statutes with respect to occupational health and safety, accident prevention, safety equipment and practices, including the accident prevention and safety program of Owner and Contractor. Subcontractor shall conduct inspections to determine that safe working conditions and equipment exist and accepts sole responsibility for providing a safe place to work for its employees and for employees of its subcontractors and suppliers of material and equipment, for adequacy of and required use of all safety equipment and for full compliance with the aforesaid laws, orders, citations, rules, regulations, standards and statutes.

(b) Subcontractor shall indemnify, defend and save harmless Contractor, its officers, directors, agents and employees from claims, penalties, damages, liability, loss, costs, and expenses, including attorneys' fees, arising from injury or death resulting therefrom, caused or alleged to have been caused by any violation or infraction by Contractor or Subcontractor of any law, order, citation, rule, regulations, standard or statute in any way relating to the occupational health or safety of employees, including but not limited to the use of Contractor's or other's equipment, hoist, elevators, or scaffolds, unless caused by the sole negligence or willful misconduct of Contractor.

**SECTION 19. LABOR LAWS.** Subcontractor shall comply with all equal employment opportunity and affirmative action requirements promulgated by any governmental authority, including without limitation, the requirements of the Civil Rights Act of 1964, Presidential Executive Orders No. 10925, 11114 and 11246, the California Fair Employment Practices Act, the Americans with Disabilities Act of 1991 and the Family and Medical Leave Act of 1993. Subcontractors shall comply with and agrees to be bound by all applicable Federal, State, and local laws and regulations, including, but not limited to, all Fair Labor Standards Act provisions and California Labor Code provisions covering the work. Upon request, Subcontractors agree to submit certified payroll reports to Contractor no later than three (3) working days after labor has been paid.

**SECTION 20. DRAWINGS, PLANS, SPECIFICATIONS.** When drawings, plans, specifications, samples or detail work shall be required by this Subcontract, or shall otherwise be required by Contractor to be submitted by Subcontractor, whether on account of work required to be done hereunder or on account of changes in work, Subcontractor agrees to supply the same promptly to Contractor for approval by Owner. If any such drawings, plans, specifications, samples or detail work as submitted by Subcontractor, whether or not they shall be approved by Owner, deviate from or are inconsistent with the design drawings or the specifications of the job, and in the further event that any such deviations or inconsistencies shall cause Contractor to suffer any damage or incur any cost or expense because of delays or extra work or otherwise, Subcontractor agrees to reimburse Contractor therefor. If any such damage, cost or expense be imposed upon Contractor, Contractor may, at its option, withhold from Subcontractor any payments due or to become due to Subcontractor an amount sufficient fully to reimburse Contractor therefor. The provisions of this paragraph are cumulative of the remedies provided Contractor by Section 3 of this Subcontract.

**SECTION 21. SETTING OF STAKES.** Contractor will set such stakes as Contractor determines to be necessary to establish the lines and grades for the completion of the work specified in Section 2. Subcontractor shall give Contractor not less than two working days' written notice in advance of the commencement of the operations of Subcontractor which require such stakes. Such stakes will be carefully preserved by Subcontractor. If such stakes are destroyed or damaged they will be replaced at Contractor's earliest convenience. Subcontractor will be charged with the cost of such replacement if, in Contractor's judgment, the stakes were carelessly or willfully destroyed or damaged by Subcontractor's operations or were destroyed, damaged or removed by third parties during a delay by Subcontractor in the commencement of its operations.

**SECTION 22. NOTICES.** Any notice, where required by the terms of this Subcontract, shall be in writing and may be served by personal delivery or by mail or any standard form of telegraphic communication.

Personal delivery is complete when the notice is delivered to Subcontractor or its representative at the project or at the office address of Subcontractor appearing in this Subcontract. Subcontractor shall at all times during its work on this project have a representative authorized to receive written notices present on the project site during all normal working hours. In the absence of such a representative, personal delivery is complete when the notice is delivered to any of Subcontractor's supervisors or workmen, or in their absence, left in a conspicuous place on the project site in the area of Subcontractor's work.

**SECTION 23. LABOR RELATIONS.** Subcontractor agrees and warrants that at all times it will diligently prosecute the work and supply an adequate number of workers on the job. Picketing, demonstrations, or labor disputes of any kind shall not excuse the Subcontractor's obligations to perform in accordance with this Agreement. The General Contractor may establish a reserved gate or reserved time system at its sole option. Should the General Contractor establish a reserved gate or reserved time system, Subcontractor shall direct its employees and suppliers to perform in accordance with the said system. Regardless of whether a reserved gate or reserved time system is established, Subcontractor shall be required to perform at all times in accordance with this Agreement. Failure of Subcontractor to perform shall be considered a material breach of this Agreement.

**SECTION 24. LABOR AGREEMENTS.** The Contractor is signatory to the following labor agreements covering work on this project: Carpenters Master Agreement with the Carpenters 46 Northern California Counties Conference Board.

Subcontractor acknowledges that Contractor has entered into labor agreement covering work at its construction jobsites with the labor union listed above. Subcontractors hereby expressly agrees that all of the provisions of the applicable labor agreements are incorporated into this Agreement as if they were set forth in their entirety.

Subcontractor agrees to comply with all the terms and conditions of those labor agreements as if it were a party to said agreements, including any requirements that Subcontractor be signatory to the same agreement as Contractor. Subcontractor further agrees to pay the wage rates, make the required trust fund payments into the respective labor trust funds, and observe the hours and all other terms and conditions set forth in the respective labor agreements listed above. Subcontractor agrees to comply with the terms and provisions of said agreements setting forth the grievance and arbitration provisions. Furthermore, Subcontractor agrees to comply with the terms and provisions of said agreements setting forth the jurisdiction and scope of work therein for resolution of jurisdictional disputes. In the absence of any such procedure or if such procedure fails to promptly resolve the jurisdictional dispute, Subcontractor agrees, at its own cost and expense and upon request of Contractor, to take any and all lawful steps to secure a binding and final determination of said jurisdictional dispute by the National Labor Relations Board.

Subcontractor acknowledges that terms and conditions of the labor agreements with the unions listed above may require that Subcontractor comply with additional labor agreements with unions affiliated with the AFL-CIO and/or the United Brotherhood of Carpenters and Joiners of America but not listed herein. When the terms and conditions of the above-referenced labor agreements so require, Subcontractor shall perform its jobsite work pursuant to all terms and conditions of an appropriate labor agreement with a union affiliated with the AFL-CIO and/or the United Brotherhood of Carpenters and Joiners of America.

Subcontractor shall comply with and become signatory to any Project Labor Agreement applicable to this project. Subcontractor further promises and agrees that it will bind and require all of its subcontractors and their subcontractors performing jobsite work of the type covered by any of the labor agreements specified above to agree to all of the foregoing promises and undertakings, to the same effect as herein provided with respect to Subcontractor.

**SECTION 25. SEVERABILITY.** To the best knowledge and belief of the parties, this Subcontract now contains no provision that is contrary to Federal or to State law or any ruling or regulation of a Federal or State agency. Should, however, any provisions of this Subcontract at any time during its term be in conflict with any such law, ruling or regulation, then such provision shall continue in effect only to the extent permitted. If any provision of this Subcontract is thus held inoperative, the remaining provisions of this Subcontract shall nevertheless remain in full force and effect to the extent permitted by law.

**SECTION 26. CLEAN UP.** Subcontractor shall perform its work as herein required so that the premises shall at all times be neat, orderly and free from debris. Upon termination or completion of its work, Subcontractor agrees to remove all stored materials and all equipment, utilities and facilities furnished by Subcontractor, to clean up all refuse and debris, and to leave the premises clean, orderly and in good condition.

**SECTION 27. NON-WAIVER.** Waiver by Contractor of any breach hereof by Subcontractor shall not constitute a waiver of any subsequent breach of the same or any other provision hereof. If any provision of this Subcontract, or any part thereof, shall at any time be held to be invalid, in whole or in part, under any applicable Federal, State, Municipal or other law, ruling or regulation, then such provision shall remain in effect to the extent permitted, and the remaining provisions hereof shall remain in full force and effect.

**SECTION 28. ENTIRE AGREEMENT.** This Subcontract agreement contains all covenants, stipulations and provisions agreed upon by the parties hereto. No agent or representative of either party has authority to make, and the parties shall not be liable for, any statement, representation, promise or agreement not set forth herein. Words used in this Subcontract in the present tense include the future as well as the present; words used in the masculine gender include the feminine and neuter; the singular number includes the plural, and the plural the singular.

**SECTION 29. SECTION TITLES.** Section Titles in this Subcontract Agreement are for convenience only and shall not be construed to modify, expand or limit the provisions of the section to which they refer.

**SECTION 30. ARBITRATION.** If any dispute shall arise between Contractor and Subcontractor pertaining in any manner to the construction or interpretation of this Subcontract, or to the rights or obligations of the parties hereunder, or to the breach hereof, which the parties are unable to settle by mutual agreement, Contractor shall have the exclusive option either to have the dispute determined by court or by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association. Contractor shall exercise said option by commencing a court action or by commencing an arbitration proceeding. If Subcontractor first commences a court action with respect to a dispute which Contractor desires to have determined by arbitration or an arbitration proceeding which Contractor desires to have determined by court action, Contractor shall have the right to have said court action or arbitration proceeding stayed if Contractor promptly shall commence the arbitration proceeding or court action desired by Contractor. Judgment upon the award in any arbitration proceeding may be entered in any court having jurisdiction thereof. The prevailing party (as determined by the court or arbitrator(s)) shall be entitled to reasonable attorneys' fees from the other party in an amount to be fixed by the court or arbitrator(s). The arbitrator(s) in any arbitration proceeding shall have the right to allocate his or their fees between the parties or to charge all of such fees to one party, as the arbitrator(s) shall deem to be just. The law of the State of California shall govern all disputes referred to in this action. The provisions of Section 1283.05 of the Code of Civil Procedure of the State of California (pertaining to depositions and discovery) hereby are incorporated by reference herein and are made a part hereof.

**SECTION 31. BANKRUPTCY.**

**1. Termination Absent Cure.** Upon the appointment of a receiver for Subcontractor or upon Subcontractor making an assignment for the benefit of creditors or commits any other act of insolvency, Contractor may terminate this Subcontract upon giving forty-eight (48) hours written notice, by certified mail, to Subcontractor and its surety, if any. If an order for relief from the automatic stay is entered under the Bankruptcy Code with respect to Subcontractor, Contractor may terminate this Subcontract by giving forty-eight (48) hours written notice, by certified mail, to Subcontractor, its trustee, and its surety, if any, unless Subcontractor, the surety, or the trustee:

- a. promptly cures all defaults;
- b. provides adequate assurance of future performance;
- c. compensates Contractor for actual pecuniary loss resulting from such defaults; and
- d. assumes the obligations of Subcontractor within the statutory time limits.

**2. Assumption or Rejection of Contract in Bankruptcy: Waiver of Notice Period.** The Parties agree that time is of the essence in performance of this Subcontract. In the event Subcontractor files a Chapter 7, 11 or 13 Bankruptcy, the Parties agree that any delay attendant to the assumption or rejection of this Subcontract by a trustee or a debtor-in-possession will be prejudicial to Contractor. Consequently, Subcontractor hereby stipulates, in order to minimize delay to the Project and to avoid potential damages or other prejudice to Contractor, to a notice period of ten calendar days for Contractor's motion to require Subcontractor to elect to assume or reject this Subcontract.

**3. Interim Remedies.** If Subcontractor is not performing in accordance with the Schedule of Work at the time of entering an order for relief from the automatic stay, or at any subsequent time, Contractor, while awaiting the decision of Subcontractor or its trustee to reject or to accept this Subcontract and provide adequate assurance of its ability to perform hereunder, may avail itself of such remedies under this Article as are reasonably necessary to maintain the Schedule of Work.

Contractor may offset against any sums due or to become due Subcontractor all costs incurred in pursuing any of the remedies provided hereunder, including, but not limited to, reasonable overhead, profit and actual attorneys' fees incurred as a result of Subcontractor's nonperformance.

Subcontractor shall be liable for the payment of any amount by which such expense may exceed the unpaid balance of the Contract Price.

**SECTION 32. APPLICABLE LAW.** This Subcontract shall be governed by the law in effect in the State of California.

**SECTION 33. INTEGRATION CLAUSE AND INTERPRETATION.** This Subcontract contains the entire Agreement between the parties, and all prior or contemporaneous written or oral communications, negotiation, acts, work performed, or payments made prior to the execution of this Subcontract shall be deemed merged in, integrated and superseded by this Subcontract. The terms of this document shall take priority over all documents incorporated herein by reference. If any term, provision, covenant, or condition of this Subcontract is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

**SECTION 34. ADDITIONAL CLAUSES.**

- 2.4 **Additional Insurance Requirements:** In addition to the coverage's and limits defined under Section 10 of this agreement, the following shall also be provided:
- |  |  |
|--|--|
| <p><u>Commercial General Liability</u></p> <ul style="list-style-type: none"> <li>• Occurrence Form Coverage<br/>Not Claims Made<br/>Not Modified Occurrence</li> <li>• Additional Insured - West Coast Contractors, Inc., and Owner, their officers, directors, and employees</li> <li>• Primary Wording for West Coast Contractors, Inc. and Owner</li> <li>• Use Additional Insured Endorsement CG20 10 1185 (or equivalent) (note: in the event that "your work" endorsement isn't available, WCC will accept "on going operations" AND "completed operations"</li> </ul> <p><u>Other Requirements</u></p> <ul style="list-style-type: none"> <li>• Provide 30 days Notice of Cancellation (Cancellation Clause X'd out)</li> <li>• The insurance carrier must have a Best's Insurance Guide Rating of at least A:VII</li> <li>• Any use of Watercraft or Aircraft will require additional insurance</li> <li>• If you have any questions with the coverage, contact Matt Anacker, Gallagher Construction Services, 580 California Street, Suite 1100, San Francisco CA 94104, (415) 391-1500</li> </ul> | <p><u>Automobile Liability</u><br/>\$1,000,000 Combined Single Limit<br/>Including coverage for Any Auto, including hired and non-owned vehicles</p> <p><u>Worker's Compensation</u><br/>• Waiver of Subrogation</p> <p><u>Excess/Umbrella Liability</u><br/>Limits: \$3,000,000 per occurrence<br/>\$3,000,000 aggregate<br/>Excess of underlying CGL, Automobile and Employers Liability</p> |
|--|--|
- 2.5 Subcontractor agrees to comply with West Coast Contractor's "Lien Release Policy" as a condition precedent to monthly progress payments. No payments will be made until the signed subcontract agreement, insurance certificates, and all other paperwork are received in this office including the lien releases.
- 2.6 Subcontractor agrees to perform his scope of work in a timely and continuous manner as outlined in West Coast Contractors Project Schedule. The subcontractor is required to attend weekly coordination meetings at the jobsite for the purpose of adjusting his efforts to complement project progress.
- 2.7 Subcontractor shall comply with all state prevailing wage laws, including but not limited to the payment of the appropriate state prevailing wage rate and compliance with apprenticeship obligations. To ensure subcontractors fulfill their prevailing wage obligations an extract of Labor Code Sections 1771, 1775, 1776, 1777.5, 1813 and 1815 is attached and made a part of this subcontract. Certified payroll reports are required on a weekly basis when your crew is on the jobsite. Non-performance forms are required when you are not on the project after you start work until completion.
- 2.8 This subcontract specifically excludes the following details:  
1.
- 2.9 This subcontract specifically includes but is not limited to the following details:  
1.

**THE REMAINDER OF THIS SECTION IS INTENTIONALLY LEFT BLANK**

SAMPLE

CONTRACTORS ARE REQUIRED BY LAW TO BE LICENSED AND REGULATED BY THE CONTRACTORS' STATE LICENSE BOARD WHICH HAS JURISDICTION TO INVESTIGATE COMPLAINTS AGAINST CONTRACTORS IF A COMPLAINT REGARDING A PATENT ACT OR OMISSION IS FILED WITHIN FOUR (4) YEARS OF THE DATE OF THE ALLEGED VIOLATION. A COMPLAINT REGARDING A LATENT ACT OR OMISSION PERTAINING TO STRUCTURAL DEFECTS MUST BE FILED WITHIN TEN (10) YEARS OF THE DATE OF THE ALLEGED VIOLATION. ANY QUESTIONS CONCERNING A CONTRACTOR MAY BE REFERRED TO THE:

REGISTRAR  
CONTRACTORS STATE LICENSE BOARD  
P. O. BOX 26000  
SACRAMENTO, CA 95826

IN WITNESS WHEREOF, the parties hereto have executed this Subcontract by their proper officers or duly authorized agents.

**WEST COAST CONTRACTORS, INC.**

**COMPANY NAME**

Contractor \_\_\_\_\_

Subcontractor \_\_\_\_\_

By: \_\_\_\_\_  
Vice President (Title)

By: \_\_\_\_\_  
(Title)

(If a corporation, affix corporate seal)

(If a corporation, affix corporate seal)

Address 2320 Courage Drive  
Fairfield, CA 94585

Address \_\_\_\_\_  
City, State Zip \_\_\_\_\_

Phone 707-435-1000

Phone \_\_\_\_\_

Contractor's License Number 442604

Subcontractor's License \_\_\_\_\_