KENTUCKY TRANSPORTATION CABINET
DEPARTMENT OF HIGHWAYS
DIVISION OF CONSTRUCTION
DBE Detailed Plan/SUBCONTRACT REQUEST

Reviewed & approved: RS 9/28/04 alh

TC 63-35DBE
Rev. 06/11/02

PROJECT CODE NO : **04~1211**
DBE Firm/Subcontract # : 2
TO : Rick Stansel
Executive Director Division of Contract Procurement
FROM : R.E. Huber Construction, Inc.
Prime Contractor
SUBJECT : Fleming County (County) BRO 5313 (006) (Project Number)

I hereby request to utilize for DBE participation a portion of the subject project to:
N.H. Stone, Inc. of Sharpsburg, KY
DBE Employer Identification Numbers: Federal 61-0675026 KY 70049
The amount to be subcontracted by this request is DBE $103,698.07 or 3.56% Contract $103,698.07 or 3.56% of the
(original contract) or a subcontract amount of $ 103,698.07 $2,910,168.69

I have previously requested approval for subcontracts or agreements with other DBE as follows:

Name of DBE firm	DBE Amount	DBE %	Contract "Worth" Amount	Contract %
Totals based on original contract Amounts	$103,698.07	100.00%	$103,698.07	3.56%

This section applicable if DBE firm is also a Subcontractor of work on Project:
This subcontractor has been furnished a copy of Appendix B of 49 CFR Part 29 and advised to include the Certification in all lower tier covered transactions and in all solicitations for lower tier transactions (Federal Aid Contracts only).

The proposed subcontractor is on the Department's list of qualified contractors and has current insurance coverage: Policy Number CO979X7846 with
TRAVELERS PROP CAS INS CO (Name of Insurance Company) which expires on January 1, 2005 (Date)

Amy H. Tilde (Prime Contractor's Signature) 9/27/04 (Date)

Recommended by Office of Minority Affairs Signature

Date Recommended by Office of Minority Affairs

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Project Code Number (PCN): **41211** DBE Firm **N.H. Stone, Inc.**

(*) When description is limited by such as "Laying Only" "Erection Only" "Manipulation Only" etc. it should be so indicated and explained.

(**) When the quantity is not the entire amount of (Contract) or (Sub-Contract) estimate, limitations by stations must be shown or definitely designated in some suitable, positive manner.

Unit prices using Contract "worth" Unit Price should be for Bid Unit Price for work to be performed by Sub Contractor. If partial work item ie "laying only" then use agreed to price for Contract "worth" Unit Price. DBE Unit price should be for the agreed upon price for item or portion of item of contract work.

The Items to be subcontracted are as follows:

Estimate Sub Section Seq. #	Proposal Item No.	Description	Unit	Contract Quantity	Contract "Worth" Unit Price	Dollar Amount based on Contract Price	DBE Quantity	DBE Unit Price	Dollar Amount based on DBE Price
A033	330	GUARD RAIL STEEL "W" BEAM SF	LF	3,000.0000	$14.60	$43,800.00	3,000.0000	$14.60	$43,800.00
A034	340	GUARD RAIL TERM SEC NO. 1	EA	8.0000	$37.50	$300.00	8.0000	$37.50	$300.00
A035	350	GR CONN TO BRID END TYPE A	EA	8.0000	$1,788.00	$14,304.00	8.0000	$1,788.00	$14,304.00
A036	360	GR END TREATMENT TY 4A	EA	4.0000	$1,950.00	$7,800.00	4.0000	$1,950.00	$7,800.00
A037	370	R/W MARKER RURAL TYPE 1	EA	40.0000	$62.55	$2,502.00	40.0000	$62.55	$2,502.00
A038	380	R/W MARKER MUNICIPAL TYPE 1	EA	3.0000	$57.15	$171.45	3.0000	$57.15	$171.45
A056	560	EROSION CONTROL BLANKET	SY	1,520.000000	$1.15	$1,748.00	1,520.000000	$1.15	$1,748.00
A057	570	TEMP SEEDING & PROTECTION	SY	10,165.000000	$0.17	$1,728.05	############	$0.17	$1,728.05
A058	580	SEEDING & PROTECTION	SY	101,392.00	$0.24	$24,334.08	101,392.00	$0.24	$24,334.08
A059	590	SP. SEEDING CROWN VETCH	SY	36,612.00	$0.170000	$6,224.04	36,612.00	$0.17	$6,224.04
A060	600	SODDING	SY	147.00	$5.35	$786.45	147.00	$5.35	$786.45

Comments:

Page Total $103,698.07

$103,698.07

R. E. HUBER CONSTRUCTION CO., INC.
SUBCONTRACT AGREEMENT

ARTICLE 1
AGREEMENT

This Subcontract is effective as of the _____day of _____, [ ]

by and between: R. E. Huber Construction Co., Inc.
P. O. Box 171
Washington, KY 41096

Tel. (606) 759-7747
Fax. (606) 759-5309

hereinafter referred to as the "Contractor"

and

N.H. STONE, INC.
P.O. BOX 239
SHARPSBURG, KY 40374

Tel. (606) 247-2311

hereinafter referred to as the "Subcontractor"

to perform part of the Work on the following Project in accordance with the following terms and conditions:

PROJECT: FLEMING COUNTY
BRO 5313 (006)
CONTRACT ID: 041211

OWNER: KENTUCKY TRANSPORTATION CABINET

SUBCONTRACT WORK: All work necessary and incidental to complete the Fleming County BRO 5313 (006) _ work for the Project in accordance with and reasonably inferable from the Subcontract Documents and as more particularly, though not exclusively, specified in [ ] which is incorporated herein as Attachment A.

SUBCONTRACT PRICE: **$103,698.07**

Such Subcontract Price [ ] includes [ ] does not include a Subcontractor Performance and Payment Bond.

ARTICLE 2
SUBCONTRACT PRICE

As full compensation for performance of the Subcontract, Contractor agrees to pay Subcontractor in current funds the Subcontract price for the satisfactory performance of the Subcontract Work, in the manner described below, subject to all applicable provisions of the Subcontract:

(a) the firm fixed-price stated above subject to additions and deductions as provided for in the Subcontract Documents; and/or

(b) unit prices in accordance with the Schedule of Unit Prices and estimated quantities set forth in the R. E. Huber Construction Co., Inc. Purchase Order, which is incorporated herein by reference and identified as Attachment A; and/or

(c) time and material rates and prices in accordance with the Schedule of Labor and Material Costs set forth in the R. E. Huber Constructiion Co., Inc. Purchase Order, which is incorporated herein by reference and identified as Attachment A.

The firm fixed price, unit prices and/or time and material rates and prices are hereinafter referred to as the "Subcontract Price".

ARTICLE 3
SUBCONTRACT DOCUMENTS

3.1 The Subcontract Documents consist of: (1) This Subcontract Agreement including the R. E. Huber Construction Co., Inc. Purchase Order referenced above and other attachments, if any; (2) The Contract between the Owner and Contractor for the Project and other Contract Documents enumerated therein, including, but not limited to, the Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to the execution of the Owner/Contractor Contract and Modifications/Change Orders issued after the execution of the Owner/Contractor Contract, and other Documents, if any, listed or referenced in the Owner/Contractor Contract (hereinafter collectively called "the Owner/Contractor Contract Documents"); and (3) any Modifications/Change Orders to this Subcontract Agreement. These form the Subcontract Agreement, and are as fully a part of this Subcontract Agreement as if attached to this Agreement or repeated herein. The Subcontract Agreement represents the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations or agreements, either written or oral.

3.2 With respect to the Subcontract Work to be performed and furnished by the Subcontractor hereunder, the Subcontractor agrees to be bound to Contractor by each and all of the terms and provisions under the Owner/Contractor Contract Documents, and to assume toward Contractor all of the duties, obligations and responsibilities that Contractor by those Contract Documents assumes toward the Owner, and the Subcontractor agrees further that Contractor shall have the same rights and remedies as against the Subcontractor under the terms of the Owner/Contractor Contract Documents has against Contractor with the same force and effect as though every such duty, obligation, responsibility, right or remedy were set forth herein in full. The terms of this Subcontract Agreement with respect to the Subcontract Work to be performed and furnished by the Subcontractor hereunder are intended to be and shall be in addition to and not in substitution for any of the terms of the Owner/Contractor Contract Documents.

3.3 The Subcontract Documents which are binding on the Subcontractor are set forth in Paragraph 3.1. The Contractor shall make available to the Subcontractor, prior to the execution of the Subcontract Agreement, copies of the Subcontract Documents to which the Subcontractor will be bound. The Subcontractor similarly shall make copies of applicable portions of the Subcontract Documents available to its proposed subcontractors and suppliers. Nothing herein shall prohibit the Subcontractor from obtaining copies of the Subcontract Documents from the Contractor at any time after the Subcontract Agreement is executed. Where any provision of the documents listed in Article 3 hereof, is inconsistent with a provision of this Subcontract Agreement, this Subcontract Agreement shall govern. Nothing in the Subcontract Documents shall be construed to create a contractual relationship between persons or entities other than the Contractor and Subcontractor.

ARTICLE 4
SCOPE OF SUBCONTRACT WORK

4.1 The Contractor has retained the Subcontractor to provide the labor, materials, equipment and services referred to above and herein, and to perform the Subcontract Work as an independent contractor. The Subcontractor shall perform the Subcontract Work under the general direction of the Contractor and in accordance with this Subcontract Agreement.

4.2 TEMPORARY SERVICES The Contractor will provide to the Subcontractor the temporary services identified in Attachment B at the Project site during the performance of this Subcontract at no charge to the Subcontractor. The Subcontractor will provide, at its own expense, all other necessary temporary services for the completion of its Subcontract Work.

ARTICLE 5
SURETY BONDING

5.1 COPY OF CONTRACTOR BONDS The Subcontractor is entitled to receive from the Contractor, upon request, copies of any payment and performance bonds furnished by the Contractor for the Project.

5.2 SUBCONTRACTOR BONDS

5.2.1 The parties may agree that the Subcontractor shall furnish to the Contractor, as the named Obligee, appropriate surety bonds to secure the faithful performance of the Subcontract Work and to satisfy all Subcontractor payment obligations thereunder.

5.2.2 If performance and payment bonds are required of the Subcontractor under this Subcontract, then said bonds shall be in the full amount of the Subcontract Price, unless otherwise specified herein, and said bonds shall be in the forms provided in Attachment C and by a surety acceptable to the Contractor.

5.2.3 The Subcontractor shall be reimbursed, without retainage, for the initial cost of any required performance and payment bonds simultaneously with the first progress payment hereunder. The reimbursement amount for the Subcontractor bonds shall not exceed 2 ½ (two and one-half) percent of the Subcontract Price, which sum is included in the Subcontract Price.

5.2.4 In the event the Subcontractor shall fail to provide any required bonds prior to starting the Subcontract Work, the Contractor may terminate this Subcontract and enter into a subcontract for the balance of the Subcontract Work with another subcontractor. All Contractor costs and expenses, including attorneys' fees, incurred by the Contractor as a result of said termination shall be paid by the Subcontractor.

5.2.5 ADDITIONAL BOND PREMIUM Should there be changes to the Subcontract Work which increase the Subcontract Price, Subcontractor agrees that it has included any additional bond premium associated with such increase in its substantiation for Subcontract Price adjustment.

ARTICLE 6
PERFORMANCE OF WORK

6.1 DATE OF COMMENCEMENT The Date of Commencement is the effective date of this Subcontract Agreement as first written above.

6.2 SCHEDULE OF WORK In a timely fashion, the Subcontractor shall provide the Contractor with any scheduling information proposed by the Subcontractor for the Subcontract Work. In consultation with the Subcontractor, the Contractor shall prepare the schedule for performance of the Contract (herein called the "Schedule of Work") and shall revise and update such schedule, as necessary, as the work progresses. The Contractor and the Subcontractor shall be bound by the Schedule of Work, including all amendments. The Schedule of Work and all subsequent changes and additional details thereto shall be submitted or made available to the Subcontractor promptly and reasonably in advance of the required performance.

6.3 RIGHT TO MODIFY SCHEDULE OF WORK Subcontractor acknowledges that as construction progresses, it may be necessary for Contractor to change the sequential order and duration of the various activities, including those contemplated by the Subcontract Documents to account for unanticipated delays, occurrences and other factors which act to alter Contractor's original Schedule of Work. Subcontractor agrees that the scheduling and sequencing of the Project Work and Subcontract Work is an exclusive right of Contractor and that Contractor reserves the right to reasonably reschedule and resequence the Subcontract Work from time to time as the demands of the Project require without any additional cost, compensation or expense to be paid to Subcontractor.

6.4 SUBCONTRACT PERFORMANCE The Subcontractor shall use its best care, skill and diligence in supervising and directing the Subcontract Work. The Subcontractor shall have responsibility and control over the performance of the Subcontract Work, including the construction methods, techniques, means and sequences for coordinating and completing the various portions of the Subcontract Work, unless the Subcontract gives other specific instructions concerning these matters.

6.5 USE OF CONTRACTOR'S EQUIPMENT The Subcontractor, its agents, employees, subcontractors or suppliers shall use the Contractors equipment only with the express written permission of the Contractor's designated representative and in accordance with Contractor's terms and conditions for such use.

6.6 TIME IS OF THE ESSENCE Time is of the essence for both parties, and they mutually agree to see to the performance of their respective work and the work of their subcontractors and suppliers so that the entire Project may be completed in accordance with the contract and the Schedule of Work.

ARTICLE 7
SUBCONTRACT INTERPRETATION

7.1 INCONSISTENCIES AND OMISSIONS Should inconsistencies or omissions appear in the Subcontract Documents, it shall be the duty of the Subcontractor to so notify the Contractor in writing within three (3) working days of the Subcontractor's discovery thereof. Upon receipt of said notice, the Contractor shall instruct the Subcontractor as to the measures to be taken and the Subcontractor shall comply with the Contractor's instructions. If the Subcontractor performs work knowing it to be contrary to any applicable laws, statutes, ordinances, building codes, rules or regulations without notice to the Contractor and advance approval by appropriate authorities, including the Contractor, then the Subcontractor shall assume full responsibility for such work and shall bear all associated costs, charges, fees and expenses, including attorneys' fees, necessarily incurred to remedy the violation. Should there be an inconsistency between any of the Subcontract Documents and Subcontractor does not have such inconsistency resolved in the manner described above, Subcontractor agrees to be held to the higher or more stringent requirement as determined by the Contractor.

7.2 LAW AND EFFECT This Subcontract shall be governed by the law of the Commonwealth of Kentucky.

7.3 SEVERABILITY AND WAIVER The partial or complete invalidity of any one or more provisions of this Subcontract shall not affect the validity or continuing force and effect of any other provision. If any provision is deemed unenforceable under any applicable law, statute, regulation or other law, the parties shall have the fullest rights and protection provided by such law. The failure of the Contractor to insist, in any one or more instances, upon the performance of any of the terms, covenants or conditions of this Subcontract, or to exercise any right herein, shall not be construed as a waiver or relinquishment of such term, covenant, condition or right as respects further performance.

7.4 ATTORNEYS' FEES Should Contractor employ an attorney to institute suit or demand arbitration to enforce any of the provisions, hereof, to protect its interests in any manner arising under this Subcontract, or to recover on a surety bond, the Contractor shall be entitled to recover its attorney's fees, costs, charges, and expenses expended or incurred therein.

7.5 TITLES The titles given to the Articles of this Subcontract Agreement are for ease of reference only and shall not be relied upon or cited for any other purpose.

7.6 JOINT DRAFTING The parties expressly agree that the Subcontract Agreement was jointly drafted, and that they both had an opportunity to obtain the assistance of counsel in reviewing its terms prior to execution. Therefore, the Subcontract Agreement shall be construed neither against nor in favor or either party, but shall be construed in a neutral manner.

ARTICLE 8
CONTRACTOR'S OBLIGATION

8.1 AUTHORIZED REPRESENTATIVE The Contractor shall designate one or more persons who shall be the Contractor's authorized representative(s) on-site and off-site. Such authorized representative(s) shall be the only person(s) the Subcontractor shall look to for instructions, orders and/or directions, except in an emergency.

8.2 STORAGE Unless otherwise specified in the Subcontract Documents, the Contractor shall make areas available to the Subcontractor for storage of the Subcontractor's material and equipment during performance of the Subcontract Work.

8.3 TIMELY COMMUNICATIONS The Contractor, with reasonable promptness, shall transmit to the appropriate parties all submittals, transmittals, and written approvals relating to the Subcontract Work. Unless otherwise specified in the Subcontract Documents, communications by and with the Subcontractor's subcontractors, materialmen and suppliers shall be through the Subcontractor.

8.4 OWNER ABILITY TO PAY The Subcontractor shall have the right to receive from the Contractor such information as the Contractor has obtained relative to the Owner's financial ability to pay for the Contract Work.

ARTICLE 9
SUBCONTRACTOR'S OBLIGATIONS

9.1 RESPONSIBILITIES The Subcontractor shall furnish all of the labor, materials, equipment, and services, including, but not limited to competent supervision, shop drawings, samples, tools, and scaffolding as are necessary for the proper performance of the Subcontract Work in accordance with and reasonably inferable from the Subcontract Documents. The Subcontractor shall provide to the Contractor a list of its proposed subcontractors and suppliers, and be responsible for taking field dimensions, providing tests, ordering of materials and all other actions as required to perform the Subcontract Work and to comply with the Schedule of Work.

9.2 SUBCONTRACTOR'S OBLIGATIONS FOR SITE VISITATION The Subcontractor acknowledges that it has visited the Project site and is familiar with the general and local conditions which could affect the Subcontract Work. Any failure of the Subcontractor to reasonably ascertain from a visual inspection of the site or to reasonably investigate the general and local conditions which could affect the Subcontract Work will not relieve the Subcontractor from its responsibility to properly complete the Subcontract Work on time without additional expense to the Contractor. The Subcontract work includes work made necessary by field conditions that may not be shown in the Subcontract Documents but that are apparent during an inspection of the Project Site.

9.3 SHOP DRAWINGS, SAMPLES, PRODUCT DATA AND MANUFACTURERS' LITERATURE

9.3.1 The Subcontractor promptly shall submit for approval to the Contractor all shop drawings, samples, product data, manufacturers' literature and similar submittals required by the Subcontract Documents. The Subcontractor shall be responsible to the Contractor for the accuracy and conformity of its submittals to the Subcontract Documents. The Subcontractor shall prepare and deliver its submittals to the Contractor in a manner consistent with the Schedule of Work and in such time and sequence so as not to delay the Contractor or others in the performance of the Contract work. The approval of any Subcontractor submittal shall not be deemed to authorize deviations, substitutions or changes in the requirements of the Subcontract Documents unless express written approval is obtained from the Contractor and Owner authorizing such deviation, substitution or change. In the event that the Subcontract Documents do not contain submittal requirements pertaining to the Subcontract Work, the Subcontractor agrees upon request to submit in a timely fashion to the Contractor for approval any shop drawings, samples, product data, manufacturers' literature or similar submittals as may be required by the Contractor, Owner or Architect.

9.3.2 The Contractor, Owner, and Architect are entitled to rely on the accuracy and completeness of any professional certifications required by the Subcontract Documents concerning the performance criteria of systems, equipment or materials, including all calculations relating thereto and any governing performance requirements.

9.4 COORDINATION AND COOPERATION The Subcontractor shall: (a) cooperate with the Contractor and all others whose work may interfere with the Subcontract Work; (b) specifically note and immediately advise the Contractor of any interference with the Subcontract Work; and (c) participate in the preparation of coordination drawings and work schedules involving the Subcontract Work.

9.5 AUTHORIZED REPRESENTATIVE The Subcontractor shall designate one or more persons who shall be the authorized Subcontractor's representative(s) on-site and off-site. Such authorized representative(s) shall be the only person(s) to

whom the Contractor shall issue instructions, orders or directions, except in an emergency.

9.6 COMMUNICATIONS Unless otherwise provided in the Subcontract Documents, Subcontractor communications with the Architect, separate contractors and/or other subcontractors and suppliers of Contractor, regardless of tier, shall be through the Contractor.

9.7 TESTS AND INSPECTIONS The Subcontractor shall schedule all required tests, approvals and inspections of the Subcontract Work or portions thereof at appropriate times so as not to delay the progress of the work. The Subcontractor shall give proper written notice to all required parties of such tests, approvals and inspections, with a copy to Contractor. The Subcontractor shall bear all expenses associated with tests, inspections and approvals required of the Subcontractor by the Subcontract Documents which, unless otherwise agreed to, shall be conducted by an independent testing laboratory or entity approved by the Contractor and Owner. Required certificates of testing, approval or inspections shall, unless otherwise required by the Subcontract Documents, be secured by the Subcontractor and promptly delivered to the Contractor.

9.8 WORKMANSHIP Every part of the Subcontract Work shall be performed in accordance with the Subcontract Documents and with its best skill and judgement. All materials used in the Subcontract Work shall of first rate quality and be furnished in sufficient quantities to facilitate the proper and expeditious execution of the work, and shall be new except such materials as may be expressly provided in the Subcontract Documents to be otherwise.

9.9 MATERIALS FURNISHED BY OTHERS In the event the scope of the Subcontract Work includes installation of materials or equipment furnished by others, it shall be the responsibility of the Subcontractor to coordinate delivery of those items, examine the items so provided and thereupon handle, store and install the items, unless otherwise provided in the Subcontract Documents, with such skill and care as to ensure a satisfactory and proper installations. Loss or damage due to acts of the Subcontractor shall be deducted from any amounts due or to become due the Subcontractor under this Subcontract Agreement.

9.10 SUBSTITUTIONS No substitutions shall be made in the Subcontract Work unless permitted in the Subcontract Documents and only then upon the Subcontractor first receiving all approvals required under the Subcontract Documents for such substitutions.

9.11 WARRANTY The Subcontractor warrants its work against all deficiencies and defects in materials and/or workmanship and as called for in the Subcontract Documents. The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty period established in the Subcontract Documents without cost to the Owner or the Contractor. Unless otherwise specified in the Subcontract Documents, the Subcontractor shall warrant its work as described above for a period of one (1) year from the date(s) of substantial completion of the Subcontract Work or a designated portion. Repair or replacement of work or materials after substantial completion/acceptance renews and restarts the warranty period for those repaired/replaced items. The Subcontractor further agrees to furnish any special warranties that shall be required in accordance with the Subcontract Documents for the Subcontract Work prior to final payment.

9.12 UNCOVERING/CORRECTION OF WORK

9.12.1 UNCOVERING OF WORK The Subcontractor must uncover any portion of the Subcontract Work which has been covered by the Subcontractor in violation of the Subcontract Documents or contrary to a directive issued to the Subcontractor. Upon receipt of a written directive, the Subcontractor shall uncover such work for the Contractor's or Owner's inspection and then restore the uncovered work to its original condition at the Subcontractor's time and expense.

9.12.2 The Contractor may direct the Subcontractor to uncover portions of the Subcontract Work for inspection by the Owner or Contractor at any time. The Subcontractor is required to uncover such work whether or not the Contractor or Owner had requested to inspect the work prior to it being covered. Except as provided in paragraph 9.12.1, the Subcontract shall be adjusted by change order for the cost of uncovering and restoring any work which is uncovered for inspection and proves to be installed in accordance with the Subcontract Documents, provided the Subcontractor had not been previously instructed to leave the work uncovered. If the Subcontractor uncovers work pursuant to a directive, and such work upon inspection is rejected by the Contractor or Owner for failing to comply with the Subcontract Documents, then the Subcontractor shall be responsible for all costs and time of uncovering, correcting and restoring the work so as to make it conform to the Subcontract Documents. If the Contractor caused the nonconforming condition, the Contractor shall be required to adjust the Subcontract by change order for all such costs.

9.12.3 CORRECTION OF WORK The Subcontractor is required to correct in a timely fashion any Subcontract Work rejected by the Contractor or Owner for failing to comply with the Subcontract Documents whether observed prior to the commencement of the warranty period(s) or during the warranty period(s) established under Paragraph 9.11. The Subcontractor shall correct at its own cost and time and bear the expense of additional services for any nonconforming Subcontract Work for which it is responsible.

9.13 CLEANUP The Subcontractor shall follow the Contractor's cleanup directions, and (a) at all times keep the building and premises free from debris resulting from the Subcontract Work; and (b) broom clean each work area prior to discontinuing work in each area. If the Subcontractor fails to immediately commence compliance with cleanup duties within twenty-four (24) hours after notification from the Contractor of noncompliance, the Contractor may implement appropriate cleanup measures without further notice and deduct the cost thereof from any amounts due or to become due the Subcontractor under this Subcontract.

9.14 SAFETY OF PERSONS AND PROPERTY

9.14.1 The Subcontractor is required to perform the Subcontract Work in a safe and reasonable manner. The Subcontractor shall seek to avoid injury, loss or damage to persons or property by taking reasonable steps to protect: (a) employees and other persons at the site; (b) materials and equipment stored at the site or at off-site locations for use in performance of the Contract Work; and (c) all property and structures located at the site and adjacent to work areas, whether or not said property or structures are part of the Project or involved in the Contract work.

9.14.2 The Subcontractor shall give all required notices and comply with all applicable rules, regulations, orders and other lawful requirements established to prevent injury, loss or damage to persons or property.

9.14.3 The Subcontractor shall implement appropriate safety measures pertaining to the Subcontract Work and the Project, including establishing safety rules, posting appropriate warnings and notices, erecting safety barriers, and establishing proper notice procedures to protect persons and property at the site and adjacent thereto from injury, loss or damage.

9.14.4 The Subcontractor shall exercise extreme care in carrying out any Subcontract Work which involves explosive or other dangerous methods of construction or hazardous procedures, materials or equipment. At all times relevant hereto, the Subcontractor shall use properly qualified individuals or entities to carry out the Subcontract Work in a safe and reasonable manner so as to reduce the risk of personal injury or property damage.

9.14.5 The Subcontractor is required to promptly remedy any loss or damage caused to the work, materials, equipment and property referred to in clauses 9.14.1(b) and 9.14.1(c)., if said loss or damage is caused in whole or in part by the Subcontractor and/or persons or entities performing work for or on behalf of the Subcontractor, regardless of tier, who have furnished labor, materials or services relating to the Subcontract and for whose acts the Subcontractor may be liable. The Subcontractor shall not be required to remedy any loss or damage which is not attributable, either in whole or in part, to the fault or negligence of the Subcontractor or of any person or entity for whose acts the Subcontractor may be liable.

9.14.6 The Subcontractor is required to designate an individual at the site in the employ of the Subcontractor who shall act as the Subcontractor's designated safety representative with a duty to prevent accidents. Unless otherwise identified by the Subcontractor in writing to the Contractor, the designated safety representative shall be the Subcontractor's project superintendent.

9.14.7 The Subcontractor has an affirmative duty not to overload the structures or conditions at the site and shall take reasonable steps not to load any part of the structures, or site so as to give rise to an unsafe condition or create an unreasonable risk of personal injury or property damage. The Subcontractor shall have the right to request, in writing, from the Contractor loading information concerning the structures at the site.

9.14.8 The Subcontractor shall give prompt written notice to the Contractor of any accident involving personal injury requiring a physician's care, any property damage exceeding Five Hundred Dollars ($500.00) in value, or any failure that

could have re-suited in serious personal injury, whether or not such an injury was sustained.

9.14.9 Prevention of accidents at the site is the responsibility of the Contractor, Subcontractor, and all other subcontractors, persons and entities at the site. Establishment of a safety program by the Contractor shall not relieve the Subcontractor or other parties of their safety responsibilities. The Subcontractor shall establish its own safety program implementing safety measures, policies and standards conforming to those required or recommend by governmental and quasi-governmental authorities having jurisdiction and by the Contractor and Owner, including, but not limited to, requirements imposed by the Subcontract Documents. The Subcontractor shall comply with all reasonable recommendations of insurance companies having an interest in the Project, and shall stop any part of the Subcontract Work which the Contractor deems unsafe until corrective measures satisfactory to the Contractor shall have been taken. The Contractor's failure to stop the Subcontractor's unsafe practices shall not relieve the Subcontractor of the responsibility therefor. The Subcontractor shall notify the Contractor immediately following an accident and promptly confirm the notice in writing. A detailed written report shall be furnished if requested by the Contractor. The Subcontractor shall indemnify the Contractor for fines or penalties imposed on the Contractor as a result of Subcontractor's safety violations, including attorney fees.

9.15 PERMITS, FEES AND LICENSE The Subcontractor shall give adequate notices to authorities pertaining to the Subcontract Work and secure and pay for all permits, fees, licenses, assessments, inspections and taxes necessary to complete the Subcontract Work in accordance with the Subcontract Documents. To the extent obtained by the Contractor, the Subcontractor shall be compensated for additional costs resulting from laws, ordinances, rules, regulations and taxes enacted after the date of this Subcontract Agreement.

9.16 DELEGATION OR SUBCONTRACTING OF DUTIES The Subcontractor is prohibited from delegating, transferring, conveying, subcontracting, relinquishing or otherwise disposing of the whole or any part of its duties under this Subcontract without the prior written approval of the Contractor. The Contractor's approval shall not be unreasonably withheld.

9.17 MATERIALS SAFETY

9.17.1 Should the Subcontractor encounter asbestos, polychlorinated biphenyl (PCB) or other hazardous substances at the site which potentially are harmful to persons or property, then the Subcontractor shall take all steps required by the Subcontract Documents and by law to protect persons and property from injury or damage, including stopping the Subcontract Work in the affected areas and promptly advising the Contractor in writing of the conditions encountered at the site. Should the Subcontractor be required to stop work in any area of the Project as a result of hazardous substances located at the site, then the Subcontractor shall not resume its Subcontract Work in the affected area until (a) the hazardous substances have been removed or made harmless, (b) the Contractor and Subcontractor agree in writing to commence work in all or a portion of the area, or (c) the Owner orders the work to proceed. The Subcontractor shall not be required to perform work in areas containing asbestos, PCBs, or any other hazardous substances defined by the Subcontract Documents, without the Subcontractor's consent.

9.17.2 Material Safety Data (MSD) sheets as required by law and pertaining to materials or substances used or consumed in the performance of the Subcontract Work shall be submitted to the Contractor by the Subcontractor. MSD sheets obtained by the Contractor from other subcontractors or sources shall be made available to the Subcontractor by the Contractor.

9.18 CUTTING AND PATCHING Any cutting, patching or blocking necessary to complete the Subcontract Work shall be performed to the same standards and shall match any other work performed pursuant to the Owner/Contractor Contract.

ARTICLE 10
LABOR RELATIONS

10.1 PROJECT HARMONY Subcontractor specifically acknowledges that union and merit shop contractors may both be working on the Project and agrees to work harmoniously with all persons and entities on the Project site. If applicable, Subcontractor shall enter and leave the Project site through the gate specifically marked for its use or for which it has received written notice to use.

10.2 STRIKE PROVISIONS Notwithstanding any other provision of the Subcontract Documents, Subcontractor agrees that a stoppage or slowdown of the Subcontract Work due to picketing or any labor dispute of any kind shall be cause for recourse of Contractor pursuant to Subcontract Article 16.

10.3 The subcontractor shall not employ any persons in the performance of the Subcontract Work whose employment might be reasonably objected to by the Contractor or Owner. In the interest of harmonious relations and to facilitate the orderly and efficient progress of the work on the Project, the subcontractor hereby agrees to promptly remove from the Project any supervisor, employee, workman or subcontractor whom the Contractor, Owner or Owner's Representative reasonably objects and such person or party shall not again be employed for any portion of the Subcontract Work.

ARTICLE 11
INSURANCE

11.1 SUBCONTRACTOR'S INSURANCE Prior to start of the Subcontract Work, the Subcontractor shall procure for the Subcontract Work and maintain in force Workers' Compensation Insurance, Employer's Liability Insurance, Comprehensive General Liability Insurance on an occurrence basis, and Business Automobile Liability, any other insurance required of Subcontractor under the Subcontract. The Contractor, Owner and any other parties as required by the Subcontract Documents shall be named as additional insureds by endorsement CG2010, or its equivalent, on the Commercial General Liability policy. The Subcontractor's insurance shall be primary and non-contributory with any other available insurance and shall also include contractual liability insurance covering the Subcontractor's obligations under this Subcontract.(see attachment)

11.2 MINIMUM LIMITS OF LIABILITY The Subcontractor's Comprehensive or Commercial General Liability Insurance and Comprehensive Automobile Liability Insurance, as required by Paragraph 11.1, shall be written with limits of liability not less than the minimum limits of liability set forth in the Owner/Contractor Contract Documents or the following, whichever is higher:

A. Comprehensive General Liability Insurance including completed operations

1. $2,000,000 General Aggregate
2. $2,000,000 Products/Completed Operations Aggregate
3. $1,000,000 Personal & Advertising
4. $1,000,000 Each Occurrence

B. Commercial Automobile Liability Insurance

1. $1,000,000 Combined Single Limit Bodily Injury & Property damage

C. Workers Compensation – Statutory

D. Employers Liability

1. $500,000 Each Accident Bodily Injury
2. $500,000 Policy Limit Bodily Injury By Disease
3. $500,000 Each Employee Bodily Injury by Disease

E. Umbrella

1. $1,000,000

11.3 NUMBER OF POLICIES Comprehensive or Commercial General Liability Insurance and other liability insurance may be arranged under a single policy for the full limits required or by a combination of underlying policies with the balance provided by an Excess or Umbrella Liability Policy.

11.4 CANCELLATION, RENEWAL OR MODIFICATION The Subcontractor shall maintain in effect all insurance coverage required under this Subcontract at the Subcontractor's sole expense and with insurance companies acceptable to the Contractor. Certificates of Insurance, or certified copies of policies acceptable to the Contractor, shall be filed with the Contractor prior to the commencement of the Subcontract Work. In the event the Subcontractor fails to obtain or maintain any insurance coverage required under this Subcontract, the Contractor may purchase such coverage and charge the expense thereof to the Subcontractor, or terminate this Subcontract. The Subcontractor shall maintain completed operations liability insurance for the full warranty period, one year after acceptance of the Subcontract Work or substantial completion of the Project, or to the time required by the Subcontractor Documents, whichever is longer. The

Subcontractor shall furnish the Contractor evidence of such insurance at the time of completion of the Subcontract Work.

11.5 WAIVER OF RIGHTS The Contractor and Subcontractor waive all rights against each other and the Owner, the Architect, the Architect's consultants and agents or employees of any of them, separate contractors, and all other subcontractors for loss or damage to the extent covered by Builder's Risk or any other property of equipment insurance, except such rights as they may have to the proceeds of such insurance; provided, however, that such waiver shall not extend to the acts or omissions of the Architect, the Architect's consultants, and the agents or employees of any of them as listed in Paragraph 12.3.

11.6 BUILDER'S RISK INSURANCE

11.6.1 Upon written request of the Subcontractor, the Contractor shall provide the Subcontractor with a copy of the Builder's Risk policy of insurance or any other property or equipment insurance in force for the Project and procured by the Contractor. The Contractor will advise the Subcontractor if a Builder's Risk policy of Insurance is not in force.

11.6.2 If the Owner or Contractor has not purchased Builder's Risk insurance for the full insurable value of the Subcontract Work, less a deductible, then the Subcontractor may procure such insurance as will protect the interests of the Subcontractor, its subcontractors and their subcontractors in the Subcontract Work.

11.6.3 If not covered under the Builder's Risk policy of insurance or any other property or equipment insurance required by the Contract or Subcontract, the Subcontractor shall procure and maintain at the Subcontractor's own expense property and equipment insurance for portions of the Subcontract Work stored off the site or in transit, when such portions of the Subcontract Work are to be included in an application for payment under Article 14.

11.7 ENDORSEMENT If the policies of insurance referred to in this Article require an endorsement to provide for continued coverage where there is a waiver of subrogation, the owners of such policies will cause them to be so endorsed.

ARTICLE 12
INDEMNIFICATION

12.1 INDEMNIFICATION The Subcontractor shall indemnify and hold the Contractor, Owner, Architect, their agents, consultants and employees harmless from and against all claims, losses, costs and damages, including but not limited to attorney's fees, pertaining to the performance of the Subcontract and involving personal injury, sickness, disease, death or property resulting therefrom but not damage to the work itself, but only to the extent caused in whole or in part by the negligent acts or omissions of the Subcontractor, or any of the Subcontractors' subcontractors, suppliers, manufacturers, or other persons or entities for whose acts the Subcontractor may be liable. This indemnification agreement is binding on the Subcontractor, to the fullest extent permitted by law, regardless of whether any or all of the persons and entities indemnified hereunder are responsible in part for the claims, damages, losses or expenses for which the Subcontractor is obligated to provide indemnification. This indemnification provision does not negate, abridge or reduce any other rights or obligations of the persons and entities described herein with respect to indemnity.

12.2 NO LIMITATION UPON LIABILITY To the fullest extent permitted by law, in any and all claims against the Owner, the Architect, Architect's consultants, agents and employees, the Contractor (including its affiliates, parents and subsidiaries) and other contractors or subcontractors, or any of their agents or employees, by any employee of the Subcontractor, anyone directly or indirectly employed by the Subcontractor or anyone for whose acts the Subcontractor may be liable, the indemnification obligation under this Article 12 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' or workmen's compensation acts, disability benefit acts or other employee benefit acts.

12.3 COMPLIANCE WITH LAWS The Subcontractor agrees to be bound by, and at its own cost, comply with all federal, state and local laws, ordinances and regulations (hereinafter collectively referred to as "laws") applicable to the Subcontract Work including, but not limited to, equal employment opportunity, minority business enterprise, women's business enterprise, disadvantaged business enterprise, and all other laws with which the Subcontractor must comply according to the Subcontract Documents. The Subcontractor shall be liable to the Contractor and the Owner for all loss, cost and expense, including attorneys fees, attributable to any acts of commission or omission by the Subcontractor, its employees and agents resulting from the failure to comply therewith, including, but not limited to, any fines, penalties or corrective measures. Should Contractor be named in an action or proceeding resulting from Subcontractor's failure to comply with laws, Contractor may tender its defense to the Subcontractor and Subcontractor shall pay, liquidate, and satisfy all fines, penalties, judgments, awards, or corrective actions resulting from same without reimbursement from Contractor.

12.4 PATENTS Except as otherwise provided by the Subcontract Documents, the Subcontractor shall pay all royalties and license fees which may be due on the inclusion of any patented materials in the Subcontract Work. The Subcontractor shall defend all suits for claims for infringement of any patent rights arising out of the Subcontract Work, which may be brought against the Contractor or Owner, and shall be liable to the Contractor or Owner for all loss, including all costs, expenses, and attorney's fees, but shall not be responsible for such defense or loss when a particular manufacturer or manufacturers is required by the Subcontract Documents. However, if the Subcontractor has reason to believe that a particular design, process or product required by the Subcontractor shall promptly furnish such information to the Contractor or be responsible to the Contractor and Owner for any loss sustained as a result thereof.

ARTICLE 13
CHANGES, CLAIMS AND DELAYS

13.1 CHANGES

13.1.1 SUBCONTRACT CHANGE A Subcontract Change is any change in the Subcontract Work within the general scope of the Subcontract including a change in the drawings, specifications or technical requirements of the Subcontract and/or a change in the Schedule of Work affecting the performance of the Subcontract.

13.1.2 CHANGE ORDER When the Contractor orders in writing, the Subcontractor, without nullifying this Subcontract, shall make any and all changes in the Subcontract Work which are within the general scope of this Subcontract. Adjustments in the Subcontract Price or Subcontract Time, if any, resulting from such changes shall be set forth in a Subcontract Change Order or a Subcontract Construction Change Directive pursuant to the Subcontract Documents. No such adjustments shall be made for any changes performed by the Subcontractor that have not been ordered by the Contractor. A Subcontract Change Order is a written instrument prepared by the Contractor and signed by the Subcontractor stating their agreement upon the change in the scope of the Subcontract Work, adjustment in the Subcontract price and/or Subcontract Time. A Subcontract Construction Change Directive is a written instrument prepared by the Contractor directing a change in the Subcontract Work and stating a proposed adjustment, if any, in the Subcontract Price or Subcontract Time or both. A Subcontract Construction Change Directive shall be used in the absence of agreement on the terms of a Subcontract Change Order.

13.1.3 SUBCONTRACT CONSTRUCTION CHANGE DIRECTIVE The Subcontract shall comply with all Subcontract Construction Change Directives received from the Contractor and perform the required changes in the Subcontract Work in a prompt and expeditious manner. The Subcontractor shall evaluate the proposed adjustment in the Subcontract Price or Subcontract Time, if any, as set forth in the Subcontract Construction Change Directive and respond within five working days of receipt thereof, in writing, to the Contractor stating the Subcontractor's acceptance or rejection of the proposed adjustment and the reason therefor. Subcontractor agrees that unless it rejects said proposed adjustment within said five days, it accepts said proposed adjustment. The Subcontractor may also agree to the Subcontract Construction Change Directive and of the proposed adjustment, if any, by signing the Subcontract Construction Change Directive and returning it forthwith to the Contractor. Subcontract Construction Change Directives agreed to by the Subcontractor are effective immediately and become Subcontract Change Orders in accordance with their terms.

13.1.4 ADJUSTMENT IN SUBCONTRACT PRICE If a Subcontract Change Order or Subcontract Construction Change Directive required an adjustment in the Subcontract Price, the adjustment shall be established by one of the following methods:

(a) mutual agreement on a lump sum with sufficient information to substantiate the amount;

(b) unit prices already established in the Subcontract Documents or if not established by mutual agreements then established by mutual agreement for the adjustment;

(c) a mutually determined cost plus a jointly acceptable markup for overhead and profit; or

(d) as may otherwise be required by the Subcontract Documents.

13.1.5 SUBSTANTIATION OF ADJUSTMENT If the Subcontractor timely disagrees with the proposed method of adjustment, the method and the adjustment shall be determined by the Contractor on the basis of reasonable Subcontractor expenditures and savings attributable to the change, including, in the case of an increase in the Subcontract Price, a reasonable markup for overhead and profit not to exceed 15 (fifteen) percent. The Subcontractor may contest the reasonableness of any adjustment determined by the Contractor. The Subcontractor shall maintain for the Contractor's review and approval an appropriately itemized and substantiated accounting of the following items attributable to the Subcontract Change Order:

.1 Labor costs, including Social Security, health, welfare, retirement and other fringe benefits as normally required, and the states workers' compensation insurance;

.2 costs of materials, supplies and equipment, whether incorporated in the Subcontractor's Work or consumed, including transportation costs;

.3 costs of renting machinery and equipment other than hand tools;

.4 costs of bond and insurance premiums, permit fees and taxes attributable to the change; and

.5 costs of additional supervision and field office personnel services necessitated by the change.

Notwithstanding the foregoing, if the Owner/Contractor Contract Documents are at variance with such method of adjustment, then the provisions of the Owner/Contractor Contract Documents shall control.

13.1.6 INCIDENTAL CHANGES IN THE SUBCONTRACT WORK The Contractor may direct the Subcontractor to perform incidental changes in the Subcontract Work which do not involve adjustments in the Subcontract Price or Subcontract Time. Incidental changes shall be consistent with the scope and intent of the Subcontract Documents. The Contractor shall initiate an incidental change in the Subcontract Work by issuing a written order to the Subcontractor. Such written orders shall be carried out promptly and are binding on the parties.

13.1.7 If the Subcontractor encounters surfaces or work which he considers unsatisfactory and which affect the Subcontract Work, or if the Subcontractor encounters any other condition whatsoever upon which he may base a claim for additional compensation, extra time, or any other type of claim, it shall be his duty to give the written notice to the Contractor prior to commencing any work involving said conditions in order to allow the Contractor and/or Owner to inspect said conditions and to make arrangements and take such steps as Contractor or Owner deems necessary. In the absence of such notice to the Contractor, Subcontractor shall be fully and solely responsible and liable for any and all expense, loss, or damage resulting from said condition and the Contractor and Owner shall be relieved of all liability in connection therewith.

13.1.8 All Change Orders include and constitute the Subcontractor's full and complete compensation for all Subcontractor's costs, direct and indirect, and time resulting from the work to be performed under the Change Order.

13.2 CLAIMS

13.2.1 CLAIM A claim is a demand or assertion made in writing by the Contractor or the Subcontractor seeking an adjustment in the Subcontract Price and/or Subcontract Time, an adjustment or interpretation of the Subcontract terms, or other relief arising under or relating to this Subcontract, including the resolution of any matters in dispute between the Contractor and Subcontractor in connection with the Project.

13.2.2 CLAIMS RELATING TO OWNER The Subcontractor agrees to make all claims arising under or related to Change Orders by the Owner or any dispute arising out of the Owner's or its representative's interpretation of the Owner/Contractor Contract Documents or any dispute arising out of inaccuracies, deficiencies, discrepancies or ambiguities in the Owner/Contractor Contract Documents or any other obligation owing to the Contractor for which the Owner is or may be liable (including, but not limited to "Pass through claims") in the same manner and within the time limits provided in the Contract for like claims by the Contractor against the Owner and in sufficient time for the Contractor to make such claims against the Owner in accordance with the Contract. The Contractor agrees to permit the Subcontractor to prosecute a claim in the name of the Contractor for the use and benefit of the Subcontractor in the manner provided in the Contract for like claims by the Contractor against Owner. Subcontractor shall be responsible for its own costs and expenses incurred therein, including attorney and expert fees. The Contractor shall make available to the Subcontractor, prior to the execution of this Subcontract Agreement, copies of all Contract provisions pertaining to claims by the Contractor against the Owner. For such claims, Subcontractors sole and exclusive remedy for additional compensation shall be to receive 85% of any monies received by Contractor for Subcontractor's claim. Subcontractor agrees that a condition precedent to any obligation on the part of Contractor to make payment of any such claim to the Subcontractor shall be that Contractor first be entitled to such compensation on behalf of the Subcontractor and then receive such payment from the Owner.

13.2.3 CLAIMS RELATING TO CONTRACTOR The Subcontractor shall give the Contractor written notice of all claims not included in Subparagraph 13.2.2 or 16.7.3 within seven (7) calendar days of the date when the Subcontractor knew or should have known of the facts giving rise to the event for which claim is made; otherwise, such claims shall be waived.

13.2.4 Should Subcontractor submit a claim to Contractor under Subparagraph 13.2.3 for which Contractor reasonably believes the Owner is wholly or partially liable, Contractor shall promptly notify Subcontractor in writing to proceed under Subparagraph 13.2.2 and Subcontractor shall not proceed against Contractor or its surety on such claim until it has exhausted all reasonable remedies against the Owner.

13.2.5 UNRESOLVED CLAIMS, DISPUTES AND OTHER MATTERS All unresolved claims, disputes, and other matters in question between the Contractor and the Subcontractor, not relating to claims included in Paragraphs 12.5 and 13.2.2 shall be resolved in the manner provided in Article 15 herein.

13.2.6 No claim, dispute or controversy shall interfere with the Subcontractor's performance of the Subcontract Work and the Subcontractor agrees that it will proceed with the Subcontract Work as directed by the Contractor in all instances.

13.3 DELAY

13.3.1 Should the progress of the Project Work be delayed, disrupted, hindered, obstructed, impacted or interfered with by any fault or neglect or act or failure to act of the Subcontractor (or any of the Subcontractor's subcontractors, suppliers, manufacturers, or other persons or entities for whose acts the Subcontractor may be liable) so as to cause additional cost, expense, liability or damage to Contractor including legal fees and disbursements incurred by Contractor (whether incurred in defending claims arising from such delay or in seeking reimbursement and indemnity from the Subcontractor and its surety hereunder or otherwise) or to the Owner or any damages or additional costs or expenses for which Contractor or the Owner may or shall become liable, the Subcontractor and its surety, if any, shall and does hereby agree to compensate Contractor and Owner for and indemnify them against all such costs, fees, expenses, damages, and liability.

13.3.2 Contractor, if it deems necessary, may direct the Subcontractor to work overtime and, if so directed, the Subcontractor shall work said overtime and, provided the Subcontractor is not in default under any of the terms of the Subcontract Documents, Contractor will pay the Subcontractor for the overtime/premium portion of the actual additional wages paid, if any, at rates that have been approved by Contractor plus taxes and other fringes, if specifically excluded from the approved overtime rate. No overhead or profit will be paid on such overtime costs.

13.3.3 Should the Subcontractor be delayed, obstructed, hindered or interfered with in the commencement, prosecution or completion of the Subcontract Work by any cause including but not limited to any act, omission, neglect, negligence or default of Contractor or anybody employed by Contractor or by any other contractor or subcontractor/supplier on the Project, or by the Architect, the Owner or their contractors, subcontractors, agents or consultants, or by damage caused by fire or other casualty or by governmental directive or any other cause beyond the control of and not due to any fault, neglect, act or omission of the Subcontractor or any person or entity for whose acts the Subcontractor may be liable, then the Subcontractor shall be entitled to an extension of time for a period

equivalent to the time by reason of and all of the aforesaid causes; provided, however, that the Subcontractor shall not be entitled to any such extension of time unless the Subcontractor (1) notifies Contractor in writing of the cause(s) of such delay, obstruction, hindrance, or interference within forty-eight (48) hours of the commencement thereof and (2) demonstrates that it could not have anticipated or avoided such delay, obstruction, hindrance, or interference and has used all means available to minimize the consequences thereof. Notwithstanding the foregoing, if the Owner/Contractor Contract Documents are at variance with granting such time extension, then the provisions of the Owner/Contractor Contract Documents shall control.

13.3.4 The Subcontractor agrees that it shall not be entitled to nor claim any cost reimbursement, compensation or damages for any delay, obstruction, hindrance or interference to the Subcontract Work except to the extent that Contractor is entitled to a corresponding cost reimbursement, compensation or damages from the Owner under the Owner/Contractor Contract Documents for such delay, obstruction, hindrance or interference, and then only to the extent of the amount, if any, which Contractor, on behalf of Subcontractor, actually receives from the Owner on account of such delay, obstruction, hindrance or interference. Subcontractor agrees that a condition precedent to any obligation of Contractor to make payment of any such cost, reimbursement, compensation or damages to the Subcontractor hereunder shall be that Contractor first be determined to be entitled to such compensation on behalf of the Subcontractor and then receive such payment from Owner.

13.3.5 LIQUIDATED DAMAGES If the Contract provides for liquidated or other damages for delay beyond the completion date set forth in the Owner/Contractor Contract Documents, and such damages are assessed by the Owner against the Contractor, then the Contractor may assess such damages against the Subcontractor in proportion to its share of the responsibility for such delay and damage. Subcontractor shall also be liable for all additional damages Contractor may incur as a result of Subcontractor's failure to complete Subcontractor's Work or any portion thereof in accordance with the Schedule of Work.

ARTICLE 14
PAYMENT

14.1 GENERAL PROVISIONS

14.1.1 SCHEDULE OF VALUES Within fourteen (14) calendar days from the date of execution of this Subcontract Agreement, the Subcontractor shall prepare and submit to the Contractor a Schedule of Values apportioned to the various divisions or phases of the Subcontract Work. Each line item contained in the Schedule of Values shall be assigned a monetary price such that the total of all such items shall equal the Subcontract Price. The Schedule of Values shall be prepared in such detail as may be required by the Owner and, in addition thereto, the Contractor and Subcontractor may agree on the extent of the detail to be included in the Schedule of Values, which must be supported by such documents and proof as the Contractor may require.

14.1.2 COPY OF PAYMENT REQUEST Upon request, the Contractor shall give the Subcontractor a copy of the most current Contractor application for payment reflecting the amounts approved and/or paid by the Owner for the Subcontract Work performed to date.

14.1.3 PAYMENT USE AND VERIFICATION As a performance obligation, the Subcontractor is required to pay for all labor (including taxes and fringes), materials, services, insurance, supplies, machinery, equipment, rentals, fuels, oils, implements, tools and/or appliance and any other items or obligations of whatever nature, furnished or incurred for or in connection with the Subcontract Work through the most current period applicable to progress payments received from the Contractor. The Subcontractor agrees that, if and when requested to do so by the Contractor, it shall furnish such information, evidence and substantiation as the Contractor may require with respect to the nature and extent of all obligations incurred by the Subcontractor for and in connection with the Subcontract Work, all payments made by the Subcontractor thereon, and the amounts remaining unpaid, to whom and the reasons therefor. At the option of Contractor, payments to Subcontractor hereunder may be made by dual-payee checks made payable to Subcontractor and Subcontractor's suppliers/subcontractors/labor unions.

14.1.4 OWNER PAYMENT The obligations of the Contractor to make payment to Subcontractor under this Subcontract Agreement, whether a progress or final payment, or for extras or change orders or other claims is subject to the express condition precedent of payment thereof by the Owner. Subcontractor expressly agrees to accept the risk that it will not be paid for its work in the event Contractor is not paid by the Owner for such work. If Contractor has provided a payment and/or performance bond(s), the obligation of Contractor and its surety under those bonds to make any payment to a claimant on that bond is similarly subject to the express condition precedent of payment therefor by the Owner.

14.1.5 SUBCONTRACTOR ASSIGNMENT OF RECEIVABLES The Subcontractor will not make an assignment of Subcontract proceed without the prior written consent of the Contractor, which consent will not be unreasonably withheld. If such consent is given, (1) the Contractor shall not be obligated to the assignee of the Subcontractor on account of payments at any time made in good faith under any assignment and/or erroneously or inadvertently made to the assignor; (2) the Contractor shall not be liable to any assignee of the Subcontractor for any amount in excess of the net sums owing Subcontractor hereunder after first deducting any amounts for which Subcontractor may otherwise be obligated or indebted to Contractor; (3) by making an assignment of the proceeds hereof, the Subcontractor waives any claim against Contractor resulting from the Contractor's continued payment to the assignee(s) or former assignee(s), notwithstanding notification to Contractor of termination of any such assignment; (4) by making an assignment of the proceeds hereof, the Subcontractor agrees to assume full liability for the conveyance to assignees of any payments mistakenly, inadvertently, or otherwise made or addressed to Subcontractor, and Subcontractor agrees to defend and hold harmless the Contractor from claim or action of any assignee related to this Subcontract Agreement.

14.1.6 PAYMENT NOT ACCEPTANCE Payment to the Subcontractor does not constitute or imply acceptance of any portion of the Subcontract Work.

14.1.7 USE OF FUNDS Subcontractor agrees and covenants (1) that money received for the performance of the Subcontract Agreement shall be used solely for the benefit of the persons and entities supplying labor, materials, supplies, tools, machines, equipment, or services for the Project in connection with the Subcontract Agreement and they have the rights to assert liens claims or other claims against the Project's land or funds, the Contractor and/or the Owner; and (2) that any money paid to the Subcontractor for the Subcontract Work shall immediately become and constitute a trust fund for the benefit of such persons and entities and shall not in any instance be diverted by the Subcontractor to any other purpose until all obligations arising hereunder have been fully discharged and all possible claims arising hereunder have been fully paid.

14.1.8 Contractor shall be entitled to deduct as a set-off to any money due Subcontractor or any of its affiliates (which shall include any individual, corporation, partnership, Joint Venture, or other entity controlled by, controlling or under common control with Subcontractor) that is owed to Contractor by Subcontractor or any of its affiliates arising out of this Project, other Projects or otherwise.

14.2 PROGRESS PAYMENTS

14.2.1 APPLICATIONS Subcontractor's applications for payment shall be itemized and supported by the Subcontractor's Schedule of Values and any other substantiating data as required in the Contract for the Contractor's payment applications. Subcontractor's applications shall be notarized if required. Subcontract payment applications may include payment requests on account of properly authorized Subcontract Construction Change Directives. The Subcontractor's progress payment application for work performed in the preceding payment period shall be submitted to the Contractor in accordance with the terms of this Subcontract Agreement for approval by the Contractor. The Contractor shall incorporate the approved amount of the Subcontractor's progress payment application into the Contractor's payment application to the Owner for the same period and submit it to the Owner in a timely fashion.

14.2.2 PARTIAL LIEN WAIVERS AND AFFIDAVITS As a prerequisite for payment, the Subcontractor shall provide, in a form satisfactory to the Owner and Contractor, partial lien or claim waivers in the amount of the application for payment and affidavits from the Subcontractor, and its subcontractors, materialmen and suppliers for the completed Subcontract Work. Such waivers may be conditional upon payment. In no event shall the Contractor require the Subcontractor to sign an unconditional waiver of lien or claim, either partial or final, prior to receiving payment or in an amount in excess of what it has been paid.

14.2.3 PAYMENTS WITHHELD If any claim or lien is made or filed with or against the Contractor, the Owner, the project, the Project site or the project funds by any person claiming that the Subcontractor or any other any subcontractor,

supplier, manufacturer, or other person or entity has failed to make payment for any labor, services, materials, equipment, taxes or other items or obligations furnished or incurred for or in connection with the Subcontract Work, or if at any time there shall be evidence or such nonpayment or of any claim or lien for which, if established, Contractor or Owner might become liable and which is chargeable to the Subcontractor or the Subcontract Work, or if the Subcontractor or any person or entity for whose acts the subcontractor may be liable causes damage to the Project or any other work on the Project, or if the Subcontractor fails to perform or is otherwise in default under any of the terms of this Subcontract Agreement, Contractor shall have the right to retain then due or thereafter to become due an amount which it deems sufficient to (1) satisfy, discharge and/or defend against any such claim or lien or any action which may be brought or judgement which may be recovered thereon, (2) make good any such nonpayment, damage, failure or default, and (3) compensate the Contractor and the Owner for and indemnify and hold them harmless against any and all losses, liability, damages, costs, and expenses, including attorneys' fees and expenses, which may be sustained or incurred by either or both of them in connection therewith. Should the amount due or to become due Subcontractor is not sufficient therefor, the Subcontractor shall be liable for the difference and shall immediately pay same to the Contractor.

14.2.4 RETAINAGE/SECURITY The rate of retainage shall be equal to the percentage retained from the Contractor's payment by the Owner for the Subcontract Work. If the Contract provides for a reduction of retainage based upon a percentage of completion of the Contract work, the Contractor also shall reduce the Subcontractor's retainage when the Contractor's retainage for the Subcontractor's Work has been so reduced by the Owner. If there is no provision for retainage in the Contract, the Contractor may require a rate of retainage not to exceed ten (10) percent. If the Subcontractor furnished a bond or other security to the satisfaction of the Contractor, the rate of retainage may, at Contractor's sole discretion, be set at a lower rate or zero.

14.2.5 TIME OF APPLICATION For each progress payment period, the Subcontractor shall submit its progress payment application to the Contractor for the Subcontract Work performed to date no later than seven (7) calendar days prior to the date that the Contractor's progress payment application is required to be submitted to the Owner under the Contract, unless otherwise agreed. To the extent allowed under Subparagraph 14.2.6 of this Subcontract Agreement, the Subcontractor may include in its progress payment applications to the Contractor materials and equipment suitably stored at the site or elsewhere for use in performance of the Subcontract Work.

14.2.6 STORED MATERIALS AND EQUIPMENT Unless otherwise provided in the Subcontract Documents, applications for payment may include materials and equipment not incorporated into the Subcontract Work but delivered to and suitably stored at the site. Applications for payment may include materials and equipment delivered to and suitably stored off the site, if allowed under the Contract and properly approved. Approval of payment applications for materials and equipment stored on or off the site shall be conditioned on submission by the Subcontractor of bills of sale and applicable insurance or such other procedures satisfactory to the Owner and Contractor to establish the proper valuation of the stored materials and equipment, the Owner's title to such materials and equipment, and to otherwise protect the Owner's and Contractor's interests therein, including transportation to the site.

14.2.7 TIME OF PAYMENT Progress payments to the Subcontractor for satisfactory performance of the Subcontract Work shall be made no later than seven (7) calendar days after receipt by the Contractor of payment from the Owner for the Subcontract Work.

14.2.8 PAYMENT DELAY If the Contractor has received payment from the Owner for the Subcontract Work and if for any reason not the fault of the Subcontractor, Subcontractor does not receive payment from the Contractor within seven (7) days after such payment is due, as defined above, the Subcontractor, upon giving an additional seven (7) days' written notice to the Contractor, may stop work until payment of the amount due the Subcontractor has been paid. Subcontractor shall not file (or shall immediately release) any lien against the Project premises or funds if the Contractor files such a lien which includes amounts owing to Subcontractor.

14.3 FINAL PAYMENT

14.3.1 APPLICATION Upon acceptance of the Subcontract Work by the Contractor, and upon the Subcontractor furnishing evidence of fulfillment of the Subcontractor's obligations in accordance with the Subcontract Documents, the Contractor shall incorporate the Subcontractor's application for final payment into the Contractor's next application for payment to the Owner without delay, or notify the Subcontractor if there is a delay and the reasons therefor.

14.3.2 REQUIREMENTS Before the Contractor shall be required to incorporate the Subcontractor's application for final payment into the Contractor's next application for payment to the Owner, the Subcontractor shall furnish to the Contractor:

(a) if required by the Subcontract, an affidavit that all payrolls, bills for materials and equipment, and other indebtedness connected with the Subcontract Work for which the Owner or its property or the Contractor or the Contractor's surety might in any way be liable, have been paid or otherwise satisfied;

(b) consent of the Subcontractor's surety to final payment, if required;

(c) satisfaction of close-out procedures as may be required by the Subcontract;

(d) certification that insurance required by the Subcontract remain in effect beyond final payment pursuant to this Subcontract Agreement is in effect and will not be canceled or allowed to expire without at least thirty (30) calendar days' written notice to the Contractor, unless a longer period is stipulated in the Subcontract Documents; and

(e) other data if required by the Owner or the Subcontract Documents, such as as-built drawings, warranties, receipts, releases, and waivers of liens effective upon payment to the extent and in such form as may be designated by the Owner.

14.3.3 Acceptance of final payment by the Subcontractor shall constitute a waiver of claims by the Subcontractor except those previously made in writing and conspicuously identified by the Subcontractor in its final application for payment that those are unsettled as of that date.

14.3.4 TIME OF PAYMENT Final payment of the balance due of the Subcontract Price shall be made to the Subcontractor within seven (7) calendar days after receipt by the Contractor of final payment from the Owner for such Subcontract Work.

14.3.5 FINAL PAYMENT DELAY If the Owner or its designated agent does not issue a certificate for final payment of the Subcontract Work or the Contractor does not receive such payment for any cause which is not the fault of the Subcontractor, the Contractor shall inform the Subcontractor in writing. The Contractor shall also pursue, with the assistance of the Subcontractor, the prompt release by the Owner of the final payment due for the Subcontractor's Work. Subcontractor shall not file (or shall immediately release) any lien against the Project premises or funds if the Contractor files such a lien which includes amounts owing to Subcontractor. At the Subcontractor's request and expense, to the extent agreed upon in writing, the Contractor may institute reasonable legal remedies to mitigate the damages and pursue payment of the Subcontractor's final payment including interest.

14.3.6 LATE PAYMENT INTEREST The Contractor's obligation to pay the Subcontractor interest on payments due and unpaid under the Subcontract shall be extinguished by the Contractor promptly paying to the Subcontractor the Subcontractor's proportionate share of the interest, if any, received by the Contractor from the Owner on such late payments.

ARTICLE 15
DISPUTE RESOLUTION

15.1 AGREEMENT TO ARBITRATE All claims, disputes and other matters in question arising out of, or relating to, this Subcontract, or the breach thereof, except for claims which have been waived by the making or acceptance of final payment, shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then in effect unless the parties mutually agree otherwise.

15.2 STAY OF PROCEEDINGS AND CONSOLIDATION In the event that all or a portion of any claim, dispute or other matter in question between Contractor and Subcontractor is the responsibility in whole or in part of a person or entity who is under no obligation to arbitrate said claim, dispute or matter with Contractor and Subcontractor in the same proceeding, then the Contractor shall

have the option to delay or stay any arbitration with Subcontractor pending the determination, in a separate proceeding, of the responsibility and liability of said person or entity for the claim, dispute or matter involved. The Subcontractor agrees that any arbitration instituted under this Article 15 may, at the contractor's election, be consolidated with any other arbitration proceeding involving a common question of fact or law between the Contractor and any other subcontractor(s) performing work in connection with the Contract. In any dispute concerning the application of this paragraph 15.2, the question of arbitrability shall be decided by the arbitrator(s).

15.3 NOTICE OF DEMAND Notice of the demand for arbitration shall be filed in writing with the other party to this Subcontract Agreement and with the American Arbitration Association. The demand for arbitration shall be made as required in the Subcontract Documents or within a reasonable time after written notice of the claim, dispute or other matter in question has been given, but in no event shall it be made when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statutes of limitation. The location of any arbitration proceedings shall be in Louisville, Kentucky.

15.4 AWARD The award rendered by the arbitrator(s) shall be final and judgment may be entered upon it in accordance with the applicable arbitration act in any court having jurisdiction.

15.5 WORK CONTINUATION AND PAYMENT The Subcontractor shall carry on the Subcontract Work and maintain the Schedule of Work pending final resolution of a claim including arbitration, unless the Subcontract has been terminated or the Subcontract Work suspended as provided for in the Subcontract, or the parties otherwise agree in writing to a partial or total suspension of the Subcontract Work. If the Subcontractor is continuing to perform in accordance with the Subcontract, the Contractor shall continue to make payments as required by the Subcontract.

15.6 NO LIMITATION OF RIGHTS AND REMEDIES Nothing in this Article shall limit any rights or remedies not expressly waived by the Subcontractor which the Subcontractor may have under lien laws or surety bonds.

15.7 SAME ARBITRATORS To the extent not prohibited by their contracts with others, the claims and disputes of the Owner, Contractor, Subcontractor and others involved with the Project, concerning a common question of fact or law, shall be heard by the same arbitrator(s) in a single proceeding.

ARTICLE 16
RECOURSE BY CONTRACTOR

16.1 FAILURE OF PERFORMANCE

16.1.1 NOTICE TO CURE If the Subcontractor refuses or fails to supply enough properly skilled workers or proper materials that, in the opinion of the Contractor, are necessary to maintain the Schedule of Work, or it fails to make prompt payment to its workers, subcontractors or suppliers, disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, or otherwise is guilty of a breach of a provision of the Subcontract Documents, the Subcontractor may be deemed in default of this Subcontract. If the Subcontractor fails within three (3) working days after written notification to commence and cure (or continue prompt and diligent correction of such default to the satisfaction of the Contractor) then the Contractor without prejudice to any other rights or remedies, shall have the right to any or all of the following remedies:

(a) supply or contract to supply workers and materials, equipment and other facilities as the Contractor deems necessary for the satisfactory and expeditious correction of such default and charge the cost thereof to the Subcontractor, who shall be liable for the payment of same including reasonable overhead, profit and attorneys' fees;

(b) withhold payment of monies due the Subcontractor;

(c) terminate the employment of the Subcontractor for all or a portion of the Subcontract Work; and/or

(d) in the event of an emergency affecting the safety of persons or property, the Contractor may proceed to commence and continue satisfactory correction of such default, without first giving three (3) working days' written notice to the Subcontractor, but shall give prompt written notice of such action to the Subcontractor.

16.1.2 TERMINATION BY CONTRACTOR In the case of termination, Contractor may enter upon the Project site and take possession, for the purposes of completing the Subcontract Work, of all materials, equipment, scaffolds, tools, appliances and other items thereon, all of which the Subcontractor hereby transfers, assigns and sets over to Contractor for such purpose and to employ any person(s) to complete the Subcontract Work and provide all the labor, services, equipment and other items required therefor. The Subcontractor shall not be entitled to receive any further payment under the Subcontract Agreement until the Subcontract Work is wholly completed to the satisfaction of the Contractor and Owner and accepted by them, at which time, if the unpaid balance of the amount to be paid under this Subcontract Agreement shall exceed the costs and expenses incurred by Contractor in completing the Subcontract Work, such excess shall be paid by Contractor to Subcontractor. But if such costs and expenses exceed such unpaid balance, then the Subcontractor and its surety shall pay the difference to the Contractor. Such costs and expenses shall include, not only the cost of completing the Subcontract Work to the satisfaction of the Contractor and Owner and of performing and furnishing all labor, materials, equipment and other items required therefor, but all losses, damages, costs, and expenses (including legal fees and disbursements incurred in connection with the reprocurement, in defending claims arising from such default and in seeking recovery of all such costs and expenses from the Subcontractor and/or its surety) and disbursements sustained, incurred or suffered by reason of or resulting from the Subcontractor's default.

16.1.3 CLAIMS AND LIENS Subcontractor and its surety, if any, shall always defend, indemnify and hold Contractor and Owner harmless against all liability for claims and liens for labor performed or materials used or furnished through or under Subcontractor (hereinafter sometimes referred to as Claimant) for the Project. Liability includes any costs and expenses for attorneys' fees, consultants' fees, and all incidental or consequential damages. If suit is brought against Contractor or Owner by a Claimant, Subcontractor shall defend the suit at its own cost and expense, and will pay and satisfy any such lien or judgment as may be established by the decision of the court in the suit. In the event Contractor receives any notification from a subcontractor, supplier or other claimant of this Subcontractor that Subcontractor has failed to timely pay any indebtedness for labor, materials, services, benefits or the like in connection with the Work performed by Subcontractor on this Project, and if Subcontractor fails to provide Contractor with written notice that Subcontractor is disputing the amount claimed by such sub-subcontractor, supplier or other claimant within fourteen (14) days following written notification by Contractor to Subcontractor of its receipt of such Notice of Indebtedness, Contractor may at its option pay such claimed amount and backcharge Subcontractor's account for such amount plus a charge of ten percent (10%) thereof for handling. Subcontractor agrees to indemnify and hold Contractor harmless for any claims by Subcontractor against Contractor for any payments made to a claimant under this paragraph.

16.2 BANKRUPTCY It is recognized that if the Subcontractor institutes or has instituted against it a case under Title 11 of the United States Code (Bankruptcy Code), such event could impair or frustrate the Subcontractor's performance under the Subcontract Agreement. Accordingly, it is agreed that upon the occurrence of any such event, Contractor shall be entitled to request of the Subcontractor or its trustee or other successor adequate assurances of future performance. Failure to comply with such request within ten (10) days of delivery of this request shall entitle Contractor, in addition to any other rights and remedies provided by the Subcontract Agreement or by law, to terminate the Subcontract Agreement. Pending receipt of adequate assurances of performance and actual performance in accordance therewith, Contractor shall be entitled to perform and furnish through itself or others any such labor, materials, or equipment for the Subcontract Work as may be necessary to maintain the Schedule of Work and to deduct the cost thereof, including reasonable overhead, profit and attorneys' fees, from any monies due or to become due the Subcontractor under the Subcontract Agreement. In the event of such bankruptcy proceedings, the Subcontract Agreement shall terminate if the Subcontractor rejects this Subcontract Agreement or if there has been a default and the Subcontractor is unable to give adequate assurances that it will perform as provided in the Subcontract Agreement or otherwise is unable to comply with the requirements for assuming the Subcontract Agreement under the applicable provisions of the Bankruptcy Code.

16.3 STOPPAGE OF WORK Should the Owner order the Contractor in writing to stop the performance of the Contract or any portion which affects the Subcontract Work due to any act or omission of the Contractor, or any other person or entity for whose acts or omissions the Contractor may be liable, then the Contractor shall so notify the Subcontractor in writing and upon written

notification, the Subcontractor shall stop that portion of the Subcontract Work as ordered by the Contractor.

16.4 SUSPENSION BY OWNER FOR CONVENIENCE

16.4.1 Should the Owner order the Contractor in writing to suspend, delay, or interrupt the performance of the Project or any part which affects the Subcontract Work for such period of time as may be determined to be appropriate for the convenience of the Owner, and not due to any act or omission of the Contractor, or any other person or entity for whose acts or omissions the Contractor may be liable, then the Contractor shall so notify the Subcontractor in writing and, upon written notification, the Subcontractor shall immediately suspend, delay or interrupt that portion of the Subcontract Work as ordered by Contractor.

16.4.2 In the event of an Owner suspension, delay or interruption for convenience as described in Subparagraph 16.4.1, the Contractor's liability to the Subcontractor for any damages caused by said order, including any claims for adjustments in the Subcontract Price and/or Subcontract Time, shall be extinguished pursuant to Subparagraphs 13.2.2 and 13.3 above.

16.5 TERMINATION BY OWNER

16.5.1 Should the Owner terminate its Contract with the Contractor, or any part which includes the Subcontract Work, the Contractor shall so notify the Subcontractor in writing within three (3) calendar days of the termination and, upon written notification, this Subcontract Agreement shall be terminated and the Subcontractor shall immediately stop the Subcontract Work, follow the Contractor's instructions regarding shutdown and termination procedures, and mitigate all costs.

16.5.2 In the event that the Owner terminates its Contract with the Contractor for the convenience of the Owner, then the Contractor's liability to the Subcontractor for any damages incurred or claims resulting from the Owner termination, shall be extinguished pursuant to Subparagraph 13.2.2 above.

16.6 CONTINGENT ASSIGNMENT OF SUBCONTRACT The Contractor may assign this Subcontract to the Owner if required under the Contract. The assignment shall be effective only when the Owner: (a) has terminated the Contract for cause, and (b) has accepted the assignment by notifying the Subcontractor in writing. The contingent assignment is subject to the prior rights of a surety that may be obligated under the Contractor's bond, if any. Subcontractor hereby consents to such assignment and agrees to be bound to the Owner, as assignee, by the terms of this Subcontract.

ARTICLE 17
TERMINATION BY SUBCONTRACTOR

If the Subcontract Work has been stopped for thirty (30) calendar days because the Subcontractor has not received progress payments as required under Article 14, or has been abandoned or suspended for an unreasonable period of time not due to the fault or neglect of the Subcontractor, then the Subcontractor may terminate this Subcontract upon giving the Contractor seven (7) calendar days' written notice and the Contractor's failure to cure within such seven (7) day period. Upon such termination, Subcontractor shall be entitled to recover from the Contractor payment for all Subcontract Work satisfactorily performed but not yet paid for, including reasonable overhead and profit thereon not to exceed 15 (fifteen) percent. The Contractor's liability for any other damages claimed by the Subcontractor under such circumstances shall be extinguished pursuant to Subparagraph 13.2.2 above.

This Agreement has important legal and insurance consequences. Consultation with an attorney and insurance consultant is encouraged. This Agreement is entered into as of the date first written above.

CONTRACTOR: R. E. Huber Construction Co., Inc.

BY: Amy H. Feldhaus
PRINT NAME: AMY H. FELDHAUS
PRINT TITLE: V.P.

State of KY County of Mason
Subscribed and sworn to before me this 27 day
of Sept, 2004

NOTARY PUBLIC
My Commission expires:

SUBCONTRACTOR: N.H. Stone, Inc.

BY: Cassandra S. Hurter
PRINT NAME: Cassandra S. Hurter
PRINT TITLE: President

State of Kentucky County of Bath
Subscribed and sworn to before me this 23rd day
of September, 2004.

Joseph E. Clark
NOTARY PUBLIC
My Commission expires: March 23, 2008

R.E. HUBER CONSTRUCTION, INC.
FLEMING COUNTY
BRO 5313 (006)
CONTRACT ID: 041211

N.H. STONE, INC.
P.O. BOX 239
SHARPSBURG, KY 40374

ITEM NO.	CODE NO.	ITEM	QTY	UNIT	AMOUNT	TOTAL
0330	02351	GUARDRAIL-STEEL W BEAM S- FACE	3000	LF	14.60	43,800.00
0340	02360	GUARDRAIL TERMINAL SECTION NO. 1	8	EA	37.50	300.00
0350	02363	GUARDRAIL CONNECTOR TO BRIDEGE END TY A	8	EA	1,788.00	14,304.00
0360	02391	GUARDRAIL END TREATMENT TY 4A	4	EA	1,950.00	7,800.00
0370	02434	R/W MARKER RURAL TYPE 1	40	EA	62.55	2,502.00
0380	02437	R/W MARKER MUNICIPAL TYPE 1	3	EA	57.15	171.45
0560	05950	EROSION CONTROL BLANKET	1520	SQYD	1.15	1,748.00
0570	05953	TEMP SEEDING & PROTECTION	10165	SQYD	0.17	1,728.05
0580	05985	SEEDING & PROTECTION	101392	SQYD	0.24	24,334.08
0590	05989	SPECIAL SEEDING CROWN VETCH	36612	SQYD	0.17	6,224.04
0600	05990	SODDING	147	SQYD	5.35	786.45
						103,698.07

Client#: 42583 NHSTO

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 09/23/04

PRODUCER
Lexington - Commercial
Palmer & Cay, Inc.
360 East Vine Street
Lexington, KY 40507

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
N. H. Stone, Inc.
P. O. Box 239
Attention: Fred Clark
Sharpsburg, KY 40374

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Travelers Prop Cas Ins Co	
INSURER B: AIK Comp	
INSURER C: Chubb Indemnity Insurance Co	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY	CO979X7846	01/01/04	01/01/05	EACH OCCURRENCE	$1,000,000
		X COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	$300,000
		CLAIMS MADE X OCCUR				MED EXP (Any one person)	$5,000
						PERSONAL & ADV INJURY	$1,000,000
						GENERAL AGGREGATE	$2,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC				PRODUCTS - COMP/OP AGG	$2,000,000
A		AUTOMOBILE LIABILITY	810979X7846	01/01/04	01/01/05	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
		X ANY AUTO					
		ALL OWNED AUTOS				BODILY INJURY (Per person)	$
		SCHEDULED AUTOS					
		X HIRED AUTOS				BODILY INJURY (Per accident)	$
		X NON-OWNED AUTOS					
						PROPERTY DAMAGE (Per accident)	$
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
		ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
A		EXCESS/UMBRELLA LIABILITY	CUP979X7846	01/01/04	01/01/05	EACH OCCURRENCE	$5,000,000
		OCCUR CLAIMS MADE				AGGREGATE	$5,000,000
							$
		DEDUCTIBLE					$
		X RETENTION $ 10000					$
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	1041	01/01/04	01/01/05	WC STATU-TORY LIMITS / OTH-ER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	$2,000,000
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	$2,000,000
						E.L. DISEASE - POLICY LIMIT	$2,000,000
C		OTHER Excess Comm. Excess Liability	79815122	01/01/04	01/01/05	$5,000,000 Ea. Occur. $5,000,000 Aggregate	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
Project: Fleming County BRO 5313(006)

CERTIFICATE HOLDER

R.E. Huber Construction Co.
Attn: Amy Feldhaus
P.O. Box 171
Washington, KY 41096

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Carla P. Booth

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