

Subcontract #: «SL» Vendor No. «Vendor»

THIS SUBCONTRACT, by and between **Tellepsen Builders, L.P.**, hereinafter referred to as "Contractor" and «FirmName» hereinafter referred to as "Subcontractor".

WITNESSETH

WHEREAS, Contractor has heretofore entered into a contract dated «udContractDate» with «Owner» hereinafter referred to as "Owner", to perform certain labor and furnish certain materials for the construction of «ProjectDescription», (the "Project") located at «JobShipAddress», «JobShipCity», «JobShipState» «JobShipZip» as per plans and specifications prepared by «ArchEngName» hereinafter referred to as "Architect," as follows:

«ArchEngName»
«ArchEngShipAddress1»
«ArchEngShipCity», «ArchEngShipState» «ArchEngShipZip»

See Exhibit "A" attached hereto for listing of contract documents; all of which are made a part of said contract and all of which are now made a part of this subcontract; said contract, plans, general and/or special conditions, specifications, addenda and other documents above set forth being hereinafter referred to as the "Contract Documents", and

WHEREAS, the parties hereto desire to contract with reference to a part of said work:

NOW, THEREFORE, for and in consideration of the mutual and reciprocal obligations herein contained, it is agreed as follows:

1. Subcontractor shall furnish and pay for all labor, services and materials and perform in a good workmanlike manner all of the work necessary or incidentally required for the completion of that part of the work covered by Contract Documents, as follows:

(a) Subcontractor shall perform all the work required by the Contract Documents for a complete and first class job, for «SLDescription». Subcontractor shall provide all the labor, material, tools, scaffolding, accessories, equipment and supervision in strict accordance with the plans and specifications, (including but not limited to Sections «udSpecSection» of the specifications), and pertinent contract drawings as required to provide a complete and acceptable «SLDescription» system.

(b) Contractor shall pay the Subcontractor in current funds for the performance of the work, subject to additions and deductions authorized as described herein, the Contract Sum of «TotalSubcontract». Price includes all applicable taxes, including, but not limited to applicable sales and use taxes.

2. This contract includes the following additional terms and conditions: Exhibits "A-M" attached hereto.

3. Time is of the essence.

(a) Subcontractor shall begin the work covered by this Subcontract as soon as the construction upon which said work is to be done is ready for said work and shall carry on said work promptly, efficiently and at a speed that will not cause delay in the progress of Contractor's work or other portions of the work carried on by other subcontractors. Subcontractor shall prosecute certain portions of the work in preference to others, if so ordered by Contractor. If Contractor has a progress schedule on the Project, Subcontractor agrees to begin, perform and complete the Work in accordance with such progress schedule, and Contractor reserves the right to amend or change such schedule from time to time, and Contractor shall have no liability for any damages, including, but not limited to overhead, extra costs, or increases in prices arising out of changes in the schedule. If Subcontractor fails to timely perform its work in accordance with the current progress schedule of Contractor, Subcontractor shall be liable to Contractor for all damages occasioned by such failure as hereafter described. All work under this Subcontract shall be performed during normal work hours, five (5) days per week. Additional hours, if necessary, will be at the sole discretion of Contractor in order to allow the Subcontractor to make-up for lost time or to expedite his schedule. Under no circumstance will Contractor allow its projects to be performed on a "moonlighting" basis wherein the Subcontractor wishes to work evenings or weekends rather than normal work hours.

Work is to be commenced on or before «StartDate» and to be completed on or before «udFinishDate».

(b) Subcontractor shall be bound to the Contractor by the same liquidated damages provisions which bind the Contractor to the Owner.

Subcontract #: «SL» Vendor No. «Vendor»

- (c) Contractor shall not be liable to Subcontractor for any claims, including but not limited to damages, increased costs, or an increase in the Contract Sum as a result of any delay, disruption, hindrance, acceleration, and any other impact to Subcontractor's work resulting from the act, negligence or default of the Owner, Contractor or the Architect/Engineer, or by reason of fire or other casualty, or on account of riots, strikes, or other combined action of the workmen or others, or on account of any acts of God or any other cause beyond Contractor's control; or on account of any circumstances caused or contributed to by Subcontractor. If Contractor should delay, disrupt, hinder, accelerate, or in any other way impact Subcontractor's work, then and in such event, Contractor shall owe Subcontractor, therefore, only an extension of time for completion equal to the delay, disruption, hindrance, acceleration, or any other impact caused and then only if written claim for delay is made to contractor within forty-eight (48) hours from the beginning of the delay and such claim contains the exact amount of time resulting from such delay, disruption, hindrance, acceleration, or any other impact.
- (d) Any and all work to be performed by Subcontractor shall be performed within the time period for performance as described herein and no extension of time will be recognized for performing all or any portion of the work for any reason, unless such extension is set forth in a written order from Contractor.
- (e) Subcontractor shall fully cooperate and coordinate its work with the work of the Contractor and the other subcontractors working on the Project.
- (f) All delivery of equipment and materials must be coordinated a minimum of forty-eight (48) hours in advance with Contractor's Job Superintendent. Equipment and materials arriving at the job site without proper notice may be returned to sender.
4. Subcontractor has read and is thoroughly familiar with said Contract Documents and agrees to be bound to Contractor by the terms of said Contract Documents insofar as they relate in any part or in any way to the work undertaken herein, and to assume towards Contractor, in connection with the work covered by this Subcontract, all of the obligations and responsibilities which Contractor by those documents assumes towards the Owner or anyone else. SUBCONTRACTOR REPRESENTS THAT HE IS FULLY ACQUAINTED WITH ALL OF THE PHYSICAL CONDITIONS SURROUNDING THE JOB SITE, INSOFAR AS SAME AFFECTS OR RELATES TO THE PERFORMANCE OF THE WORK, AND HAS MADE ALL NECESSARY INVESTIGATIONS ESSENTIAL TO A FULL UNDERSTANDING OF ANY AND ALL DIFFICULTIES THAT MAY BE ENCOUNTERED IN THE PERFORMANCE OF THE WORK. SUBCONTRACTOR ASSUMES ANY AND ALL RISKS INCIDENT TO ANY VARIANCE BETWEEN THE ACTUAL CONDITIONS AT THE JOB SITE AFFECTING THE WORK AND THOSE SET OUT IN THE CONTRACT DOCUMENTS.
5. (a) The work included in this Subcontract shall be performed under the direction of the Architect/Engineer and Contractor, and their decisions as to the true construction and meaning of all the drawings and specifications shall be final. Subcontractor shall conform to and abide by any additional specifications, drawings or explanations furnished by the Architect/Engineer to detail and illustrate the work to be done.
- (b) If the proper performance of any item of work by Subcontractor depends upon the performance of any item of work by Contractor or another subcontractor whose work precedes in time the work of the Subcontractor, Subcontractor shall, prior to commencement of his work, report any deficiencies of such preceding work to Contractor in writing, and Subcontractor's commencement of work without having reported any such deficiency shall constitute an admission by Subcontractor that such preceding work was properly done and shall not be entitled to any additional compensation for the proper performance of his work regardless of the condition of such preceding work.
6. (a) Subcontractor shall make all alterations, furnish materials and perform all extra work or omit any work Contractor may require without nullifying this Subcontract, at a reasonable addition to/or deletion from the Contract Sum. HOWEVER NO ALTERATIONS OR CHANGES SHALL BE MADE EXCEPT UPON CONTRACTOR'S WRITTEN CHANGE ORDER. The amount to be paid by Contractor or allowed by Subcontractor, as a result of such changes or alterations, shall be stated in such change order.
- (b) Subcontractor shall submit any claims for adjustment in the price, schedule, or provisions of this Subcontract claimed by Subcontractor for changes directed by Owner or as a result of deficiencies or discrepancies in the Contract Documents so as to protect the interest of Subcontractor and others including the Contractor. Any such claims shall be submitted to Contractor in the manner and within the time as specified in the Owner-Contractor general contract, or else they are waived. Subcontractor adjustments shall be made only to the extent that Contractor is entitled to relief from or must grant relief to Owner. Further, each subcontract adjustment shall be equal only to Subcontractor's allocable share of any adjustment in Contractor's contract with Owner. Subcontractor's allowable share shall be determined by Contractor, after allowance of Contractor's normal overhead, profit and other interest in any recovery by making a reasonable apportionment, if applicable, between Subcontractor, Contractor and any other subcontractors or persons with interest in the adjustment. This paragraph shall also cover other equitable adjustments or other relief allowed by the Contract Documents.
- (c) Subcontractor agrees that changes in the work shall be performed under applicable provisions of the Contract Documents. The total subcontractor compensation for Owner requested changes shall be based on estimated itemized quantities and cost breakdowns for labor, materials, equipment, tools and sub-subcontractors plus mark-up not to exceed 10% for overhead and profit, or as stipulated in the Contract Documents.
- (d) Any and all work will be performed and will be deemed to be performed for the Contract Sum herein described and no extra work or changes will be recognized and paid for unless pursuant to Contractor's written change order.
- (e) It is anticipated Change Orders will be e-mailed between Contractor and Subcontractor. It is agreed digital signatures will be acceptable by both parties.

Subcontract #: «SL» Vendor No. «Vendor»

(f) If requested by Contractor, Subcontractor shall, within seven (7) calendar days, submit a reasonable price quotation for proposed changes. If Subcontractor does not and Contractor is required to submit a price quotation to Owner which includes a subcontract change, Contractor shall use its best estimate of the proposed change as it affects Subcontractor in its quotation to Owner, which estimate shall be the maximum equitable adjustment due to Subcontractor.

(g) Any Field Work Order that changes the contract amount must be authorized in writing by Contractor's Superintendent or Project Manager with invoice sent to Contractor's Field and Main Office by Subcontractor within seven days of change. Any work or changes in the work performed without written authorization from Contractor's Superintendent or Project Manager and invoices sent to Contractor's Field and Main Office after seven days of change will not be considered.

(h) Time and material Field Work Order requests must be properly itemized and supported by actual detailed cost breakdowns including labor, materials, equipment, tools and sub-subcontractor plus mark-up not to exceed 10% for overhead and profit, or as stipulated in contract documents. All Field Work Orders must be submitted on Contractor's standard field Extra Work Order form (Not on Subcontractor's Extra Work Order form), and signed by the Project Manager or Superintendent in order to be considered for evaluation. Field Work Orders and/or back charges must be submitted to Contractor's Project Manager within seven (7) days from the date when said work is completed in order to receive consideration and/or approval for a change order for said work.

7. Subcontractor shall provide sufficient, safe and proper facilities at all times for the inspections of the work by Contractor, the Architect/Engineer, the Owner or their authorized representatives, and shall within twenty-four (24) hours after receiving written notice from Contractor to that effect, proceed to take down all portions of the work and remove from the grounds and buildings all material, whether worked or unworked, which the Architect/Engineer, the Contractor or Owner shall condemn as unsound or improper or as failing to conform in any way to the Contract Documents, and shall make good all such work condemned and all other work damaged or destroyed in removing or making good such condemned work. However, Subcontractor shall not remove any other material from the building site without Contractor's written permission.

8. Subcontractor shall at all times supply adequate tools, appliances and equipment, a sufficient number of properly qualified workmen and a sufficient amount of materials and supplies of proper quality to prosecute said work efficiently and promptly, and shall promptly pay for all materials purchased, and shall pay all workmen each week and at Contractor's request shall obtain and furnish Contractor weekly with signed reports from all workmen, showing the date of payment, amount paid, number of hours paid for, the days on which said work was performed, the classification of the labor so paid, and the rate of wage per hour paid, and at Contractor's request shall supply Contractor weekly with a reasonable number of copies of payroll verified by Subcontractor. Subcontractor shall also at all times provide suitable competent supervision for the work that Subcontractor is obligated to perform hereunder, and shall also insure that such supervision, including but not limited to all job-site foremen or other individuals having responsibility for the supervision of Subcontractor's crews, to be fluent in speaking and reading the English language. Subcontractor's Project Manager or General Superintendent must attend periodic job progress meetings as required by Contractor. Failure to comply with this requirement may result in termination of this Subcontract. Contractor may utilize LCP Tracker (www.lcptracker.com) or a similar web-based product to ensure the compliance of Contractor and all Subcontractors with the certified payroll requirements of the Work when applicable. Subcontractor shall be responsible for uploading all required certified payroll information into the LCP Tracker application on a weekly basis.

9. Subcontractor agrees to comply with all laws, regulations and ordinances in effect at the location of the work and agrees to indemnify and hold Contractor and Owner harmless from all fines or damages arising from Subcontractor's failure to fully comply with all workmen and public safety laws, regulations or ordinances. Subcontractor shall secure and pay for all necessary certifications, inspections, testing, permits and licenses required for all work to be performed by Subcontractor. Subcontractor shall pay all taxes and contributions to any unemployment, social security, pension, old age retirement or similar funds required for his employees and shall furnish Contractor evidence of such payment. If Subcontractor does not present such evidence, Contractor may pay such amounts and offset them from sums due Subcontractor.

10. (a) Should Subcontractor at anytime refuse or neglect to supply a sufficient number of properly qualified workmen or a sufficient quantity of materials of proper quality, or abandon the work or fail in any respect to prosecute the work covered by this Subcontract with promptness and diligence or fail in the performance of any of the agreements herein contained, or be adjudged a bankrupt entity, or make a general assignment for the benefit of its creditors, or if it fails to make prompt payment to its Subcontractors, materialmen or employees, Contractor may, at its option, after twenty-four (24) hours notice to the Subcontractor, provide any such labor and materials and deduct the cost thereof from any money then due or thereafter to become due to Subcontractor under this Subcontract or otherwise; or Contractor may, at its option, terminate this Subcontract and, for the purpose of completing the work covered by this Subcontract, Contractor shall have the right to take possession of all the materials, tools and appliances belonging to Subcontractor at the site of the work, and Contractor may either complete said work itself or may employ, or contract with, any person or persons to complete the work and provide the materials therefore. In case of termination of this Subcontract, Subcontractor shall not be entitled to receive any further payment under this Subcontract until said work shall have been finished completely and payment therefore made by Owner, at which time if the unpaid portion of the amount to be paid under this Subcontract exceeds the charges, expenses and damages sustained by the Contractor in completing the work or as a result of such default, such excess shall be paid by Contractor to Subcontractor, but if such charges, expenses and damages shall exceed such unpaid portion, Subcontractor shall pay the difference to Contractor.

(b) Should any workers performing work covered by this Subcontract engage in a strike or other work stoppage or cease to work due to picketing or a labor dispute of any kind, said circumstance shall be deemed a failure to perform the work on the part of the Subcontractor subject to the conditions and terms set forth in Section 10(a) above.

Subcontract #: «SL» Vendor No. «Vendor»

(c) Contractor shall have the right at any time, and for any reason, by written notice to the Subcontractor, to terminate this Subcontract and require the Subcontractor to cease work hereunder. In such case, provided the Subcontractor be not then in default, Subcontractor shall be paid for all work performed and materials delivered and properly stored at the site of the work within sixty (60) days following delivery of written notice of termination from Contractor, and such payment shall be Subcontractor's sole and exclusive remedy in the event of a termination for convenience. Prior to Subcontractor becoming entitled to any payments hereunder, it shall deliver to Contractor complete mechanic's lien or bond claim releases from itself and all subcontractors, suppliers and workmen who have worked on or supplied materials to the work, in the applicable form attached hereto at Exhibit "H". In no event shall Subcontractor be entitled to anticipated profits on work unperformed or on materials or equipment unfurnished. Further, if it should be found by a court or tribunal of competent jurisdiction that Contractor's termination of Subcontractor pursuant to paragraph 10(a) above was wrongful, such termination shall automatically be converted to a termination undertaken pursuant to this subparagraph 10(c), and Subcontractor shall in such event be entitled to only such relief afforded to Subcontractor in this particular subparagraph 10(c).

11. (a) EXCEPT WITH RESPECT TO CLAIMS RELATING TO BODILY INJURY OR DEATH OF AN EMPLOYEE AS DEFINED IN THE PARAGRAPH BELOW, SUBCONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS (COLLECTIVELY "INDEMNIFY") CONTRACTOR, ITS PARTNERS, MEMBERS, DIRECTORS, OFFICERS, AGENTS, AND EMPLOYEES, AND ANY PARTIES REQUIRED TO BE INDEMNIFIED BY CONTRACTOR UNDER THE CONTRACT DOCUMENTS (COLLECTIVELY THE "INDEMNIFIED PARTIES" OR INDIVIDUALLY AN "INDEMNIFIED PARTY") FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, DEMANDS, INJURIES, JUDGMENTS, CAUSES OF ACTION, SUITS, AND LIABILITY OF EVERY KIND, INCLUDING BUT NOT LIMITED TO ALL EXPENSES OF LITIGATION, COURT COSTS AND ATTORNEY'S FEES (COLLECTIVELY "CLAIMS"), FOR BODILY OR PERSONAL INJURIES, INCLUDING DEATH, TO ANY PERSON OR DAMAGES TO OR DESTRUCTION OF PROPERTY, INCLUDING THE LOSS OF USE THEREOF, OR DAMAGES OF ANY KIND, INCLUDING ECONOMIC LOSS, ACTUALLY OR ALLEGEDLY OCCASIONED BY, CONTRIBUTED TO OR ARISING OUT OF, IN WHOLE OR IN PART, THE SUBLET WORK, THE PERFORMANCE OF THE SUBLET WORK, OR THIS SUBCONTRACT, INCLUDING BUT NOT LIMITED TO CLAIMS OCCASIONED BY, CONTRIBUTED TO OR ARISING OUT OF, IN WHOLE OR IN PART, THE NEGLIGENCE, GROSS NEGLIGENCE, BREACH OF WARRANTY, BREACH OF CONTRACT, VIOLATION OF ANY STATUTE, RULE OR REGULATION OR OTHER ACT OR OMISSION BY SUBCONTRACTOR, ITS EMPLOYEES, AGENTS OR ANY SUBCONTRACTOR OF SUBCONTRACTOR OF ANY TIER, OR THEIR RESPECTIVE AGENTS OR EMPLOYEES, OR ANY OTHER PARTY FOR WHOSE ACTS SUBCONTRACTOR IS LIABLE, AND INCLUDING BUT NOT LIMITED TO ALL EXPENSES OF LITIGATION, COURT COSTS AND ATTORNEY'S FEES INCURRED BY THE INDEMNIFIED PARTIES IN DEFENSE OF SUCH CLAIMS. SUBCONTRACTOR'S OBLIGATION TO INDEMNIFY SHALL APPLY EVEN IF SUCH CLAIMS ARE ACTUALLY OR ALLEGEDLY CAUSED IN WHOLE OR IN PART BY THE STRICT LIABILITY OR THE ACTS, OMISSIONS, OR NEGLIGENCE OF AN INDEMNIFIED PARTY, EVEN IF SUCH NEGLIGENCE OR OTHER ACTS OR OMISSIONS ARE ACTIVE OR PASSIVE, DIRECT OR INDIRECT, SOLE OR CONCURRENT. THIS INDEMNITY AGREEMENT IS INTENDED TO INDEMNIFY THE AFOREMENTIONED INDEMNIFIED PARTIES FROM THE CONSEQUENCES OF THEIR OWN NEGLIGENCE, AS PROVIDED ABOVE. NOTWITHSTANDING THE FOREGOING, IF SUBCHAPTER C OF CHAPTER 151 OF THE TEXAS INSURANCE CODE APPLIES TO THE SUBCONTRACT, THIS INDEMNITY PROVISION SHALL NOT APPLY TO THE EXTENT THAT IT REQUIRES SUBCONTRACTOR TO INDEMNIFY AN INDEMNIFIED PARTY AGAINST A CLAIM CAUSED BY THE NEGLIGENCE OR FAULT, THE BREACH OR VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION, STANDARD, OR RULE, OR THE BREACH OF CONTRACT OF THE INDEMNIFIED PARTY, ITS AGENT OR EMPLOYEE, OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF THE INDEMNIFIED PARTY, OTHER THAN SUBCONTRACTOR OR ITS AGENT, EMPLOYEE OR SUBCONTRACTOR OF ANY TIER.

(b) INDEMNITY FOR EMPLOYEE CLAIMS:

SUBCONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS (COLLECTIVELY "INDEMNIFY") CONTRACTOR, OWNER AND ANY OTHER PARTIES REQUIRED TO BE INDEMNIFIED BY CONTRACTOR UNDER THE CONTRACT DOCUMENTS AND THEIR REPRESENTATIVES, PARTNERS, MEMBERS, DIRECTORS, OFFICERS, AGENTS, EMPLOYEES, INVITEES OR LICENSEES (COLLECTIVELY THE "INDEMNIFIED PARTIES" OR INDIVIDUALLY AN "INDEMNIFIED PARTY") FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, DEMANDS, INJURIES, JUDGMENTS, CAUSES OF ACTION, SUITS, AND LIABILITY OF EVERY KIND, INCLUDING BUT NOT LIMITED TO ALL EXPENSES OF LITIGATION, COURT COSTS AND ATTORNEY'S FEES (COLLECTIVELY "CLAIMS") , FOR BODILY INJURY OR DEATH OF ANY EMPLOYEE OF SUBCONTRACTOR, ITS AGENTS, OR ITS SUBCONTRACTORS OF ANY TIER (COLLECTIVELY "EMPLOYEE" FOR THE PURPOSE OF THIS SECTION), ACTUALLY OR ALLEGEDLY OCCASIONED BY, CONTRIBUTED TO OR ARISING OUT OF, IN WHOLE OR IN PART, THE SUBCONTRACT WORK, THE PERFORMANCE OF THE SUBCONTRACT WORK OR THIS SUBCONTRACT, INCLUDING BUT NOT LIMITED TO CLAIMS DUE TO NEGLIGENCE, GROSS NEGLIGENCE, BREACH OF WARRANTY, BREACH OF CONTRACT, VIOLATION OF ANY STATUTE, RULE OR REGULATION OR OTHER ACT OR OMISSION BY SUBCONTRACTOR, ITS EMPLOYEES, AGENTS OR ANY SUBCONTRACTOR OF SUBCONTRACTOR OF ANY TIER, OR THEIR RESPECTIVE AGENTS OR EMPLOYEES, OR ANY OTHER PARTY FOR WHOSE ACTS SUBCONTRACTOR IS LIABLE. SUBCONTRACTOR'S OBLIGATION TO INDEMNIFY SHALL APPLY EVEN IF SUCH CLAIMS ARE ACTUALLY OR ALLEGEDLY CAUSED IN WHOLE OR IN PART BY THE STRICT LIABILITY OR THE ACTS, OMISSIONS, OR NEGLIGENCE OF AN INDEMNIFIED PARTY EVEN IF SUCH NEGLIGENCE OR OTHER ACTS OR OMISSIONS ARE

Subcontract #: «SL» Vendor No. «Vendor»

ACTIVE OR PASSIVE, DIRECT OR INDIRECT, SOLE OR CONCURRENT. THIS INDEMNITY AGREEMENT IS INTENDED TO INDEMNIFY THE AFOREMENTIONED INDEMNIFIED PARTIES FROM THE CONSEQUENCES OF THEIR OWN NEGLIGENCE, AS PROVIDED ABOVE.

(c) SUBCONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY AND SAVE HARMLESS THE CONTRACTOR PARTIES (AS DEFINED IN EHXIBIT "E" HERETO) FROM ANY AND ALL CLAIMS OR SUITS FOR INFRINGEMENT OF UNITED STATES OR FOREIGN PATENTS, OR VIOLATION OF PATENT RIGHTS BY SUBCONTRACTOR, AND FURTHER AGREES TO PAY FOR ALL LOSS AND EXPENSE INCURRED BY CONTRACTOR BY REASON OF ANY SUCH CLAIMS OR SUITS, INCLUDING COURT COSTS AND ATTORNEYS' FEES, INCLUDING, WITHOUT LIMITATIONS, ANY CLAIM BASED UPON THE ALLEGED NEGLIGENCE, BREACH OF WARRANTY OR STRICT LIABILITY OF OR BY CONTRACTOR AND/OR OTHERS WHO MAY BE WHOLLY, PARTIALLY OR SOLELY NEGLIGENT OR OTHERWISE AT FAULT. NOTWITHSTANDING THE FOREGOING, IF SUBCHAPTER C OF CHAPTER 151 OF THE TEXAS INSURANCE CODE APPLIES TO THE SUBCONTRACT, THIS INDEMNITY PROVISION SHALL NOT APPLY TO THE EXTENT THAT IT REQUIRES SUBCONTRACTOR TO INDEMNIFY CONTRACTOR AGAINST A CLAIM CAUSED BY THE NEGLIGENCE OR FAULT, THE BREACH OR VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION, STANDARD, OR RULE, OR THE BREACH OF CONTRACT OF CONTRACTOR, ITS AGENT OR EMPLOYEE, OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF CONTRACTOR, OTHER THAN SUBCONTRACTOR OR ITS AGENT, EMPLOYEE OR SUBCONTRACTOR OF ANY TIER.

(d) Contractor has a right to withhold from any payments due or to become due to Subcontractor an amount which, in Contractor's opinion is reasonable to protect Contractor from any claims or lawsuits subject to 11(a), 11(b), or 11(c). These rights are in addition to Contractor's other legal and equitable rights. The indemnification obligations under this section of the Subcontract, or any other indemnification obligation under any other section of this Subcontract, are independent covenants and are not limited by a limitation on amount or type of damages, compensation or benefits payable by or for the Subcontractor, or any lower-tier subcontractor, under applicable Worker's or Workmen's Compensation Acts, Disability Benefit Acts, Employee Benefit Acts nor by any requirement for insurance, or the furnishing of insurance by Subcontractor or any lower-tier subcontractor, under this Subcontract.

12. Prior to commencement of work, Subcontractor shall comply with the insurance requirements set out in Exhibit "E".
13. Subcontractor agrees to abide by the Contractor's decision as to the allotment of all storage and working space at the building site or in the buildings thereon.
14. Subcontractor shall remove from the building or buildings as often as directed by Contractor, all rubbish, debris or surplus materials which may accumulate from the prosecution of the work covered by this Subcontract, and should Subcontractor fail to do so upon such notice, Contractor may, at its option, cause the same to be removed at Subcontractor's expense.
15. Before any payments are made hereunder, Subcontractor shall submit to Contractor a fair and proper itemized schedule for Contractor's approval for all work included in this Subcontract, and payment shall be made to Subcontractor in proportion to said schedule less the agreed retention. In the event Contractor disapproves said breakdown, Contractor shall establish a reasonable breakdown which shall serve as the basis for payment. Contractor may utilize GCPay.com or a similar web-based product for collecting electronic schedule of values, pay applications, lien waivers, and other compliance documents. Subcontractor shall be responsible for uploading all required information and documents on a monthly basis to complete the payment application process.
16. No payment made under this Subcontract shall be construed to be an acceptance of defective work or improper materials.
17. Neither Subcontractor nor any of its subcontractors shall employ any workmen whose employment on the work covered by this Subcontract is objected to by Contractor. Subcontractor must comply with all requirements of the Immigration Reform and Control Act of 1986 (IRCA).
18. (a) Subcontractor agrees to turn said work over to Contractor in good condition and free and clear from all claims, encumbrances and liens for labor, services, or materials, and to protect and save harmless Contractor and Owner from all claims, encumbrances and liens growing out of the performance of this work and all maintenance required under the Contract Documents, and should Subcontractor, during the progress of said work, or at any time thereafter, fail to pay for all labor, services and materials used or purchased for use in the prosecution of said work, Contractor may, at its option, and without notice to Subcontractor, pay all such claims and charge the amounts thereof to Subcontractor. In the event suit is filed by any person, firm or corporation asserting a claim or lien for labor, services or materials used or purchased for use in the work covered by this Subcontract, Subcontractor will, at his own cost and expense, including counsel fees, pay for the defense in such suit and pay the judgment rendered therein and, to the extent necessary, indemnify Contractor from all cost, expenses and damages, including reasonable attorney's fees, occasioned thereby.

(b) Subcontractor guarantees his work against all defects of material or workmanship, and guarantees that such work shall be in strict compliance with the Contract Documents for the period of time specified in the Contract Documents. If no guarantee is called for by the Contract Documents, Subcontractor's guarantee shall be for a period of one (1) year from the date of final acceptance of the Project by the Owner, such guarantee to include all costs of repairing and replacing Subcontractor's work and other parts of the Project damaged by the failure

Subcontract #: «SL» Vendor No. «Vendor»

of Subcontractor's work to comply strictly with the Contract Documents. To the extent any repairs or replacements are made under this provision, those repairs or replacements shall have a guarantee period equal to the original guarantee period, dated from the final acceptance of the repairs or replacements. Subcontractor further agrees to indemnify and save harmless Contractor from all claims resulting from or arising out of such defects of material or workmanship, or failure of his work to comply strictly with the Contract Documents. This guarantee is in addition to any other guarantees and warranties provided by law.

19. If required by Contractor, Subcontractor shall acquire and pay for a surety bond or bonds, naming Contractor as obligee, from a company acceptable to Contractor which shall provide for the faithful performance of this contract, and each and all of its stipulations and agreements, and for the payment of all persons furnishing labor, services or materials used or purchased for use in the work covered by this Subcontract. Even if no bond is initially required under this Subcontract, if Contractor subsequently deems it appropriate, it may require a bond of Subcontractor on ten (10) days notice, and a change order will be issued for the reasonable amount of the bond premium.

20. Subcontractor shall not sublet, assign or transfer this Subcontract including the payments to be made to Subcontractor, without Contractor's written consent. Any violation of this provision shall render such sublet, assignment or transfer void.

21. (a) Unless otherwise expressly specified herein, on the twenty fifth (25th) day of the month, Subcontractor shall present to Contractor a statement of the work done since the twenty fifth (25th) day of the preceding month, such statement to be in the form prescribed by Contractor at Exhibit "G", which statement will be paid within ten (10) days after receipt of payment from Owner, providing progress of the work and payments for labor used and material purchased by Subcontractor have been satisfactory and Contractor has received from Owner payment for such work, provided that Contractor may, at its option on each payment, retain the greater of 10% or the percentage specified in the Contract Documents, of each estimate until final payment, which shall be made after completion of the work covered by this contract and written acceptance thereby by the Architect/Engineer, Owner, and Contractor, and full payment therefore by Owner, provided Subcontractor has furnished a consent from its surety, if any, to final payment and evidence, if requested, that all claims for labor and materials have been paid, and a fully-executed Affidavit of Bills Paid and Final Release in the form attached hereto at Exhibit "H", and provided further that Subcontractor has complied with all the provisions of this Subcontract. The acceptance of final payment by Subcontractor constitutes a full, final and complete release of any and all claims against the Owner, Contractor and Owner's property. Subcontractor agrees that Owner's payment to Contractor of all progress payments and final payment for any work performed by Subcontractor, other subcontractors and Contractor, shall be an express condition precedent to any obligation of Contractor to make any progress payments, retainage or final payment to Subcontractor.

(b) Contractor agrees to pay Subcontractor for said work the sum as called for in 1(b) subject to additions to and deductions as herein provided, and such sum shall be paid by Contractor to Subcontractor as the work progresses in monthly installments as described in paragraph 21(a). In the event of non-payment by Owner, and if paragraph 21(a), or any other contingent payment provision herein, is held to be unenforceable for any reason, Contractor acknowledges it will be obligated to pay Subcontractor within a reasonable time for work completed in accordance with the Contract Documents, subject to all other terms and conditions of this Subcontract. For the purposes of determining the timing of payment under these circumstances, the parties hereby acknowledge and agree that a reasonable time for payment to Subcontractor in the case of Owner non-payment is within 180 days after Contractor's submission of a payment request to Owner that includes the work for which Subcontractor seeks payment or, if litigation or arbitration between Contractor and Owner that involves the monies sought by Subcontractor is instituted within that time, then within 60 days of final adjudication of any such litigation or arbitration.

(c) It is expressly agreed and understood that no approval of a statement for payment from Subcontractor, nor payment to Subcontractor pursuant thereto, nor Contractor's application to Owner for payment thereof, nor Owner's payment thereof to Contractor, shall constitute an acceptance of the work covered thereby, or a waiver of any claim for defective work covered thereby.

(d) Contractor may withhold amounts otherwise due under this Subcontract or any other contractual arrangement between the parties to cover Contractor's reasonable estimate of any costs or liability Contractor has incurred or may incur for which Subcontractor may be responsible hereunder. Appropriate adjustments to withholdings shall be made when the exact amounts owed hereunder are determined.

(e) Prior to processing the first pay application, Subcontractor shall submit a completed subcontractor/supplier information sheet as referenced in Exhibit "C". This information sheet should be submitted with all appropriate information completed for all suppliers and 2nd tier subcontractors. Contractor may withhold payment until the Exhibit "C" is submitted and accepted. The information sheet must be updated with each pay application for any changes or additions to the vendors or 2nd tier subcontractors listed on Exhibit "C" whose contract value exceeds \$10,000. Contractor reserves the right to withhold payment until appropriate information is received from Subcontractor.

22. Subcontractor shall, at its own expense, conform to the safety policy of the Contractor, and comply with all specific safety requirements promulgated by any federal, state or local government authority, without limitations, the requirements of the Occupational Safety and Health Act of 1970 and the Construction Safety Act of 1969 and all standards and regulations which have been and shall be promulgated by the agencies which administer such acts. Subcontractor shall have and exercise full responsibility for compliance hereunder by its agents, employees, materialmen and subcontractors generally and in particular, with respect to its portion of the work on the Project, shall itself comply with said requirements, standards and regulations and require and be directly responsible for compliance therewith on the part of its said agents, employees, materialmen and subcontractors, and shall directly receive, respond to, defend and be responsible for all citations, assessments, fines or penalties which may be incurred by reason of its failure or failure on the part of its agents, employees, materialmen or subcontractors to so comply. Subcontractor, further, shall indemnify Contractor for any loss, cost or expense incurred as a result of Subcontractor's breach of this Subcontract, including reasonable attorney's fees. Prior to commencement of the work under this Subcontract, Subcontractor shall complete, execute and return to Contractor the Competent Person Authorization form attached to this Subcontract, appointing a Competent Person for safety purposes.

Subcontract #: «SL» Vendor No. «Vendor»

Without limiting other contractual safety requirements, Subcontractor shall specifically:

- A. Agree that any safety-related assistance or initiatives undertaken by Contractor will not relieve Subcontractor from responsibility for the implementation of, and compliance with, safe working practices, as developed from their own experience, or as imposed by law or regulation, and will not in anyway, affect the responsibilities resting with Subcontractor under the provisions of this Subcontract and to meet all safety requirements as specified by the Occupational Safety & Health Administration (OSHA), the Mine Safety Health Administration (MSHA), the Department of transportation (DOT) and any other applicable state or federal safety and health laws or regulations.
- B. Provide for the duration of this Subcontract, at its sole expense, adequate first-aid facilities for members of Subcontractor employees.
- C. Acknowledge and agree that, except as otherwise expressly authorized in writing by Contractor's designated Safety Representative, appropriate protective clothing and/or equipment will be worn by any Subcontractor employee while on the Project. In addition, when any Subcontractor employee is performing work which may expose that person to potential hazards, Subcontractor acknowledges and agrees that such person will wear appropriate clothing and/or equipment specific to and adequate for that exposure. All Subcontractor employees must wear Safety Glasses 100% of the time that they are on the Project.
- D. Take all reasonable precautions to prevent any accident in connection with the performance of work, including, but not limited to, installing, maintaining, removal and temporary measures to maintain sufficient barriers and handrails.
- E. Report to Contractor all accidents involving personal injuries (including death) and damage to property occurring directly or indirectly as a result of the work performed by Subcontractor hereunder immediately, but in no event, no later than twenty-four (24) hours after the occurrence of any such event.
- F. Attend Contractor's weekly project safety meetings.
- G. Abide by all additional safety requirements as promulgated by Contractor and/or the owner.
- H. All masonry wall bracing shall be in compliance with the OSHA 29 CFR Part 1926 in addition to requirements in subpart Q, other provisions in 1910 and 1926 apply to concrete and masonry construction operations. All masonry and wall construction shall remain in compliance with OSHA and with all provisions developed by the Council for Masonry Wall Bracing published as "Standard Practice for Bracing Masonry Walls under Construction July 2001". More stringent standards will apply. Submit an engineered masonry bracing plan prior to the Masonry pre-installation meeting for acceptance by Contractor. Review masonry bracing on a weekly basis with Contractor's jobsite Superintendent. Supply and install all necessary bracing systems including identification and enforcement of restricted zones.
- I. Comply with Contractor Site Specific Crane and Rigging Lift Safety Policy. The policy applies to all employees and on-site subcontractors engaged in lifting operations. Subcontractor shall submit daily lift plans and obtain approval of Contractor's designated person prior to a lift. All engineered data concerning the materials and material rigging required for the lift shall be provided by Subcontractor at no extra cost to Contractor. Subcontractor shall provide an on-site qualified Rigger for all lifts.
- J. Comply with Occupational Safety and Health Administration new regulation addressing safety of cranes and derricks in the construction industry Subpart CC – Cranes and Derricks. The rule updates and specifies industry work practices regarding the use of cranes and derricks, and also addresses advances in the designs of cranes and derricks, related hazards, and qualification of employees need to operate them safely. Comply with the proper documentation as required by Contractor for daily, monthly and annual compliance as it is related to the OSHA requirements for the Cranes and Derricks regulations.

If Subcontractor, including foreman and all employees, do not comply with the above, Contractor has the authority to remove the Subcontractor employees, including the foreman, from the Project and Subcontractor agrees to provide a new foreman who will enforce safety.

If it is necessary for Contractor to loan hard hats or other safety equipment to employees of the Subcontractor, their visitors or suppliers, in order to comply with State and Federal law, there shall be a charge against the Subcontractor of \$10/day for each hard hat or piece of safety equipment loaned.

As soon as notice is received of an impending storm or hurricane, Subcontractor will broom clean all his work areas and secure and protect all his work and materials to the satisfaction of Contractor's Superintendent. If Contractor does any of this work because of failure of the Subcontractor to comply, Subcontractor shall pay Contractor for this work.

Subcontractor shall specifically cooperate in Contractor's HAZARDOUS COMMUNICATIONS PROGRAM, INCLUDING BUT NOT LIMITED TO, FURNISHING A LIST OF HAZARDOUS SUBSTANCES, in the form attached hereto at Exhibit "F", AND SAFETY DATA SHEETS (SDS) on all such substances which the Subcontractor will use on the Project.

23. Subcontractor shall be an independent contractor and shall assume all of the rights, obligations and liabilities applicable to it as an independent contractor. Any provision in this Subcontract which may appear to give Contractor the right to direct Subcontractor as to the details of doing the work

Subcontract #: «SL» Vendor No. «Vendor»

or to exercise any measure of control over the work shall mean the Contractor is exercising such control only to see that the work is being performed and results accomplished according to the terms of this contract and according to the terms of the Contract Documents.

24. Any failure by Contractor at any time, or from time to time, to enforce or require the strict keeping and performance of any of the terms or conditions of this Subcontract shall not constitute a waiver of such terms and of conditions and shall not affect or impair such terms or conditions in any way or the right of Contractor at any time to avail itself of such remedies as it may have for any breaches of such terms or conditions.

25. Any notice required or permitted to be given hereunder by one party to the other shall be in writing and the same shall be given and shall be deemed to have been served and given if delivered in person to the address set forth below for the party to whom the notice is given, or if placed in the United States Mail, postage prepaid, registered or certified, with return receipt requested, addressed to the party at the address set forth below, or if no address is set forth below, to the last address for the principal office of such party known to the party giving such notice, or on the date of a telegram or mailgram addressed to the party at the address set forth below or if no address is set forth below, to the last address for the principal office of such party known to the party giving such notice, provided, however, either party may change the address for the purposes of this provision by giving written notice to the other party pursuant hereto.

If to Contractor: Tellepsen Builders, L.P.
777 Benmar, Suite 400
Houston, Texas 77060
Attn: «ProjectManager»
Phone: 281-447-8100

If to Subcontractor: «FirmName»
«FirmAddress»
«FirmCity», «FirmState» «FirmZip»
Attn: «ContactFName» «ContactLName»
Phone: «FirmPhone»
E-mail: «EMail»

26. Any controversy or claim arising out of or related to the Subcontract, or the breach thereof, shall, at the election of Contractor, be settled by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and governed by the Federal Arbitration Act. In such event, notice of demand for arbitration shall be made in writing with Subcontractor and with the American Arbitration Association.

In the event Contractor files a notice of demand for arbitration, both Contractor and Subcontractor shall assert in the arbitration all claims then known to either party on which arbitration is to be sought. When a party fails to include a claim through excusable neglect, or when a claim has matured or been acquired subsequently, the arbitrator or arbitrators may permit amendment to include such new or amended complaint. During arbitration proceedings, the Subcontractor shall continue to perform all work called for in its Subcontract with Contractor.

The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

27. Subcontractor agrees to be joined as a party in any litigation, arbitration or proceeding involving the Contractor and any third party which involves any issue arising out of or related to this Subcontract and its performance and hereby expressly consents to the jurisdiction of the court or arbitration tribunal where such litigation is instituted. In the event that the Owner and Contractor litigate any issue involving any of Subcontractor's work, rights or claims, Subcontractor agrees to be bound by the result of such litigation and/or arbitration, whether or not a party to such litigation or arbitration. If Subcontractor is not a party to such litigation or arbitration, Contractor will notify Subcontractor of such litigation and permit the Subcontractor to submit evidence at any trial as a witness. The result of such litigation shall be final and conclusive as to Subcontractor, who shall be bound by such decision and estopped to contest it. Furthermore, the Subcontractor hereby agrees that Contractor, at its sole election, may consolidate any action or proceeding involving Contractor and Subcontractor (whether initiated by Contractor, Subcontractor, or other party) into any arbitration proceeding or litigation involving the Contractor and the Owner, any other subcontractor supplier, architect or engineer, as the case may be.

28. The provisions of this Subcontract are severable and if for any reason any provision or provisions herein are determined to be invalid, illegal or unenforceable, such determination shall not affect any other provision hereof.

29. This Subcontract and the rights of the parties hereunder shall be governed and construed in accordance with the laws of the State of Texas. The venue of any suit or arbitration proceeding brought for any breach of this Subcontract shall be in Harris County, Texas.

30. This Subcontract and the Contract Documents, insofar as they relate in any part or in any way to the work undertaken herein, constitute the entire agreement between the parties hereto, and it is expressly understood and agreed that there are no agreements or promises by and between said parties, except as aforesaid, and that any additions thereto or changes therein shall be in writing.

Subcontract #: «SL» Vendor No. «Vendor»

EXECUTED in multiple counterparts, each of which is deemed to be an original on this date _____.

«FirmName»

SUBCONTRACTOR Signature: _____

Title: _____

Tellepsen Builders, L.P.

CONTRACTOR Signature: _____

«ResponsibleFirstName» «ResponsibleLastName»

Subcontract #: «SL» Vendor No. «Vendor»

EXHIBIT "A"

SUBCONTRACT AGREEMENT NO. «SL»

LISTING OF CONTRACT DOCUMENTS

1. THE AGREEMENT:

Contractor-Owner Agreement dated «udContractDate» by and between Tellepsen Builders, L.P. and «Owner» for the construction of «ProjectDescription».

2. THE DRAWINGS:

As prepared by «ArchEngName» entitled «ProjectDescription» and listed on the attached Exhibit "A" Drawing Log.

3. THE SPECIFICATIONS:

As prepared by «ArchEngName» entitled «ProjectDescription» and listed on the attached Exhibit "A" Drawing Log.

4. THE ADDENDA:

As listed on the attached Exhibit "A" Drawing Log.

5. All contract documents are available for review at the main offices of Tellepsen Builders, L.P., 777 Benmar, Suite 400, Houston, Texas 77060.

Subcontract #: «SL» Vendor No. «Vendor»

EXHIBIT "B"

This contract includes the provided Exhibit "B", Additional Terms and Conditions, attached hereto.

Subcontract #: «SL» Vendor No. «Vendor»

**EXHIBIT “C”
2ND AND 3RD TIER SUBCONTRACTORS AND SUPPLIERS LIST**

CONTRACT NO: «SL»

JOB DESCRIPTION: «ProjectDescription»

PRIME SUBCONTRACTOR/SUPPLIER NAME: «FirmName»

Enter Diversity Certification for each Vendor

TYPE OF MATERIAL &/OR EQUIPMENT	MANUFACTURER &/OR SUPPLIER & ADDRESS	ACCOUNTS RECEIVABLE CONTACT & PHONE OR EMAIL	DOLLAR AMOUNT OF MATERIAL	Texas HUB	COH M/BE	COH W/BE	COH DV/BE	COH S/BE	Other	Not HUB

Vendors will be contacted monthly to verify accounts receivable and payments. This form must be completed prior to submission of the first pay application and updated with each subsequent pay application as necessary. Indicate which Diversity Certification applies to each vendor.

Subcontract #: «SL» Vendor No. «Vendor»

EXHIBIT "D"
AUTHORIZED SIGNATURES
SUBCONTRACT AGREEMENT NO. «SL»

Project: «ProjectDescription»

Company: «FirmName»

This document must be completed and executed by an officer of the company.

We understand Tellepsen Builders, L.P. requires an officer of our company execute all contractual documents for this subcontract or purchase order. This would include the following documents:

- a. Subcontract Agreements
- b. Purchase Order Agreements
- c. Change Orders
- d. Interim and Final Lien Releases

As an officer of the company, I hereby authorize the employee(s) to sign on this company's behalf and enter into legal and binding agreements as required by the executed documents.

Other employees authorized to act on this company's behalf:

Authorized Signer #1 (Name & Title) _____

(Email #1) _____

Authorized Signer #2 (Name & Title) _____

(Email #2) _____

Authorized Signer #3 (Name & Title) _____

(Email #3) _____

Authorized Signer #4 (Name & Title) _____

(Email #4) _____

By: _____

(Officer's Signature)

(Officer's Name & Date)

(Officer's Title)

EXHIBIT "E"
INSURANCE REQUIREMENTS OF SUBCONTRACTOR

1.1 **Definitions.** For purposes of this Exhibit:

- 1.1.1 **Contractor Parties.** "Contractor Parties" means (a) Tellepsen Builders, L.P. ("Contractor"), (b) Owner, (c) Architect/Engineer, (d) any lender whose loan is secured by a lien against the Work, (e) their respective shareholders, partners, joint venturers, co-venturers, affiliates, subsidiaries, successors, and assigns, (f) any members, directors, officers, employees, or agents of such persons or entities, and (g) any others as required by the Agreement.
- 1.1.2 **ISO.** "ISO" means Insurance Services Office.
- 1.1.3 **Subcontractor.** "Subcontractor" shall include Subcontractors of any tier.

1.2 **Subcontractor Insurance Representations to Contractor Parties.**

- 1.2.1 It is expressly understood and agreed that the insurance coverages required herein:
 - 1.2.1.1 represent Contractor Parties' minimum requirements and are not to be construed to void or limit Subcontractor's indemnity obligations as contained in this Agreement nor represent in any manner a determination of the insurance coverages Subcontractor should or should not maintain for its own protection; and
 - 1.2.1.2 are being, or have been, obtained by Subcontractor in support of Subcontractor's liability and indemnity obligations under this Agreement. Irrespective of the requirements as to insurance to be carried as provided for herein, the insolvency, bankruptcy or failure of any insurance company carrying insurance of Subcontractor, or the failure of any insurance company to pay claims accruing, shall not be held to affect, negate or waive any of the provisions of this Agreement.
- 1.2.2 Failure to obtain and maintain the required insurance shall constitute a material breach of, and default under, this Agreement. Subcontractor will be liable for any and all costs, liabilities, damages and penalties resulting to Contractor Parties from such breach, unless a written waiver of the specific insurance requirement(s) is provided to Subcontractor by Contractor. In the event of any failure by Subcontractor to comply with the provisions of this Agreement, Contractor may, without in any way compromising or waiving any right or remedy at law or in equity, on notice to Subcontractor, purchase such insurance, at Subcontractor's expense, provided that Contractor shall have no obligation to do so and if Contractor shall do so, Subcontractor shall not be relieved of or excused from the obligation to obtain and maintain such insurance amounts and coverages.

1.3 **Conditions Affecting All Insurance Required Herein.**

- 1.3.1 **Cost of Insurance.** All insurance coverage shall be provided at Subcontractor's sole expense.
- 1.3.2 **Maintenance of Insurance.** All insurance coverage shall be maintained in effect with limits not less than those set forth below at all times during the term of this Agreement.
- 1.3.3 **Status and Rating of Insurance Company.** All insurance coverage shall be written through insurance companies authorized to do business in the State of Texas and rated no less than A- VII in the most current edition of *A. M. Best's Key Rating Guide*.
- 1.3.4 **Restrictive, Limiting, or Exclusionary Endorsements.** All insurance coverage shall be provided to Contractor Parties in compliance with the requirements herein and shall contain no endorsements that restrict, limit, or exclude coverage required herein in any manner without the prior express written approval of Contractor.
- 1.3.5 **Limits of Insurance.** The limits of insurance may be provided by a single policy of insurance or by a combination of primary and umbrella policies, but in no event shall the total limits of insurance available for any one occurrence or accident be less than the amount required herein.
- 1.3.6 **Notice of Cancellation or Material Reduction in Coverage.** All insurance coverage shall be endorsed to contain the following express provision:

In the event of cancellation or material reduction in coverage affecting the certificate holder, thirty (30) days prior written notice shall be given to the certificate holder.

- 1.3.7 **Waiver of Subrogation.** The Subcontractor hereby agrees to waive its rights of recovery from the Contractor Parties with regard to all causes of property and/or liability loss and shall cause a waiver of subrogation endorsement to be provided in favor of the Contractor Parties on all insurance coverage carried by the Subcontractor, whether required herein or not.
- 1.3.8 **Deductible/Retention.** Except as otherwise specified herein, no insurance required herein shall contain a deductible or self-insured retention in excess of \$25,000 without prior written approval of Contractor. All deductibles and/or retentions shall be paid by, assumed by, for the account of, and at Subcontractor's sole risk. Subcontractor shall not be reimbursed for same.

Subcontract #: «SL» Vendor No. «Vendor»

1.4 **Insurance Required.** The following insurance shall be maintained in effect with limits not less than those set forth below at all times during the term of this Agreement and thereafter as required.

1.4.1 **Commercial General Liability Insurance**

1.4.1.1 **Coverage.** Such insurance shall cover liability arising out of all locations and operations of Subcontractor, including but not limited to liability assumed under this contract (including the tort liability of another assumed in a business contract). Defense shall be provided as an additional benefit and not included within the limit of liability.

1.4.1.2 **Form.** Commercial General Liability Occurrence form (at least as broad as an unmodified current ISO edition of CG 00 07 or its equivalent) to include, but not be limited to, coverage for the Subcontractor's premises, operations (including completed operations), products, and contractual assumption of tort liability.

1.4.1.3 **Amount of Insurance.** Coverage shall be provided with limits of not less than:

Each Occurrence Limit	\$1,000,000
General Aggregate Limit	\$2,000,000
Product-Completed Operations Aggregate Limit	\$2,000,000
Personal and Advertising Injury Limit	\$1,000,000
Medical Payment Limit	\$10,000
Fire Legal Limit	\$100,000

1.4.1.4 **Required Endorsements.**

a. **Additional Insured.** Additional insured status shall be provided in favor of the Contractor Parties on a combination of ISO forms CG 20 10 10 01 and CG 20 37 10 01 or their combined equivalent. It is the intent of the parties to this Agreement that this Additional Insured status shall include coverage for completed operations and for the Contractor Parties concurrent and sole negligence to the fullest extent of the law.

b. **Designated Construction Project(s) Aggregate Limit.** The aggregate limit shall apply separately to this Agreement through use of an ISO CG 25 03 03 97 endorsement.

c. **Notice of Cancellation or Material Reduction in Coverage,** as required in 1.3.6, above.

d. **Primary and Non-Contributing Liability.** It is the intent of the parties to this Agreement that all insurance coverage required herein shall be primary to and shall seek no contribution from all insurance available to Contractor Parties, with Contractor Parties' insurance being excess, secondary and non-contributing. This CGL coverage shall be endorsed to provide such primary and non-contributing liability coverage.

e. **Waiver of Subrogation,** as required in 1.3.7, above.

1.4.1.5 **Prohibited Endorsements.** The Subcontractor's insurance coverage is not permitted to include any of the following endorsements:

a. Contractual Liability Limitation (CG 21 39 10 93 or its equivalent)

b. Amendment Of Insured Contract Definition (CG 24 26 07 04 or its equivalent)

c. Exclusion-Damage To Work Performed By Subcontractors On Your Behalf, (CG 22 94 10 01 or CG 22 95 10 01 or their equivalent)

d. Exclusion-Explosion, Collapse And Underground Property Damage Hazard, (CG 21 42 12 04 or CG 21 43 12 04 or their equivalent)

e. Limitation of Coverage To Designated Premises or Project (CG 21 44 07 98 or its equivalent)

f. Any Insured vs. Insured Exclusion

g. Any Endorsement deleting or modifying the exception to the Employer's Liability Exclusion

h. Any type of Classification or Business Description Limitation endorsement

i. Any type of Construction Defect Completed Operations exclusion

j. Any type of habitational/residential Exposure exclusion if the Contractor is engaged in any type of habitational/residential related work.

k. Any type of Punitive, Exemplary or Multiplied Damages exclusion

l. Any type of Subsidence exclusion if the Contractor is engaged in any type of earth movement work, including but not limited to compaction, fill, or installation of storm or sewer drains.

1.4.1.6 **Continuing Commercial General Liability Insurance.** Subcontractor shall maintain such insurance in identical coverage, form and amount, including required endorsements, for at least two (2) years following Date of Substantial Completion of the Work to be performed under this Agreement. Subcontractor shall provide written representation to Contractor stating Work completion date.

Subcontract #: «SL» Vendor No. «Vendor»

1.4.2 Auto Liability Insurance

- 1.4.2.1 Coverage. Such insurance shall cover liability arising out of any auto (including owned, hired, and non-owned).
- 1.4.2.2 Form. Business Auto form (at least as broad as an unmodified current ISO edition of CA 0001 or its equivalent).
- 1.4.2.3 Amount of Insurance. Coverage shall be provided with a limit of not less than \$1,000,000.
- 1.4.2.4 Required Endorsements.
 - a. Notice of Cancellation or Material Reduction in Coverage, as required in 1.3.6, above.
 - b. Waiver of Subrogation, as required in 1.3.7, above.
 - c. Additional Insured status shall be provided in favor of the Contractor Parties to the fullest extent of the law.
 - d. If hazardous materials (as defined in Title 49 of the Code of Federal regulations) are to be hauled, then the policy shall contain an MCS-90 endorsement that evidences a policy limit of \$1,000,000.

1.4.3 Workers' Compensation/Employer's Liability Insurance

- 1.4.3.1 Coverage. Such insurance shall cover liability arising out of Subcontractor's employment of workers and anyone for whom Subcontractor may be liable for workers' compensation claims. Workers' compensation insurance is required, and no "alternative" forms of insurance shall be permitted. USL&H must be provided where such exposure exists.
- 1.4.3.2 Amount of Insurance. Coverage shall be provided with a limit of not less than:

Workers' Compensation:	Statutory limits.
Employer's Liability:	\$1,000,000 each accident and each disease.
- 1.4.3.3 Required Endorsements.
 - a. Notice of Cancellation or Material Reduction in Coverage, as required in 1.3.6, above.
 - b. Waiver of Subrogation, as required in 1.3.7, above.
 - c. Alternate Employer. Where a Professional Employer Organization (PEO) or "leased employees" are utilized, Subcontractor shall require its leasing company to provide Workers' Compensation insurance for said workers and such policy shall be endorsed to provide an Alternate Employer endorsement in favor of Subcontractor. Where Subcontractor uses leased employees with Workers' Compensation insurance provided by a PEO or employee leasing company, Subcontractor is strictly prohibited from subletting any of its work without the express written agreement of Contractor.
 - d. State where work is to be performed must be listed under Item 3.A. on the Information Page.

1.4.4 Umbrella Liability Insurance

- 1.4.4.1 Coverage. Such insurance shall be excess over and be no less broad than all coverages described above and shall include a drop-down provision.
- 1.4.4.2 Form. This policy shall have the same inception and expiration dates as the commercial general liability insurance required above.
- 1.4.4.3 Amount of Insurance. Coverage shall be provided with a limit as noted below:
 - Contract amounts of \$1,000,000 or less- Minimum required limit- \$1,000,000
 - Contract amounts between \$1,000,000 and \$5,000,000- Minimum required limit- \$5,000,000
 - Contract amounts over \$5,000,000- Minimum required limit- \$10,000,000
- 1.4.4.4 Additional Insured. Additional Insured status shall be provided in favor of the Contractor Parties and shall follow form with the Subcontractor's Commercial General Liability Insurance to the fullest extent of the law.
- 1.4.4.5 Primary and Non-Contributing Liability. It is the intent of the parties to this Agreement that all insurance coverage required herein shall be primary to and shall seek no contribution from all insurance available to Contractor Parties, with Contractor Parties' insurance being excess, secondary and non-contributing. The Umbrella Liability Insurance shall be endorsed to provide such primary and non-contributing liability coverage such that, other than the primary insurance required by this Agreement, it is primary over any other insurance, including primary insurance, available to the Contractor Parties.
- 1.4.4.6 Continuing Umbrella Liability Insurance. Subcontractor shall maintain such insurance in identical coverage, form and amount, including required endorsements, for at least two (2) years following Date of Substantial Completion of the

Subcontract #: «SL» Vendor No. «Vendor»

Work to be performed under this Agreement. Subcontractor shall provide written representation to Contractor stating Work completion date.

1.4.5 **Contractors Pollution Liability Insurance** - If applicable to Subcontractor's scope of work. Subcontractors that are required to maintain Contractors Pollution Liability Insurance include, but are not limited to, the following trades:

Plumbing	Excavation
Mechanical	Concrete
Stucco/Plasterer	Insulation
Fire suppression	Demolition
Roofing	Paint
Window installation	Water/sewer
Any oil & gas service subcontractors	

1.4.5.1 Coverage. Such insurance shall cover liability arising out of any pollution claim.

1.4.5.2 Form. This insurance shall include pollution coverage for bodily injury, property damage, environmental damage, contracting services and completed operations. It is recognized that this coverage may be provided on a claims-made basis.

1.4.5.3 Amount of Insurance. Coverage shall be provided with a limit of not less than \$2,000,000.

1.4.5.4 Required Endorsements.

- a. Notice of Cancellation or Material Reduction in Coverage, as required in 1.3.6, above.
- b. Waiver of Subrogation, as required in 1.3.7, above.
- c. Additional Insured status shall be provided in favor of the Contractor Parties to the fullest extent of the law.

1.4.5.5 Prohibitions. This insurance is not permitted to include any type of exclusion or limitation of coverage applicable to claims arising from:

- a. Contractual assumption of liability.
- b. Habitational/residential operations if the Subcontractor is engaged in any type of habitational/residential related work.
- c. Mold and/or microbial matter and/or biological substance.
- d. Punitive, exemplary or multiplied damages.

1.4.5.6 Continuing Pollution Liability Insurance. The Subcontractor shall maintain such insurance in identical coverage, form and amount for at least two (2) years following Date of Substantial Completion of the Work to be performed under this Agreement. If the policy is written on a claims-made basis, subcontractor shall have a minimum two (2) year extended reporting period. The Subcontractor shall provide written representation to the Contractor stating Work completion date.

1.4.6 **Professional Liability Insurance** – If applicable to Subcontractor's scope of work

1.4.6.1 Coverage. Subcontractor shall provide professional liability insurance for claims arising from the negligent performance of professional services, including but not limited to design or design/build services as part of the Work to be performed.

1.4.6.2 Form. This insurance shall include prior acts coverages sufficient to cover all services rendered by the Subcontractor and by its consultants under this Agreement. It is recognized that this coverage may be provided on a claims-made basis.

1.4.6.3 Amount of Insurance. Coverage shall be provided with a limit of not less than \$1,000,000.

1.4.6.4 Required Endorsements.

- a. Notice of Cancellation or Material Reduction in Coverage, as required in 1.3.6, above.
- b. Waiver of Subrogation, as required in 1.3.7, above.

1.4.6.5 Prohibitions. This insurance is not permitted to include any type of exclusion or limitation of coverage applicable to claims arising from:

- a. Contractual assumption of liability.
- b. Habitational/residential operations if the Subcontractor is engaged in any type of habitational/residential related work.
- c. Mold and/or microbial matter and/or biological substance.
- d. Punitive, exemplary or multiplied damages.

Subcontract #: «SL» Vendor No. «Vendor»

1.4.6.6 Continuing Professional Liability Insurance. The Subcontractor shall maintain such insurance in identical coverage, form and amount for at least two (2) years following Date of Substantial Completion of the Work to be performed under this Agreement. The Subcontractor shall provide written representation to the Contractor stating work completion date.

1.4.7 Performance and Payment Bonds. If required in writing by Contractor, Subcontractor shall arrange and furnish, at Subcontractor's sole cost and expense, separate performance and payment bonds, each for the full amount of this Agreement guaranteeing the faithful performance of all of the provisions of this Agreement as well as payment to all persons for labor and materials used in the performance of this Agreement. The bonds shall be executed on a form acceptable to Contractor and shall become a part of this contract. Contractor may withhold payments on account until such time as said bonds have been furnished and accepted. No change, alteration or modification in the terms and conditions of the Agreement, or in the terms or manner of payment shall in any way exonerate or release, in whole or in part, any surety on any bond furnished on behalf of Subcontractor. The cost of the bonds is included in the amount of this Agreement. Any additions to this agreement occasioned by Change Orders will include any additional bond premiums.

1.5 Evidence of Insurance.

1.5.1 Provision of Evidence. Evidence of the insurance coverage required to be maintained by Subcontractor, represented by certificates of insurance, evidence of insurance, and endorsements issued by the insurance company or its legal agent, and must be furnished to Contractor prior to commencement of Work and not later than fifteen (15) days after receipt of this Agreement. New certificates of insurance, evidence of insurance, and endorsements shall be provided to Contractor prior to the termination date of the current certificates of insurance, evidence of insurance, and endorsements.

1.5.2 Form. All liability insurance required herein shall be evidenced by ACORD form 25, "Certificate of Insurance".

1.5.3 Specifications. Such certificates of insurance, evidence of insurance, and endorsements shall specify:

1.5.3.1 Contractor as a certificate holder with correct mailing address.

1.5.3.2 Insured's name, which must match the name on this Agreement.

1.5.3.3 Insurance companies affording each coverage, policy number of each coverage, policy dates of each coverage, all coverages and limits described herein, and signature of authorized representative of insurance company.

1.5.3.4 Producer of the certificate with correct address and phone number listed.

1.5.3.5 Additional insured status required herein.

1.5.3.6 Amount of any deductibles and/or retentions.

1.5.3.7 Cancellation and material reduction in coverage notification as required by this Agreement.

1.5.3.8 Designated Construction Project Aggregate Limits required herein.

1.5.3.9 Primary and non-contributing status required herein.

1.5.3.10 Waivers of subrogation required herein.

1.5.3.11 All exclusions and limitations added by endorsement to the General Liability coverage. This can be achieved by provision of the Schedule of Forms and Endorsements page.

1.5.4 Required Endorsements. Copies of the General Liability additional insured endorsement(s) and the 30 Day Notice of Cancellation endorsement shall be provided.

1.5.5 Forms. Any policy or endorsement form other than a form specified in this Exhibit must be approved in advance in writing by Contractor. If the forms of policies, endorsements, certificates or evidence of insurance required by this Exhibit are superseded or discontinued, Contractor will have the right to require other equivalent forms.

1.5.6 Failure to Obtain. Failure of Contractor to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Contractor to identify a deficiency from evidence that is provided shall not be construed as a waiver of Subcontractor's obligation to maintain such insurance.

1.5.7 Certified Copies. Upon request of any Contractor Party, Subcontractor shall provide to Contractor a certified copy of all insurance policies required herein within ten (10) days of any such request. Renewal policies, if necessary, shall be delivered to Contractor at least ten (10) days prior to the expiration of the previous policy.

1.5.8 Commencement of Work. Commencement of Work without provision of the required certificate of insurance, evidence of insurance and/or required endorsements, or without compliance with any other provision of this Agreement, shall not constitute a waiver by Contractor of any rights. Contractor shall have the right, but not the obligation, of prohibiting Subcontractor or any Subcontractor from performing any Work until such certificate of insurance, evidence of insurance and/or required endorsements are received and approved by Contractor.

Subcontract #: «SL» Vendor No. «Vendor»

1.6 **Use of Contractor Parties' or Owner's Equipment.** Subcontractor, its agents, employees, sub-Subcontractors or suppliers shall use Contractor Parties' equipment only with express written permission of Contractor's designated representative and in accordance with Contractor's terms and condition for such use. If Subcontractor or any of its agents, employees, sub-Subcontractors or suppliers utilize any of Contractor Parties' equipment for any purpose, including machinery, tools, scaffolding, hoists, lifts or similar items owned, leased or under the control of Contractor, Subcontractor shall defend, indemnify and be liable to Contractor Parties for any and all loss or damage which may arise from such use.

1.7 **Insurance Requirements of Subcontractor's Sub-Subcontractors.**

1.7.1 Insurance similar to that required of Subcontractor shall be provided by all sub-Subcontractors (or provided by Subcontractor on behalf of sub-Subcontractors) to cover operations performed under any subcontract agreement. Subcontractor shall be held responsible for any modification in these insurance requirements as they apply to sub-Subcontractors. Subcontractor shall maintain certificates of insurance from all sub-Subcontractors containing provisions similar to those listed herein (modified to recognize that the certificate is from sub-Subcontractor) enumerating, among other things, the waivers of subrogation, additional insured status, and primary liability as required herein, and make them available to Contractor upon request.

1.7.2 Subcontractor is fully responsible for loss and damage to its property on the site, including tools and equipment, and shall take necessary precautions to prevent vandalism, theft, burglary, pilferage and unexplained disappearance of property. Any insurance covering Subcontractor's or its sub-Subcontractor's property shall be Subcontractor's and its sub-Subcontractor's sole and complete means or recovery for any such loss. To the extent any loss is not covered by said insurance or subject to any deductible or co-insurance, Subcontractor shall not be reimbursed for same. Should Subcontractor or its sub-Subcontractors choose to self insure this risk, it is expressly agreed that Subcontractor hereby waives, and shall cause its sub-Subcontractors to waive, any claim for damage or loss to said property in favor of Contractor Parties.

1.8 **RELEASE AND WAIVER.** SUBCONTRACTOR HEREBY RELEASES, AND SHALL CAUSE ITS SUB-SUBCONTRACTORS TO RELEASE, CONTRACTOR PARTIES FROM ANY AND ALL CLAIMS OR CAUSES OF ACTION WHATSOEVER WHICH SUBCONTRACTOR AND/OR ITS SUB-SUBCONTRACTORS MIGHT OTHERWISE NOW OR HEREAFTER POSSESS RESULTING IN OR FROM OR IN ANY WAY CONNECTED WITH ANY LOSS COVERED BY INSURANCE, WHETHER REQUIRED HEREIN OR NOT, OR WHICH SHOULD HAVE BEEN COVERED BY INSURANCE REQUIRED HEREIN, INCLUDING THE DEDUCTIBLE AND/OR UNINSURED PORTION THEREOF, MAINTAINED AND/OR REQUIRED TO BE MAINTAINED BY SUBCONTRACTOR AND/OR ITS SUB-SUBCONTRACTORS PURSUANT TO THIS AGREEMENT.

Subcontract #: «SL» Vendor No. «Vendor»

**EXHIBIT "F"
SDS INVENTORY LIST
SUBCONTRACTOR**

SUBCONTRACTOR: «FirmName» _____

PROJECT: «ProjectDescription» _____

ADDRESS: «FirmAddress», «FirmCity», «FirmState» «FirmZip» _____

TELEPHONE: «FirmPhone» _____

CONTACT PERSON: «ContactFName» «ContactLName» _____

TRADE: «SLDescription» _____ DATE: _____

COMMON NAME	CHEMICAL NAME	MANUFACTURER	SUBCONTRACTOR OTHER	DATE ADDED TO LIST

We certify that there are NO hazardous substances provided by «FirmName» on this project.

**** Return this completed list and all corresponding Safety Data Sheets (a) electronically to the Project Admin AND (b) one hard copy to Tellepsen's main office. ****

Subcontract #: «SL» Vendor No. «Vendor»

EXHIBIT "G" SUBCONTRACTOR'S APPLICATION AND CERTIFICATE FOR PAYMENT

TO: TELLEPSEN BUILDERS, L.P.
777 BENMAR, SUITE 400, HOUSTON, TX 77060

FROM: «FirmName»

PROJECT: «ProjectDescription»

PAYMENT REQUEST NO: _____

PERIOD: _____ 20 ____ TO: _____ 20 ____

CERTIFICATE OF THE SUBCONTRACTOR:

I hereby certify that the work performed and the materials supplied to date, as shown represent the actual value of accomplishment under the terms of the Contract (and all authorized changes thereto) between the undersigned and TELLEPSEN relating to the above referenced project.

I also certify that payments, less applicable retention, have been made through the period covered by previous payments received from the Contractor, to (1) all my subcontractors (sub-subcontractors) and (2) for all materials and labor used for or in connection with the performance of this Contract. I further certify I have complied with Federal, state and local tax laws, including Social Security laws and Unemployment laws and Workmen's Compensation laws insofar as applicable to the performance of this contract.

Application is made for payment, as shown below, in connection with the Subcontract Schedule of Values Sheet attached hereto:

1. Original Contract Amount	\$ _____
2. Net Change by Change Orders (Nos. thru)	\$ _____
3. Contract Amount to Date (Line 1+/-2) (Column C)	\$ _____
4. TOTAL COMPLETED AND STORED TO DATE: (Column G)	<u>\$ _____</u>
5. Retainage % (Column 1)	\$(_____)
6. Total Earned Less Retainage (Line 4 minus Line 5 Total)	\$ _____
7. Less Previous Applications for Payment (Column D) (Line 6 on prior Application for Payment)	\$(_____)
8. CURRENT PAYMENT DUE	\$
9. Balance to Finish, including Retainage (Line 3 minus Line 6)	\$ _____

«FirmName»
(Subcontractor Name)

By: _____
(Authorized Signature)

Title _____

Subscribed and sworn to before me this _____
Day of _____ 20 ____

Notary Public: _____

My Commission Expires: _____

For Office Use Only:

Subcontract #: «SL» Vendor No. «Vendor»

EXHIBIT "H"
CONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

Job No.: «Project»

Owner: «Owner»

Project: «ProjectDescription»

Contractor/Buyer: Tellepsen Builders, L.P.

Subcontractor/Seller: «FirmName»

Upon receipt by the undersigned of a check from Contractor/Buyer in the sum of \$_____ payable to Subcontractor/Seller and when the check has been properly endorsed and has been paid by the bank on which it is drawn, this document becomes effective to release any mechanic 's lien right, any right arising from a payment bond that complies with a state or federal statute, any common law payment bond right, any claim for payment, and any rights under any similar ordinance, rule, or statute related to claim or payment rights for persons in the Subcontractor's/Seller's position that the Subcontractor/Seller has on the property of Owner located at _____ to the following extent: _____ (job description).

This release covers a progress payment for all labor, services, equipment, or materials furnished to the property or to Contractor/Buyer as indicated in the attached statement(s) or progress payment request(s), except for unpaid retention, pending modifications and changes, or other items furnished.

Before any recipient of this document relies on this document, the recipient should verify evidence of payment to Subcontractor/Seller.

Subcontractor/Seller warrants that it has already paid or will use the funds received from this progress payment to promptly pay in full all of Subcontractor's/Seller's laborers, subcontractors, materialmen, and suppliers for all work, materials, equipment, or services provided for or to the above referenced project in regard to the attached statement(s) or progress payment request(s).

The person signing this document represents that they are duly authorized to do so on behalf of the undersigned Subcontractor/Seller.

Date: _____

«FirmName»

By: _____ (Signature)

Its: _____ (Title)

STATE OF TEXAS)
COUNTY OF _____)

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED BEFORE ME by _____ on this _____ day of _____, 20 __, to certify which witness my hand and seal of office.

My Commission Expires:

Notary Public, State of Texas

(typed or printed name)

Subcontract #: «SL» Vendor No. «Vendor»

CONDITIONAL WAIVER AND RELEASE ON FINAL PAYMENT

Job No.: «Project»

Owner: «Owner»

Project: «ProjectDescription»

Contractor/Buyer: Tellepsen Builders, L.P.

Subcontractor/Seller: «FirmName»

On receipt by Subcontractor/Seller of a check from Contractor/Buyer in the sum of \$_____ payable to Subcontractor/Seller and when the check has been properly endorsed and has been paid by the bank on which it is drawn, this document becomes effective to release any mechanic's lien right, any right arising from a payment bond that complies with a state or federal statute, any common law payment bond right, any claim for payment, and any rights under any similar ordinance, rule, or statute related to claim or payment rights for persons in the Subcontractor's/Seller's position that Subcontractor/Seller has on the property of Owner located at _____ to the following extent: _____ (job description).

This release covers the final payment to Subcontractor/Seller for all labor, services, equipment, or materials furnished to the property or to Contractor/Buyer.

Before any recipient of this document relies on this document, the recipient should verify evidence of payment to Subcontractor/Seller.

Subcontractor/Seller warrants that it has already paid or will use the funds received from this final payment to promptly pay in full all of the Subcontractor's/Seller's laborers, subcontractors, materialmen, and suppliers for all work, materials, equipment, or services provided for or to the above referenced project up to the date of this waiver and release.

The person signing this document represents that they are duly authorized to do so on behalf of the undersigned Subcontractor/Seller.

Date: _____

«FirmName»

By: _____ (Signature)

Its: _____ (Title)

STATE OF TEXAS)
COUNTY OF _____)

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED BEFORE ME by _____ on this _____ day of _____, 20__, to certify which witness my hand and seal of office.

My Commission Expires:

Notary Public, State of Texas

(typed or printed name)

Subcontract #: «SL» Vendor No. «Vendor»

AFFIDAVIT OF BILLS PAID

STATE OF _____§

COUNTY OF _____§

BEFORE ME, the undersigned authority, on this day personally appeared _____, _____ [title] of _____ [subcontractor/seller], and, upon oath, after first being duly sworn, deposed and stated:

"My name is _____ and I am the _____[title] of _____ [subcontractor/seller], hereinafter referred to in this affidavit as "Subcontractor/Seller". The facts set forth herein are within my personal knowledge and are true and correct, and I am competent and authorized to make this affidavit on behalf of Subcontractor/Seller.

Subcontractor/Seller has supplied labor, materials, equipment and/or services under a contract with **Tellepsen Builders, LP** ("Contractor"), for work to be performed on that certain project known as _____ (the "Project"), located at _____ (the "Property").

Subcontractor/Seller has paid or will use the funds received to promptly pay each and all of its subcontractors, laborers, suppliers, vendors and materialmen in full for all labor, materials, equipment and/or services provided to it for incorporation in or use or work on the Project, which are included in its application for payment to Contractor for the period ending _____ (the "Pay Period"). Subcontractor/Seller has also, where applicable, complied with all prevailing wage and/or Davis Bacon Act requirement relating to such labor. Subcontractor/Seller acknowledges that Contractor is relying on Subcontractor/Seller's statements and representations herein in making payment to Subcontractor/Seller.

Subcontractor/Seller hereby certifies that the amounts paid through the Pay Period represent the actual value of accomplishment and/or materials under the terms of the Agreement (and all authorized changes thereto) between the Subcontractor/Seller and the Contractor relating to the Project.

Subcontractor/Seller further certifies that the Subcontractor/Seller has complied with federal, state and local tax laws, including social security laws and unemployment laws and workmen's compensation laws insofar as applicable to the performance of the Agreement.

Subcontractor/Seller hereby waives and releases any and all rights, claims and causes of action which Subcontractor/Seller may have against Contractor and/or the owner of the Project, including any and all costs, expenses and damages incurred by Subcontractor/Seller, arising out of or related to all labor, materials, equipment and/or services furnished for incorporation in or use or work on the Project through the Pay Period.

The undersigned affiant agrees to indemnify Contractor of and from any and all loss, cost or expense resulting from any false or incorrect information contained in this affidavit.

SUBCONTRACTOR OR SELLER:

«FirmName»

By: _____ [Signature]

Printed Name: _____ Title: _____

STATE OF _____}

COUNTY OF _____}

Before me, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this ____ day of _____, 20 ____.

Notary Public, State of _____
My commission expires: _____



COMPETENT PERSON AUTHORIZATION

Competent Person - One who is capable of identifying existing and predictable hazards in the surroundings, or working conditions which are unsanitary, hazardous, or dangerous to employees, and who has authorization to take prompt corrective measures to eliminate them.

It is the policy of «FirmName» to successfully train and properly orientates every candidate employee being considered for a competent person position on their work duties, responsibilities and related safety issues. In order to facilitate this process, it is vitally important that company management and employee's full involvement and cooperation be expected and required.

Competent Person Name: _____

Hire Date: _____ Present Position: _____

Choose all that apply:

- Confined Space
- Electrical
- Excavations
- Fall Protection
- Respirable Crystalline Silica
- Rigging Inspections
- Scaffold Erection & Inspections
- Steel Erection

I, _____ (Competent Person Name), hereby accept the responsibility and duties for the position of a competent person, and agree to conduct these functions to the best of my ability, taking into consideration the safety of the employees under my direct supervision and myself.

Competent Person Signature

Date

I, _____ (Company's Representative Name), hereby attest that the information contained in this authorization is true, complete and correct to the best of my knowledge and authorize _____ (Competent Person Name) to represent «FirmName» as a company competent person.

Company's Representative Signature

Date

Title

«ProjectDescription»



July 20, 2018

«FirmName»
«FirmAddress»
«FirmCity», «FirmState» «FirmZip»

Re: **Safety Expectations of our Subcontractors**

Dear Sir or Madam:

The purpose of this letter is to reiterate Tellepsen’s expectations regarding safety in the work performed on this Tellepsen project by your company and any lower tier subcontractors you may employ. Safety is a key, overarching principle for Tellepsen. Tellepsen expects that all work be conducted in a safe manner to ensure adequate protection for all workers, the public, and the environment. Tellepsen employees and our subcontractors, at all levels, are included in this expectation.

Tellepsen expects all subcontractors, including all lower tier subcontractors, to exercise the degree of care commensurate with their work and its associated hazards. General and specific safety requirements are set forth in your Tellepsen Subcontract Agreement and are required to be communicated as appropriate to your lower tier subcontractors. These requirements work in conjunction with your safety procedures which should be in strict compliance with applicable laws and regulations. All Immediately Dangerous to Life or Health (IDLH) observations will be considered “No Tolerance” and any unsafe worker(s) will be removed immediately from the jobsite. Tellepsen is confident that you share this same commitment to safety and asks for your continued focus on safety through continuous education, reinforcement and active participation.

By acknowledgement of this letter, your company agrees that it has responsibility for the health, safety, and welfare of its employees as well as all lower tier subcontractors and/or agents performing work at the Tellepsen project on your company’s behalf. Further, your company agrees to comply with all applicable Tellepsen Safety, Health and Environmental procedures, policies and guidelines while on the project.

Your company will provide Tellepsen with a copy of its Health and Safety Plan and/or a summary of its scope of work and job hazard assessment. It will remain responsible for maintaining an onsite Health and Safety Plan and providing Tellepsen with updates as necessary.

Subcontractor Responsibilities

1. Comply with all applicable Tellepsen, Client, OSHA and Environmental regulations.
2. Comply with OSHA’s new Global Harmonized System (GHS) training requirements.
3. Ensure the Project Manager and Superintendent/Foreman attend a Pre-Construction Meeting prior to commencing work. The Pre-Construction will be rescheduled if one of these individuals does not attend.
4. Ensure that your company’s Superintendent/Foreman has an OSHA 30 Hour training card.
5. Strictly enforce your internal safety policies.
6. Create and maintain an incident and hazard free work environment.
7. Create and maintain a workplace free from substance abuse.
8. Prohibit the possession of firearms within the construction site. Any employees found in possession of a firearm in the construction site will be immediately and permanently removed from the project.
9. Create and maintain a work environment free of hazardous material and toxic spill/release.
10. Ensure all employees on the project attend a Tellepsen Orientation prior to beginning work on this project. Tellepsen will conduct the Orientation on site. Orientation must be scheduled through the Tellepsen Superintendent at least 48 hours in advance. At the time of the orientation, each worker including tier subcontractor worker must submit a signed acknowledgement form.
11. Provide only properly trained and qualified personnel to perform work at the construction site.

Subcontract #: «SL» Vendor No. «Vendor»

12. Provide only employees who are trained in both general safe work practices and all applicable specific hazards of the work.
13. Supply your own PPE and other safety equipment for all workers.
14. Keep all equipment and tools in good safe working condition.
15. Ensure all employees wear hard hats meeting the ANSI Z89 standards at all times while in the construction site.
16. Ensure all employees wear eye protection with side shields meeting the ANSI Z87 standards at all times while in the construction site.
17. Prepare a daily Job Hazard Analysis for all tasks.
18. Promptly report all potential work related incidents, injuries, first aid, near misses or illnesses to Tellepsen.
19. Submit an Accident Investigation report for each incident to Tellepsen within twenty-four hours (24) of occurrence.
20. Certify that all operators of mobile equipment have been trained and/or certified on the proper operation of the equipment. While operating a piece of equipment, operators must carry proof of training for that specific make and model. All equipment certification will have an expiration of three years.
21. Require Fall Protection for all workers exposed to a fall of six feet or more. No trade is exempt from this, not even steel or pre-cast erection. This includes Aerial Lifts (scissor and boom).
22. Ensure employees ascending or descending ladders not carry any materials or tools in their hand while climbing. Both hands must be free to allow proper climbing of ladders. Tools and materials will be raised using ropes or other suitable means. Special care shall be taken to ensure tools are hoisted safely and to not subject others to danger.
23. Use GFCI on all corded electrical equipment and tools.
24. Inspect all electrical cords on a daily basis. If defects are found the cord will be removed from service immediately until repairs can be made. Electrical tape is not an acceptable repair for electrical cords.
25. Require all electrical cords be a minimum of 12 gauge.
26. Communicate these safety requirements to your lower tier subcontractors who will work for you.

I hereby attest with my signature below that I have reviewed and accept the conditions described above and that I will ensure that all of our employees and any lower tier subcontractor employees will abide by these conditions.

Company Name: «FirmName»

Officer Name: _____ Officer Signature & Date: _____

Subcontractor's Superintendent/Foreman to sign during Pre-Construction Meeting:

Superintendent/Foreman Name: _____ Signature: _____

Date: _____

Sincerely,



Howard T. Tellepsen, Jr.

«ProjectDescription»

Subcontract #: «SL» Vendor No. «Vendor»

EXHIBIT "K"
GMP / Actual / Stipulated Rates Terms Exhibit

APPLICABLE IF ATTACHED

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Subcontract #: «SL» Vendor No. «Vendor»

EXHIBIT "L"
Design Services Terms Exhibit

APPLICABLE IF ATTACHED

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Subcontract #: «SL» Vendor No. «Vendor»

EXHIBIT "M"
Controlled Insurance Program Exhibit

APPLICABLE IF ATTACHED

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