



CONTRACT CONDITIONS

GENERAL

- 1) Prior to the initiation of any work, the following items must be delivered to this office:
 - a. One properly executed copy of the Purchase Agreement.
 - b. One properly executed copy of the Contract Conditions, including Safety Conditions.
 - d. Current Certificate of Insurance(s) indicating coverage and endorsements as outlined below (example attached).
 - e. Property executed W-9 including Subcontractor's Federal ID Number or Social Security Number (form attached).
- 2) The subcontractor represents that it has made itself aware of all applicable federal, state and local statutes, ordinances and regulations as well as any industry accepted safety practices, and it will inform, train and supervise its employees with respect to such laws and safety practices. The subcontractor shall also be responsible for assuring that any subcontractors or independent contractors, which the subcontractor may employ, will comply with the same standards and practices required of the subcontractor. Violation of such statutes, ordinances, regulations or safety practices shall be considered a breach of this contract and any related or resulting fines or injuries shall be the responsibility of the subcontractor.
- 3) No changes will be made to this agreement unless agreed to by both parties and specified in an executed written Change Order.
- 4) Purchase agreement may not be assigned or further subcontracted to another party without notice and written consent of Roeshot Construction, Inc. Consent will be conditioned on assignee or second tier subcontractors complying with laws and regulations and Roeshot Construction's safety requirements and other contract provisions as outlined herein.
- 5) The Subcontractor shall secure and pay for all permits, fees, and licenses and shall pay for all sales and other taxes required under this agreement.
- 6) Should Subcontractor at any time, fail to supply sufficient number of skilled workman or a sufficient quantity of materials of proper quality, 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 here in contained, or should any workmen engage in strike or other work stoppage, or cease to work due to picketing or other such activity, or fail to make payments to workers or material suppliers, Contractor may, in any of such events at its option, after forty-eight hours written notice to Subcontractor, provide any such labor and/or materials and deduct the cost thereof from any monies due or thereafter become due to Subcontractor. If expenses incurred by General Contractor in completing work shall exceed the unpaid balance, Subcontractor shall pay the General Contractor along with any damages incurred as result of default. General Contractor may, at its option, terminate this agreement with Subcontractor and have the right to complete the work hereunder with another Subcontractor. Subcontractor shall be liable to General Contractor for all costs and damages incurred by Subcontractor due to failure to perform.
- 7) Subcontractor hereby guarantees all workmanship and materials to be free from fault and defects for a period of one year from the date of final acceptance of the Work or for such longer period as appears in the specifications. All materials shall be new and of good quality unless otherwise specified.

INDEMNIFICATION

The Work performed by Subcontractor shall be at the risk of Subcontractor exclusively. To the fullest extent permitted by law, Subcontractor shall indemnify, defend (at Subcontractor's sole expense) and hold harmless, Roeshot Construction, Inc., and the Owner, and their affiliated companies, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns ("Indemnified Parties"), from and against any and all claims for bodily injury, death or damage to property, demands, damages, actions, causes of action, suits, losses, judgements, obligations and any liabilities, costs and expenses (including but not limited to investigative and repair costs, attorneys' fees and costs, and consultants' fees and costs) or Claims which arise or are in any way connected with the Work performed, materials furnished, or Services provided under this Agreement by Subcontractor or its agents. These indemnity and defense obligations shall apply to any acts or omissions, negligent or willful misconduct of subcontractor, its employees or agents, whether active or passive. Subcontractor shall not be obligated to indemnify and defend Roeshot Construction, Inc., and the Owner, for claims found to be due to the sole negligence or willful misconduct of Indemnified Parties.

Subcontractor's indemnification and defense obligations hereunder shall extend to Claims occurring after this Agreement is terminated as well as while it is in force, and shall continue until it is finally adjudicated that any and all actions against the Indemnified Parties for such matters which are indemnified hereunder are fully and finally barred by applicable Laws.

INSURANCE

All subcontractors are required to carry Worker's Compensation, General Liability, and Automobile Liability (including hired and non-owned vehicles) with minimum limits and coverage as outlined below. All policies must include a minimum of 30 days' written notice cancellation or termination. Cancellation of any insurance does not release subcontractor of any contractual responsibility with regard to losses or claims. Send to our office your Certificate of Insurance on ACORD 25 form before starting any work. Subcontractor shall be responsible for any desired coverage against damage or loss to its own materials, facilities, tools, equipment, scaffolds, bracing, and any other items not covered by Owner's or General Contractor's fire insurance policy (with builder's risk endorsement).

Workers Compensation including Employers Liability with limits of:

Roeshot Construction, Inc. requires Workers Comp coverage even where it's not mandated by state law.

A waiver of subrogation in favor of Roeshot Construction, Inc., and the Owner of the property is included as respects the WC Policy.

See required limits below and include Statutory limits for state where work performed.

Employers Liability

\$100,000 Each accident	\$500,000 Disease – Policy Limit	\$100,000 Disease – Each Employee
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General Liability

\$1,000,000 – Each Occurrence	\$50,000 - Damage to Rented Premises	\$5,000 - Medical Expense
\$1,000,000 – Personal and Advertising Injury	\$2,000,000 - General Aggregate	\$2,000,000 - Products and Completed Operations Aggregate

General Liability must include:

- Aggregate Per Project
- Waiver of Subrogation
- Name Roeshot Construction, Inc., and the Owner (as listed at bottom on Purchase Agreement) as additionally insured on a primary basis for ongoing and completed work per ISO form CG 20 10 11 85 or its coverage equivalent (i.e. combination of ISO forms CG 20 10 10 01 and CG 20 37 10 01).
- Additionally insured (listed above) must be maintained for a minimum number of years beyond substantial completion of work sufficient to satisfy the statute of limitations/repose.

Business Automobile Liability

- \$1,000,000 – Combined Single Limit for All Owned, Non-owned, And Hired Autos
- Roeshot Construction, Inc., and the Owner to be named as additional insured.

Initials _____

VENDOR SIGN & RETURN

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BILLING AND PAYMENT

- 1) Proper submission of Pay Application will result in expeditious payment:
 - a. Original Pay Application/Lien Release Combination must be addressed to Roeshot Construction, Inc., and mailed to 2040 Sandy Drive, Suite C, State College, PA 16803.
 - b. Faxed or Emailed Pay Application/Lien Releases are not acceptable.
 - c. Pay Application/Lien Release must be complete and include the job name and Purchase Agreement number.
 - d. Each Pay Application/Lien Release must be signed by an officer of company and notarized.
 - e. Invoices must be submitted on the included Pay Application/Lien Release Combination to avoid delays in payment.
- 2) Payment terms are net thirty (30) days from receipt of correctly submitted invoice. Special payment terms must be specified and approved in advance in the Purchase Agreement or by an executed Change Order.
- 4) Payment for Change Orders is subject to verification of completion of the work as determined by a Roeshot Construction, Inc. representative in writing at Roeshot Construction, Inc., representative's sole discretion.
- 6) Subcontractor covenants and agrees that its work referred to in this Agreement shall be completed in a prompt and timely fashion and delivered to Contractor and the Owner free and clear of any liens, lien rights, claims of lien, or circumstances which would give rise to a claim of lien. All parties dealing with Subcontractor, including materialmen, suppliers, laborers, agents, other subcontractors or others will be fully paid as and when due by Subcontractor. No request for an interim or final draw will be honored unless Subcontractor has furnished, to the satisfaction of the Contractor, lien waivers and releases from all parties who have delivered a Notice to Owner, and other parties who have furnished labor or materials for the improvement of the property, whether or not a Notice to Owner has been provided.
- 7) Subcontractor shall not be entitled to any draw if the payment of such would place Contractor or the Owner in default under any construction financing, construction loan agreement, construction contract or other document executed or delivered in connection with the financing of the project which is the subject of this Agreement. No draw will be funded if Subcontractor is in default under any provision of this Agreement. No draw shall be honored or funded if the payment of such draw would render the unfunded portion of the amount due Subcontractor hereunder insufficient to complete the work required of Subcontractor hereunder. Any request for payment submitted by Subcontractor shall be accompanied by a "critical path" or other calculation showing the percentage of work completed, the percentage of work remaining, the percentage of draws funded and the percentage of contract price remaining to be paid.
- 8) Each application for payment (including the final application) submitted by Subcontractor shall be itemized and accompanied by such additional supporting data and documents as Contractor or Owner may, from time to time be required to supply, including (without limitation) certified payroll records and a sworn statement by Subcontractor of all persons furnishing materials or labor for the Subcontractor's work, along with such additional waivers or releases as Contractor or Owner may reasonably require to prevent attachment of any lien in favor of Subcontractor or any of its subcontractors or suppliers (including any lower tier subcontractors or suppliers). Such waivers may be made conditional upon payment.
- 9) Contractor may withhold an amount equal to ten percent (10%) of each draw as retainage, the payment of which shall be made to Subcontractor as a part of the final draw under this Agreement. Retainage shall not be paid to Subcontractor unless and until Subcontractor is entitled to receive its final draw and until all tier subcontractors or suppliers have been paid in full.
- 10) The final draw and retainage shall not be paid to Subcontractor, unless and until (1) Subcontractor has provided, to the satisfaction of Contractor and Owner, lien releases and lien waivers from every party, person or company that has furnished work, materials or supplies for the improvement of the Property under this Agreement; (2) the work is fully and finally complete, with no punch list items remaining, to the satisfaction of Contractor and Owner; (3) The inspecting architect or building inspector designated by any construction lender, and the building inspector for the city or county, has approved Subcontractor's work; (4) Subcontractor has submitted a final affidavit executed by an officer of Subcontractor, under oath, stating that all work has been performed, all parties entitled to be paid have been paid in full and that there are no outstanding liens, claims of liens or liens rights existing in any third part with respect to this Agreement; (5) if applicable, a Certificate of Occupancy has been issued for the project; (6) Subcontractor has executed and delivered a full, final and complete release of any lien, lien rights or claim of lien to which Subcontractor may be entitled. If Subcontractor has filed any notice of commencement, Subcontractor shall cancel and terminate such notice of commencement as a condition of receiving its final draw hereunder; and (7) all applicable warranties have been provided to our office.
- 11) Invoices pertaining to this project must be received in this office within 120 days of last providing materials or labor. Invoices after that date will not be processed or accepted.
- 12) The parties hereto agree that this purchase agreement and all documents executed in connection herewith may be validly executed and delivered by electronic means, including using faxed or electronically scanned signatures. Also, any document requiring more than one signature may be signed in counterparts. Exception: Pay Application/Lie Release must be an original received in our office.

By executing this agreement, the Subcontractor confirms and agrees that their employees, vendors, suppliers, and any other affiliated persons, are all properly licensed in their field, as required by local, state or national requirements.

In the event the Subcontractor breaches the provisions of this agreement, Contractor will provide written notice regarding Subcontractor's failure to perform. If Subcontractor has not cured the default within forty-eight hours after issuance of notice, Contractor may without prejudice to its other rights or remedies cure the failure or default at the costs and expense of the Subcontractor and Contractor may offset against the payment due, becoming due or previously paid to Subcontractor from Contractor.

On Completion of the work hereunder, Subcontractor, shall vacate and leave the jobsite free and clear of debris, construction equipment, materials, tools, rubbish and trash. In the event the Subcontractor should fail to do so promptly, then the General Contractor, at their option may have such debris and/or materials removed and charge the costs of said removal to the Subcontractor account. The requirements of the paragraph are a condition precedent to Subcontractor being entitled to final payment under this agreement.

Subcontractor agrees to turn said work over to the General Contractor in good condition, free and clear from all claims, encumbrances, patent royalties and liens growing out of the performance of this agreement, and in the event of the failure to the Subcontractor during process of said work, or any time thereafter, to pay for all materials and labor used in prosecution of said work, the General Contractor may pay for outstanding bills and labor and charge said amounts to Subcontractor. In case suite to establish lien is brought by any person, firm or corporation furnishing material or labor to said Subcontractor under this agreement, Subcontractor will at their own costs and expense (including attorney's fees) defend such suite and pay such lien established in court or otherwise, plus any expense to General Contractor resulting from such lien action.

Initials _____

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SAFETY CONDITIONS

By entering into this Contract and doing business with Roeshot Construction, Inc. the Subcontractor consents and agrees to the following provisions as material terms of this Contract:

- 1) The subcontractor represents that it has made itself aware of all applicable federal, state and local statutes, ordinances and regulations as well as any industry accepted safety practices, and it will inform, train and supervise its employees with respect to such laws and safety practices. The subcontractor shall also be responsible for assuring that any subcontractors or independent contractors, which the subcontractor may employ, will comply with the same standards and practices required of the subcontractor. Violation of such statutes, ordinances, regulations or safety practices shall be considered a breach of this contract and any related or resulting fines or injuries shall be the responsibility of the subcontractor.
- 2) Roeshot Construction, Inc. OSHA, and local safety codes require that each company working on a construction project have trained, competent safety persons on site at all times. Regulations further require that each company have a written safety program either on site or readily available for review by a person requesting the information. The subcontractor agrees that upon request, it will provide Roeshot Construction, Inc. for Roeshot Construction, Inc. to retain, the subcontractor's written safety program, including any revisions to its safety program as those revisions may be implemented during the term of this Contract.
Competent Safety Person(s) Name for this job site: _____
Does your company have a Written Safety Program Available? Yes, _____ No _____
- 3) All OSHA regulations are to be observed during construction. Keeping our projects safe is required whether working on-site or making deliveries to it. Our field supervisors have been instructed to make daily safety inspections, and to issue safety violation notices to the appropriate party when violations are found. Violations are to be corrected immediately. Those found in violation of any OSHA regulation and who do not promptly remedy such observed violations may be asked to leave the site and their contract / purchase order voided. In the alternative, within its discretion, Roeshot Construction, Inc., may take deductions from the amounts otherwise due to the subcontractor under the terms of this Contract.
- 4) Material Safety Data Sheets for any and all materials supplied for the job must be presented at the Preparatory Meeting held with the Roeshot Construction, Inc. superintendent BEFORE the start of work. These sheets must be available on site at all times during the duration of the work.
- 5) Any OSHA violations observed and noted by the Job Superintendent will be corrected or it will result in the cessation of work until corrected.
- 6) All Prim Ax Construction job sites are considered Hard Hat Areas. The subcontractor is responsible for supplying its own Personal Protective Equipment and using the PPE that is appropriate and required for the trade performed.
- 7) The subcontractor agrees that it may not delegate its safety responsibilities, as set forth in this Contract or as imposed by law, to any of its second or lower tier subcontractors. The subcontractor also agrees that as a material condition of this contract, it agrees to be responsible for safety violations of its second or lower tier subcontractors as observed Roeshot Construction, Inc., to the same extent as set forth in this Contract as to the subcontractor itself.
- 8) The subcontractor agrees to notify Roeshot Construction, Inc. immediately and in writing should the name of the subcontractor's Competent Safety Person(s) on site change during the course of this Contract.

I, being an Officer or Owner of Company, have read and agree to the Contract Conditions and Safety Conditions set forth in this Agreement.

Vendor: _____ Certificate of Insurance attached? Yes: _____ No: _____
(Print Name & Title)

Signature: _____ Federal ID #: _____

Initials _____

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