

DRAFT AIA® Document A401™ – 2017

Standard Form of Agreement Between Contractor and Subcontractor

MASTER SUBCONTRACT AGREEMENT made as of the «» day of «» in the year «»

(In words, indicate day, month and year.)

BETWEEN the Contractor:

(Name, legal status, address and other information)

«BNBuilders, Inc. »« »
«2601 Fourth Avenue, Suite 350»
«Seattle, WA 98121»
« »

and the Subcontractor:

(Name, legal status, address and other information)

«<Insert Sub Legal Name>»« »
«<Insert Address – tie to Physical Address>»
«<City, State zip>»

Mailing Address:

<Insert Address>
<City, State zip>»

« »

« »

«Telephone Number: (xxx) xxx-xxxx»

Fax Number: (xxx) xxx-xxxx»

The Contractor has made a contract for construction (hereinafter, the Prime Contract) dated: «Provided in Each Project Agreement»

with the Owner:

(Name, legal status, address and other information)

«Provided in Each Project Agreement»
«→»

for the following Project:

(Name, location and detailed description)

«Provided in Each Project Agreement»
«→»

The Prime Contract provides for the furnishing of labor, materials, equipment and services in connection with the construction of the Project. A copy of the Prime Contract, consisting of the Agreement Between Owner and Contractor (from which compensation amounts may be deleted) and the other Contract Documents enumerated therein, has been made available to the Subcontractor.

This Master Subcontract Agreement shall be utilized in conjunction with the Executed Prime Contract for the particular project. Subcontractor shall require each sub-subcontractor and or any tiered vendors under their control to be bound by these terms and agreements.

The Architect for the Project:

Gemini AIA A401.0-2017 Universal Master Agreement V1.0

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201™-2017, General Conditions of the Contract for Construction, is adopted in this document by reference.

(Name, legal status, address and other information)

«Provided in Each Project Agreement»« »« »
« »

Whereas the Contractor and the Subcontractor seek to enter into a Master Agreement for a duration of five (5) years, from the date of this Agreement, that will govern all terms except (1) Contract Price, (2) Project duration, (3) Project Scope, and (4) the applicable Prime Contract. These items will be defined in separate Project Agreements. The intent of these Master Agreements is to simplify the negotiation and contracting process by finalizing all contract terms except those related to a specific project. As such, Contractor and Subcontractor agree as follows:

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ARTICLE 1 THE SUBCONTRACT DOCUMENTS

§ 1.1 The Master Subcontract Agreement consists of (1) this Master Agreement; (2) other documents listed in Article 15 of this Master Agreement; and (3) Modifications to this Master Agreement issued after execution of this Master Agreement. The Subcontract Documents consist of (1) this Master Subcontract Agreement, (2) the Prime Contract, consisting of the Agreement between the Owner and Contractor and other Contract Documents enumerated therein, (3) Modifications to the Prime Contract, whether issued before or after the execution of this Agreement, in accordance with the provisions of Article 5, and (4) the specific Project Agreement and documents referenced therein. These form the Subcontract Documents, and are as fully a part of each separate Project Agreement as if attached thereto or repeated herein.

§ 1.2 The Subcontract Documents form the Subcontract for Construction. The Subcontract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral.

§ 1.3 Except to the extent of a conflict with a specific term or condition contained in the Subcontract Documents, the General Conditions governing this Master Subcontract Agreement shall be the AIA Document A201™-2017, General Conditions of the Contract for Construction, as modified (if) at all by Prime Contract, current as the date of this Agreement.

§ 1.4 The Master Subcontract Agreement may be amended or modified only by a Modification to this Master Subcontract Agreement. The Subcontract for a particular project may be amended or modified by a Modification to the Subcontract Documents for that Project. A Modification is a written amendment signed by both parties, or as otherwise described in, and in accordance with the provisions of, Article 5.

§ 1.5 The Subcontract Documents shall not be construed to create a contractual relationship of any kind between any persons or entities other than the Contractor and Subcontractor.

§ 1.6 In the event of a conflict or discrepancy in terms between the various agreements related to a Project, the Subcontractor shall be deemed to have agreed to perform the most stringent or highest quality or costly way of performing the Work and the greater quantity and highest quality. Where the requirement is not more stringent or does not have a higher quality or cost, the following will control in order of precedence:

- .1 The Prime Contract, consisting of the agreement between the Owner and the Contractor and the other Contract Documents enumerated therein including subsequent modifications thereto;
- .2 The Specific Project Agreement and any attachments thereto;
- .3 Modifications to this Master Subcontract Agreement;
- .4 This Master Subcontract Agreement, and;
- .5 Other documents listed in Article 15 of this Agreement (as applicable).

State-specific changes attached to a Rider modify, add to, and delete from the language of this Master Subcontract Agreement and the other Contract Documents with regard to Projects in that state. Where any language of the Subcontract Documents conflicts or is inconsistent with the State-Specific Rider, the state-specific changes shall control.

ARTICLE 2 MUTUAL RIGHTS AND RESPONSIBILITIES

The Subcontractor shall assume toward the Contractor all obligations and responsibilities that the Contractor, under the Prime Contract, assumes toward the Owner and the Architect. The Contractor shall have the benefit of all rights, remedies and redress against the Subcontractor that the Owner, under such documents, has against the Contractor, in addition to the rights, remedies, and redress set forth herein. In the event of any change in the Prime Contract, Subcontractor shall be bound to the Contractor to the same extent Contractor is bound to the Owner.

ARTICLE 3 CONTRACTOR

§ 3.1 General

The Contractor is the person or entity identified as such in this Agreement and is referred to throughout the Subcontract Documents as if singular in number.

§ 3.2 Services Provided by the Contractor

§ 3.2.1 The Contractor shall cooperate with the Subcontractor in scheduling and performing the Contractor's Work to avoid conflicts or interference in the Subcontractor's Work and shall expedite written responses to submittals made by the Subcontractor in accordance with Section 4.1 and Article 5. Promptly after execution of a Specific Project Agreement if requested in writing, the Contractor shall provide the Subcontractor copies of the Contractor's most recent updated construction schedule and schedule of submittals, together with such additional scheduling details as will enable the Subcontractor to plan and perform the Subcontractor's Work properly. Subcontractor is responsible to review the Contractor's schedule and updates and is bound by the duration, sequences, and completion dates therein. The Contractor shall promptly notify the Subcontractor of subsequent changes in the construction and submittal schedules and additional scheduling details. Subcontractor agrees to notify Contractor of its obligation to or inability to comply with any schedules, directives, or revisions within five business days of Contractor's issuance of such documents. In the absence of written objection by the Subcontractor, the Subcontractor agrees to be bound by such schedules, directives or revisions.

§ 3.2.2 Jobsite laydown and storage area is dependent on specific project conditions. If available, space will be allocated for Subcontractor use, as deemed necessary, by the Contractor's Superintendent. If during the course of the work the Contractor directs the Subcontractor to repeatedly relocate their facilities, Subcontractor will be entitled for reimbursement of direct costs necessary for that work, except as previously agreed upon or if such relocation is a direct result of not being able to complete the Work due to phasing and/or sequence of the Work.

§ 3.2.3 Except as provided in Article 13, the Contractor's equipment will be available to the Subcontractor only at the Contractor's discretion and on mutually satisfactory terms.

§ 3.3 Communications

§ 3.3.1 The Contractor shall promptly make available to the Subcontractor information, including information received from the Owner, that affects the performance of this Subcontract and that becomes available to the Contractor subsequent to execution of this Subcontract.

§ 3.3.2 The Contractor shall not give instructions or orders directly to the Subcontractor's employees or to the Subcontractor's Sub-subcontractors or suppliers unless such persons are designated as authorized representatives of the Subcontractor.

§ 3.3.3 The Contractor shall permit the Subcontractor to request information directly from the Architect regarding the percentages of completion and the amount certified on account of Work done by the Subcontractor.

§ 3.3.4 If hazardous materials or substances are being used on the site by the Contractor, a subcontractor, or anyone directly or indirectly employed by them (other than the Subcontractor), and they are a type of hazardous material or substance of which an employer is required by law to notify its employees, the Contractor shall, prior to delivery to the Project site or exposure of the Subcontractor's employees to such material or substance, give notice of the chemical composition thereof to the Subcontractor in sufficient detail and time to permit the Subcontractor's compliance with such laws.

§ 3.3.5 The Contractor shall furnish to the Subcontractor within 30 days after receipt of a written request, or earlier if so required by law, information necessary and relevant for the Subcontractor to evaluate, give notice of or enforce mechanic's lien rights. Such information shall include a correct statement of the record legal title to the property, usually referred to as the site, on which the Project is located and the Owner's interest therein

§ 3.3.6 If the Contractor asserts a Claim against, or defends a claim by, the Owner that relates to the Work of the Subcontractor, the Contractor shall promptly make available to the Subcontractor all information relating to the portion of the claim that relates to the Work of the Subcontractor and the Subcontractor shall, at its cost, cooperate with Contractor by providing all relevant documents and witnesses upon request.

§ 3.4 Claims by the Contractor

§ 3.4.1 Any liquidated damages for delay imposed by the Owner or Contractor, shall be assessed against the Subcontractor only to the extent caused by the Subcontractor or any person or entity for whose acts the Subcontractor may be liable, and in no case for delays or causes arising outside the scope of this Subcontract.

§ 3.4.2 The Contractor's Claims for the costs of services or materials provided due to the Subcontractor's failure to execute the Work shall require

- .1 two days' written notice prior to the Contractor's providing services or materials, except in an emergency; and
- .2 written compilations to the Subcontractor of services and materials provided by the Contractor and charges for such services and materials no later than the fifteenth day of the month following the Contractor's providing such services or materials.

§ 3.5 Contractor's Remedies

If the Subcontractor defaults or neglects to carry out the Work in accordance with this Master Agreement and fails within three working days after receipt of notice from the Contractor to commence and continue correction of such default or neglect with diligence and promptness, the Contractor may, without prejudice to other remedies the Contractor may have, remedy such default or neglect and withhold, in accordance with Section 11.1.7.2, the reasonable cost thereof from current or future payments due the Subcontractor. If payments due to the Subcontractor are not sufficient to cover such amounts, the Subcontractor shall pay the difference to the Contractor.

ARTICLE 4 SUBCONTRACTOR

§ 4.1 General

The Subcontractor is the person or entity identified as such in this Agreement and is referred to throughout the Subcontract Documents as if singular in number. The Subcontractor shall be lawfully licensed, if required in the jurisdiction where the Project is located. The Subcontractor shall designate in writing a representative who shall have express authority to act on the Subcontractor's behalf with respect to each specific Project. The term "Subcontractor" means the Subcontractor or the Subcontractor's authorized representative.

§ 4.2 Execution and Progress of the Work

§ 4.2.1 For all Work the Subcontractor intends to subcontract, the Subcontractor shall enter into written agreements with Sub-subcontractors performing portions of the Work of this Subcontract by which the Subcontractor and the Sub-subcontractor are mutually bound, to the extent of the Work to be performed by the Sub-subcontractor, assuming toward each other all obligations and responsibilities that the Contractor and Subcontractor assume toward each other and having the benefit of all rights, remedies and redress each against the other that the Contractor and Subcontractor have by virtue of the provisions of this Agreement. Subcontractor agrees to start work on the date directed by the Contractor or as indicated in the Project Schedule (**Attachment E**) provided in each Project Agreement, and proceed in a diligent manner in accordance with the Construction Schedule, and any revisions thereto, as established by the Contractor.

§ 4.2.2 The Subcontractor shall supervise and direct the Subcontractor's Work, and shall cooperate with the Contractor in scheduling and performing the Subcontractor's Work to avoid conflict, delay in, or interference with the Work of the Contractor, other subcontractors, the Owner, or Separate Contractors.

§ 4.2.3 Submittals

§ 4.2.3.1 The Subcontractor shall promptly submit Shop Drawings, Product Data, Samples, and similar submittals required by the Subcontract Documents with reasonable promptness and in such sequence as to cause no delay, including a reasonable review and approval time of submitted materials both by the Contractor and Owner/Architect, in the Work or in the activities of the Contractor or other subcontractors (and in no event beyond the timeline mandated by the Prime Contract and/or the Project Schedule attached hereto as **Attachment E** provided in each Project Agreement).

§ 4.2.3.2 By submitting Shop Drawings, Product Data, Samples, and similar submittals, the Subcontractor represents to the Contractor that the Subcontractor has (1) reviewed and approved them; (2) determined and verified materials, field measurements, and field construction criteria related thereto, or will do so; and (3) checked and coordinated the information contained within such submittals with the requirements of the Work and of the Subcontract Documents.

§ 4.2.4 The Subcontractor shall furnish to the Contractor periodic progress reports on the Work of this Subcontract as mutually agreed, including information on the status of materials and equipment that may be in the course of preparation, manufacture, or transit.

§ 4.2.5 The Subcontractor agrees that the Contractor and the Architect each have the authority to reject Work of the Subcontractor that does not conform to the Prime Contract.

§ 4.2.6 The Subcontractor shall pay for all materials, equipment, and labor used in connection with the performance of this Subcontract through the period covered by previous payments received from the Contractor, and shall furnish satisfactory evidence and releases provided in **Attachment B**, when requested by the Contractor, to verify compliance with the above requirements.

§ 4.2.7 The Subcontractor shall take necessary precautions to properly protect the work of the Contractor, Separate Contractors, and other subcontractors from damage caused by operations under this Subcontract.

§ 4.2.8 The Subcontractor shall cooperate with the Contractor, other subcontractors, the Owner, and Separate Contractors whose work might affect the Subcontractor's Work. The Subcontractor shall participate in the preparation of coordinated drawings as directed by the Contractor, if required by the Prime Contract, specifically noting and advising the Contractor of potential conflicts between the Work of the Subcontractor and that of the Contractor, other subcontractors, the Owner, or Separate Contractors.

§ 4.3 Permits, Fees, Notices, and Compliance with Laws

§ 4.3.1 The Subcontractor shall give notices and comply with applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities bearing on performance of the Work of this Subcontract. The Subcontractor shall secure and pay for permits, fees, licenses, and inspections by government agencies necessary for proper execution and completion of the Subcontractor's Work, the furnishing of which is required of the Contractor by the Prime Contract.

§ 4.3.2 The Subcontractor shall comply with Federal, state, and local tax laws; social security acts; unemployment compensation acts; and workers' compensation acts, insofar as applicable to the performance of this Subcontract.

§ 4.4 Safety Precautions and Procedures

§ 4.4.1 The Subcontractor shall take reasonable safety precautions with respect to performance of this Subcontract as required in **Attachment G**. The Subcontractor shall comply with safety measures, plans, or program initiated or adopted by the Contractor and with applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities, for the safety of persons and property, in accordance with the requirements of the Prime Contract. The Subcontractor shall notify the Contractor within twenty-four hours of an injury and/or near miss (an incident that could have caused injury) to an employee or agent of the Subcontractor which occurred at the site.

§ 4.4.2 If hazardous materials or substances are being used on the site by the Subcontractor, the Subcontractor's Sub-subcontractors, or anyone directly or indirectly employed by them, and they are a type of hazardous material or substance of which an employer is required by law to notify its employees, the Subcontractor shall, prior to delivery to the Project site or exposure of the Contractor, other subcontractors, and other employers on the site to such material or substance, give written notice of the chemical composition thereof to the Contractor in sufficient detail and time to permit compliance with the laws by the Contractor, other subcontractors, and other employers on the site.

§ 4.4.3 If reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from a hazardous material or substance, including but not limited to asbestos or polychlorinated biphenyl (PCB), encountered on the site by the Subcontractor, the Subcontractor shall, upon recognizing the condition, immediately stop Work in the affected area and promptly report the condition to the Contractor in writing. When the material or substance has been rendered harmless, the Subcontractor's Work in the affected area shall resume upon written agreement of the Contractor and Subcontractor. Provided such relief is available under the Prime Contract, the Subcontract Time shall be extended appropriately and the Subcontract Sum shall be increased in the amount of the Subcontractor's reasonable additional costs of demobilization, delay, and remobilization, which adjustments shall be accomplished as provided in Article 5 of this Agreement.

§ 4.4.4 The Subcontractor shall indemnify and reimburse the Contractor for the cost and expense the Contractor incurs (1) for remediation of a hazardous material or substance brought to the site and negligently handled by the Subcontractor or (2) where the Subcontractor fails to perform its obligations under Section 4.4.3, except to the extent that the cost and expense are due to the Contractor's fault or negligence.

§ 4.5 Cleaning Up

§ 4.5.1 The Subcontractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations performed under this Subcontract. The Subcontractor shall not be held responsible for conditions caused by other contractors or subcontractors.

§ 4.5.2 As provided under Section 3.4.2, if the Subcontractor fails to clean up as provided in the Subcontract Documents, the Contractor may charge the Subcontractor for the Subcontractor's appropriate share of cleanup costs.

§ 4.6 Warranty

§ 4.6.1 The Subcontractor warrants to the Owner, Architect, and Contractor that materials and equipment furnished under this Subcontract will be of good quality and new unless the Subcontract Documents require or permit otherwise. The Subcontractor further warrants that the Work will conform to the requirements of the Subcontract Documents and will be free from defects, except for those inherent in the quality of the Work the Subcontract Documents require or permit. Work, materials, or equipment not conforming to these requirements, including substitutions not properly identified, approved and authorized, may be considered defective. The Subcontractor's warranty excludes remedy for damage or defect caused by abuse, alterations to the Work not executed by the Subcontractor, improper or insufficient maintenance, improper operation, or normal wear and tear under normal usage. If required by the Architect and Contractor, the Subcontractor shall provide satisfactory evidence as to the kind and quality of materials and equipment furnished or to be furnished. This warranty shall be in addition to and not in limitation of any other warranty or remedy required by law or by the Subcontract Documents. The Subcontractor shall execute a written guaranty and warranty applicable to all phases of the Work in accordance with the Subcontract Documents and other applicable provisions of the Contract Documents pertaining to warranties and guarantees.

§ 4.6.2 All material, equipment, or other special warranties required by the Subcontract Documents shall be issued in the name of the Owner, or shall be transferable to the Owner, and shall commence in accordance with the Subcontract Documents.

§ 4.7 Indemnification

§ 4.7.1 To the fullest extent permitted by law, the Subcontractor agrees to be responsible for and shall defend, indemnify, and hold harmless the Contractor, the Project Owner, any entities Contractor is required to indemnify in the Prime Contract, and agents, representatives, employees, volunteers, officers, managers, affiliates, parent companies, principals, board members, and directors of any of them ("Indemnified Parties") for, from, and against costs, claims, actions, causes of action, damages, liabilities, losses, liquidated damages, fines, penalties, and expenses, (including but not limited to actual attorneys' and expert fees and costs, and costs and expense of consultation, preparation, and review of claims and related documents and in the defense of such claims or in the enforcement of Subcontractor's indemnity obligations hereunder) ("Loss") arising out of, related to, or resulting from, or allegedly related to or arising from: (i) any negligent act or omission (whether passive or active), or any intentional act or omission in the performance of the Work, or any breach of any provisions of the Subcontract Documents, by the Subcontractor, a Sub-subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss, or expense is caused in part by an Indemnified Party indemnified hereunder; (ii) any determination by a court or agency that Subcontractor is not an independent contractor or that Owner or Contractor is the employer or a joint employer of any of Subcontractor's or any Subcontractor's employees or personnel; (iii) any matters for which Subcontractor provides indemnification under the terms of Subcontract Documents; and (iv) any claim, action, suit or proceeding by Subcontractor's employees, including but not limited to workers' compensation, unemployment and wage-and-hour claims. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to an Indemnified Party described in this Section 4.7.

§ 4.7.2 With regard to the indemnity and defense obligations arising under Section 4.7, such obligations shall arise regardless of whether such Loss is caused in part by the concurrent or partial negligence of an Indemnified Party.

§ 4.7.3 In claims against any person or entity indemnified under this Section 4.7 by an employee of the Subcontractor, a Sub-subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, the indemnification obligation under Section 4.7.1 shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for the Subcontractor or Sub-subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts. For the purposes of the foregoing indemnification provision only and to the fullest extent allowed by applicable law, Subcontractor specifically waives

immunity it may be granted under any such worker's compensation, disability benefit acts or other employee benefit acts.

§ 4.8 Remedies for Nonpayment

If the Contractor does not pay the Subcontractor through no fault of the Subcontractor, within ten working days of receipt of payment from the Owner for said work, the Subcontractor may, without prejudice to any other available remedies, upon seven additional days' notice to the Contractor, stop the Work of this Subcontract until payment of the amount owing has been received. The Subcontract Sum shall, by appropriate Modification, be increased by the amount of the Subcontractor's direct costs of demobilization and remobilization.

§ 4.9 Professional Services Provided by Subcontractor

§ 4.9.1 The Subcontractor shall not be required to provide professional services that constitute the practice of architecture or engineering unless such services are specifically required by a Specific Project Agreement or unless the Subcontractor is required to provide such services in order to carry out the Subcontractor's responsibilities for its own construction means, methods, techniques, sequences, and procedures. The Subcontractor shall not be required to provide professional services in violation of applicable law.

§ 4.9.2 If professional design services or certifications by a design professional related to systems, materials, or equipment are specifically required of the Subcontractor by a Specific Project Agreement, the Contractor will provide all performance and design criteria that such services must satisfy to the extent the Contractor has received such performance and design criteria from the Owner and Architect under the terms of the Prime Contract.

§ 4.9.3 If professional design services or certifications by a design professional are required because of means, methods, techniques, sequences, or procedures required by the Contractor and related to the Work of the Subcontractor, the Subcontractor shall make a written request for all performance and design criteria related to Subcontractor's Work.

§ 4.9.4 The Subcontractor shall be entitled to rely upon the adequacy, accuracy, and completeness of the performance and design criteria received from the Contractor under this Section 4.9.

§ 4.9.5 The Subcontractor shall cause the professional services performed under this Section 4.9 to be provided by a properly licensed design professional, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, Shop Drawings, and other submittals prepared by such professional. Shop drawings and other submittals related to the Work designed by such design professional shall bear the professional's written approval when submitted to the Contractor. The Contractor shall be entitled to rely upon the adequacy, accuracy, and completeness of the services, certifications, and approvals performed or provided by the design professionals, provided the Contractor has provided to the Subcontractor all performance and design criteria required by this Section 4.9.

§ 4.10 NATURE OF THE WORK

§ 4.10.1 Subcontractor has satisfied itself as to the nature, conditions, and location of the work, the equipment, materials, and manpower needed which can in any manner affect the work under this subcontract agreement and acknowledges that the Subcontractor has had a reasonable opportunity to examine the site. Prior to commencing work, the Subcontractor shall examine the site and any surface upon which work is to be performed, and shall notify the Contractor in writing of any conditions which might adversely affect its work; failure to do so will constitute a waiver of entitlement to any additional compensation or contract time arising out of such conditions.

§ 4.10.2 BNBuilders, Inc. is signatory to the Carpenters and Laborers trade unions. Subcontractors shall employ only union labor at the job-site for work normally performed or claimed by the above listed trade unions.

ARTICLE 5 CHANGES IN THE WORK

§ 5.1 The Owner or Contractor may make changes in the Work by issuing Modifications. Upon receipt of a Modification by Owner to the Prime Contract issued subsequent to the execution of this Agreement, the Contractor shall promptly notify the Subcontractor of such Modification. Unless otherwise directed by the Contractor, the Subcontractor shall not thereafter order materials or perform Work that would be inconsistent with the changes made by the Modification to the Prime Contract.

§ 5.2 The Subcontractor may be ordered in writing by the Contractor, without invalidating this Subcontract, to make changes in the Work within the general scope of this Subcontract consisting of additions, deletions, or other revisions, including those required by Modifications to the Prime Contract issued subsequent to the execution of any Specific Project Agreement, with the Subcontract Sum and the Subcontract Time adjusted accordingly. The Subcontractor, prior to the commencement of such changed or revised Work, shall submit promptly to the Contractor written copies of a Claim for adjustment to the Subcontract Sum and Subcontract Time for such revised Work in a manner consistent with requirements of the Subcontract Documents. To ensure timely completion of the work, the Contractor may direct the Subcontractor to proceed with changes to the work prior to submitting a claim for adjustment to the Contract Sum, in which case the Subcontractor will proceed with said work, and submit a claim for adjustment to the Subcontract Sum within five working days.

§ 5.2.1 All time and material authorizations for changes in the work must be signed on a daily basis or no later than 10:00 AM the following day by a BNBuilders authorized representative for verification of work hours and materials expended. A signature shall only constitute verification and shall not be construed as an approval for payment. Approval for verified time and material authorizations shall only come from the Project Manager. Any time and material work authorizations not signed by the contractor shall be performed at the subcontractor's risk.

§ 5.2.2 Adjustments made to the Prime Contract shall represent total compensation due in accordance with sections 5.1 and 5.2 accordingly. All costs arising out of the modified scope of work shall include, but not be limited to, all direct costs of materials, equipment, labor, all overhead and profit, insurance, bond, permits, applicable taxes, and all indirect costs and schedule revisions including, but not limited to, delay, loss of productivity, disruption, acceleration, resource leveling, manpower shifts, additional supervision, consumables, extended activity durations, increased number of activities, modified critical path, inefficiency, reduction in either total or free float, impact, ripple effect, stacking effect, extended overhead, storage, start/completion date charges and other indirect costs if any arising out of this modification, or out of the cumulative impact of this modification combined with other modifications.

§ 5.3 The Subcontractor shall make all Claims promptly to the Contractor for additional cost, extensions of time and damages for delays, or other causes in accordance with the Subcontract Documents, but in no event more than fourteen calendar days after knowledge of the event or cause giving rise to the claim unless a shorter time is required by the Prime Contract. A Claim which will affect or become part of a Claim which the Contractor is required to make under the Prime Contract within a specified time period or in a specified manner shall be made in sufficient time to permit the Contractor to satisfy the requirements of the Prime Contract. Such Claims shall be received by the Contractor not less than five working days preceding the time by which the Contractor's Claim must be made. Failure of the Subcontractor to make such a timely Claim shall bind the Subcontractor to the same consequences as those to which the Contractor is bound.

ARTICLE 6 CLAIMS AND DISPUTES

§ 6.1 Mediation

§ 6.1.1 Any claim arising out of or related to this Master Subcontract Agreement or any Specific Project Agreement, except those waived under the terms of this Subcontract, shall be subject to mediation at Contractor's sole option as a condition precedent to binding dispute resolution.

§ 6.1.2 On claims in excess of thirty-five thousand dollars (\$35,000) in the aggregate, the parties shall endeavor to resolve their claims by mediation, which, unless the parties mutually agree otherwise, shall be before a construction attorney licensed to practice law in the prevailing state, who is A-V rated in Martindale-Hubble and who possess at least fifteen years of experience in construction law. Request for mediation shall be filed in writing with the other party to this Master Subcontract Agreement.

§ 6.1.3 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 6.1.4 If the Subcontractor asserts a claim which involves, in whole or in part, acts or omissions which are the responsibility of the Owner or another party, including but not limited to claims for failure to pay, an extension of time, delay damages, or extra work, Contractor will present the Subcontractor's claim to the Owner or other responsible party. The Subcontractor shall cooperate fully with the Contractor in all steps taken in connection with prosecuting such a claim and shall hold harmless and reimburse the Contractor for all expense, including legal

expense, incurred by Contractor which arise out of Contractor's submission of Subcontractor's claim to Owner or other responsible party. Subcontractor shall be bound by any adjudication or award in any action or proceeding resolving such a claim.

§ 6.1.5 Subcontractor shall not be entitled to and hereby waives any and all claims for any productivity losses, efficiency losses, increased supervisory costs, home office overhead, extended job site overhead, disruption costs, "ripple effect" costs, trade stacking, compression, acceleration, consequential damages, damages of any other type, lost profits, lost opportunity costs, or similar damages or costs, however denominated, as well as any other monetary relief, for any delay, disruption or suspension of the Work (collectively, "Impact Costs and Consequential Damages"), except to the extent of such sums as may be recovered on Subcontractor's account from Owner. Subcontractor further waives any and all claims against Contractor for damages or additional compensation which is related to, caused or contributed to by delay and/or disruption of Subcontractor's performance, or by any act, omission, or other conduct causing or contributing any Impact Costs and Consequential Damages (including negligent conduct on the part of Contractor or any other person). If Subcontractor wishes to seek compensation for Impact Costs and Consequential Damages of any kind, or for any other increase in the Contract Sum, it must give the Contractor written notice no later than ten (10) days after the beginning of the underlying cause thereof, or such shorter period of time as may be provided by this Master Subcontract Agreement or in the Prime Contract or any Project Agreement, and with sufficient time for the Contractor to comply with any notice requirements set forth in the Prime Contract. Failure to provide such written notice shall be a waiver of and a conclusive defense to any claim by Subcontractor and shall further bind the Subcontractor to the same consequences as those to which the Contractor is bound. The requirement to give such notice in no way shall be deemed to authorize or to furnish entitlement for recovery for Impact Costs and Consequential Damages or for any other form of relief which may be sought by Subcontractor. Subcontractor waives all special and/or consequential damages of any kind whatsoever and by whatever cause.

§ 6.2 Binding Dispute Resolution for Claims Involving Owner

For any Claim subject to, but not resolved by mediation pursuant to Section 6.1, the method of binding dispute resolution shall, at Contractor's sole option, be as set forth in Section 6.3. For any Claim involving the Owner, Contractor, at its sole option, may require the Subcontractor to comply with the dispute resolution procedure and same choice of law and venue provisions as set forth in the Prime Contract. In such event, Subcontractor shall remain liable to Contractor for Work provided under the Subcontract to the same extent and for the same duration that the Contractor may be held liable to Owner under the Prime Contract, and in no event prior to Contractor's release from responsibility to the Owner for Subcontractor's Work.

§ 6.3 Binding Dispute Resolution

§ 6.3.1 Any Claim subject to, but not resolved by, mediation shall be subject to arbitration at Contractor's sole option which, unless the parties mutually agree otherwise, shall be submitted in the manner herein specified. Arbitration shall be initiated by either party making written demand upon the other for arbitration. The arbitration demand shall list a complete statement of the items to be arbitrated and shall nominate an arbitrator. The arbitrator shall be an attorney licensed to practice law in the prevailing State and must be A-V rated in Martindale Hubble and shall possess at least fifteen years' experience in construction law. If within ten (10) business days after such demand the other party has not designated a different arbitrator, the initially nominated arbitrator shall serve as arbitrator. If within ten (10) business days after such demand the other party designates a different arbitrator, the party shall within five (5) business days, either reach agreement on who shall serve as the arbitrator or if the parties cannot reach agreement within the five (5) business day time frame, the parties shall jointly petition the presiding judge of the County court in the county where Contractor maintains an office in the state where the Project is located, who shall designate the arbitrator who must be A-V rated. Unless otherwise agreed by the parties, the arbitration rules shall be the current prevailing Federal Rules of Civil Procedure, except that requests for admission shall not be allowed and the parties shall be limited to 15 interrogatories. The arbitration shall take place in in the city where Contractor maintains an office in the state where the Project is located and shall be held on thirty (30) days' notice by the arbitrator. The decision of the arbitrator shall be final and binding on the parties and judgment on such award may be entered by either party in a court of competent jurisdiction on the state. The party which is not the substantially prevailing party shall bear all costs and expenses of the arbitration.

§ 6.3.2 A demand for arbitration shall be made no earlier than concurrently with the filing of a request for meditation but in no event shall it be made after the date when the institution of legal or equitable proceedings based on the claim would be barred by the applicable statute of limitations. For statute of limitations purposes, receipt of a written

demand for arbitration by the person or entity administering the arbitration shall constitute the institution of legal or equitable proceedings based on the claim.

§ 6.3.3 Contractor, at its sole and absolute discretion, may consolidate an arbitration conducted under this Master Agreement or a specific Project Agreement with any other arbitration or legal proceeding to which it is a party. Provided, that for consolidation into an arbitration, (1) the arbitration agreement governing the other arbitration permits consolidation; (2) the arbitrations to be consolidated substantially involve common questions of law or fact; and (3) the arbitrations employ materially similar procedural rules and methods for selecting arbitrator(s).

§ 6.3.4 The Contractor, at its sole and absolute discretion, may include by joinder persons or entities substantially involved in a common question of law or fact whose presence is required if complete relief is to be accorded in arbitration or in any other legal proceeding, provided that the party sought to be joined consents in writing to such joinder. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of a claim not described in the written consent.

§ 6.3.5 The Contractor and Subcontractor grant to any person or entity made a party to an arbitration conducted under this Section 6.3, whether by joinder or consolidation, the same rights of joinder and consolidation as the Contractor and Subcontractor under this Master Agreement.

§ 6.4 This agreement to arbitrate and any other written agreement to arbitrate with an additional person or persons referred to herein shall be specifically enforceable under applicable law. 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.

§ 6.5 This Master Agreement and any Specific Project Agreement shall be governed by the laws of the State of where the Project is located, without reference to its laws regarding choice of law.

§ 6.6 Waiver of Claims for Consequential Damages

Except with regard to Subcontractor's indemnity and defense obligations under the terms of the Subcontract Documents, the Contractor and Subcontractor waive claims against each other for consequential damages arising out of or relating to this Subcontract, including without limitation, any consequential damages due to either party's termination in accordance with Article 7. Nothing contained herein shall be deemed to preclude an award of liquidated damages, when applicable, in accordance with the requirements of this Agreement. Notwithstanding the foregoing, if Subcontractor should default in performance of the Work described in Section 2 or in any Project Agreement or should otherwise commit any act which causes delay to the Prime Contract work, Subcontractor shall be liable for all losses, costs, expenses, liabilities and damages, including consequential damages and liquidated damages, sustained by Contractor, or for which Contractor may be liable to Owner or any other party because of Subcontractor's default.

ARTICLE 7 TERMINATION, SUSPENSION OR ASSIGNMENT OF THE SUBCONTRACT

§ 7.1 Termination by the Contractor

7.1.1 If the Subcontractor repeatedly fails or neglects to carry out the Work in accordance with the Subcontract Documents or otherwise to perform in accordance with this Subcontract and fails within a three-day period after receipt of electronic written notice to commence and continue correction of such default or neglect with diligence and promptness, the Contractor may, by electronic written notice to the Subcontractor and without prejudice to any other remedy the Contractor may have, terminate the Subcontract for that Specific Project and finish the Subcontractor's Work for that Specific Project by whatever method the Contractor may deem expedient. If the unpaid balance of the Subcontract Sum exceeds the expense of finishing the Subcontractor's Work and other damages incurred by the Contractor and not expressly waived, such excess shall be paid to the Subcontractor less 25% of such unpaid balance to be withheld by Contractor, if such expense and damages exceed such unpaid balance, the Subcontractor shall pay the difference to the Contractor within five (5) days of notification by Contractor.

§ 7.1.2 If the Owner or Contractor terminates the Prime Contract for the Owner's convenience, the Contractor shall promptly deliver written notice to the Subcontractor. The Contractor may terminate this Master Agreement or any Specific Project Agreement for convenience upon electronic written notice to the Subcontractor.

§ 7.1.3 Upon receipt of written notice of termination, the Subcontractor shall
.1 cease operations as directed by the Contractor in the notice;

- .2 take actions necessary, or that the Contractor may direct, for the protection and preservation of the Work; and
- .3 except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing Sub-subcontracts and purchase orders and enter into no further Sub-subcontracts and purchase orders.

§ 7.1.4 In case of such termination for the Owner's or Contractor's convenience, the Subcontractor shall be entitled to receive payment for Work executed, and costs incurred by reason of such termination, but not overhead and profit on the Work not executed.

§ 7.2 Suspension by the Contractor For Convenience

§ 7.2.1 The Contractor may, without cause, order the Subcontractor in writing to suspend, delay or interrupt the Work of a Subcontract for a Specific Project in whole or in part for such period of time as the Contractor may determine. In the event of suspension ordered by the Contractor, the Subcontractor shall be entitled to an equitable adjustment of the Subcontract Time and Subcontract Sum.

§ 7.2.2 An adjustment shall be made for increases in the Subcontract Time caused by suspension, delay or interruption. No adjustment shall be made to the extent that

- .1 performance is, was or would have been so suspended, delayed or interrupted by another cause for which the Subcontractor is responsible; or
- .2 an equitable adjustment is made or denied under another provision of this Subcontract.

§ 7.3 ASSIGNMENT OF THE SUBCONTRACT

§ 7.3.1 In the event of termination of the Prime Contract by the Owner, the Contractor may assign the Subcontract under a Project Agreement to the Owner, with the Owner's agreement, subject to the provisions of the Prime Contract and to the prior rights of the surety, if any, obligated under bonds relating to the Prime Contract. In such event, the Owner shall assume the Contractor's rights and obligations under the Subcontract Documents.

§ 7.3.2 Without the Contractor's written consent, the Subcontractor shall not assign the Work of this Subcontract, subcontract the whole of this Subcontract, or subcontract portions of this Subcontract.

ARTICLE 8 THE WORK OF THIS SUBCONTRACT

The Subcontractor shall execute the following portion of the Work described in the Subcontract Documents, including all labor, materials, equipment, services and other items required to complete such portion of the Work, except to the extent specifically indicated in the Subcontract Documents to be the responsibility of others. *(Insert a precise description of the Work of this Subcontract, referring where appropriate to numbers of Drawings, sections of Specifications and pages of Addenda, Modifications, and accepted alternates.)*

«Per **Attachment "C" Scope of Work**, as provided in each Project Agreement
Per **Attachment "D" List of Contract Documents**, as provided in each Project Agreement»

ARTICLE 9 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

§ 9.1 The date of commencement of the Subcontractor's Work, shall be:
(Check one of the following boxes.)

- [« »] The date of this Agreement.
- [«X»] See **Attachment E** as provided in each Project Agreement.
- [« »] Established as follows:
(Insert a date or a means to determine the date of commencement of the Subcontractor's Work.)

« »

§ 9.2 Subcontract Time

§ 9.2.1 Subcontract Time is the period of time, including authorized adjustments, allotted in the Subcontract Documents for Substantial Completion of the Work described in the Subcontract Documents. The Subcontract

Time shall be measured from the date of commencement of the Subcontractor's Work as required by the Subcontract Documents and per **Attachment E** (as provided in each Project Agreement).

§ 9.2.2 Subject to adjustments of the Subcontract Time as provided in the Subcontract Documents, the subcontractor shall achieve substantial completion of the Subcontractor's Work as required by the Subcontract Documents and per **Attachment E** (as provided in each Project Agreement).

§ 9.2.3 Subject to adjustments of the Subcontract Time as provided in the Subcontract Documents, if portions of the Subcontractor's Work are to be completed prior to substantial completion of the Subcontractor's Work, then the Subcontractor shall achieve earlier substantial completion of such portions by the dates set forth in **Attachment E** (as provided in each Project Amendment).

§ 9.2.4 If the Subcontractor fails to achieve substantial completion as provided in this Section 9.2, liquidated damages, if any, shall be assessed as set forth in Section 3.4.

§ 9.3 With respect to the obligations of both the Contractor and the Subcontractor, time is of the essence of this Subcontract.

§ 9.4 No extension of time will be valid without the Contractor's written consent after a Claim is made by the Subcontractor in accordance with Section 5.3.

ARTICLE 10 SUBCONTRACT SUM

§ 10.1 The Contractor shall pay the Subcontractor the Subcontract Sum in current funds for the Subcontractor's performance of the Subcontract. The Subcontract Sum shall be «as provided in each Project Agreement» (\$ «TBD»), subject to additions and deductions as provided in the Subcontract Documents.

§ 10.2 Alternates

§ 10.2.1 The Subcontract Sum is based upon the following alternates, if any, which are described in the Subcontract Documents and have been accepted by the Owner and the Contractor:
(Insert the numbers or other identification of accepted alternates.)

«Provided in each Project Agreement»

§ 10.3 Unit prices, if any: **Provided in each Project Agreement**

§ 10.4 Allowances, if any, included in the Subcontract Sum: **Provided in each Project Agreement**

ARTICLE 11 PAYMENTS

§ 11.1 Progress Payments

§ 11.1.1 It is agreed that as a condition precedent to any payment by Contractor to Subcontractor hereunder the Contractor must first receive payment from the Owner for the Work of Subcontractor for which payment is sought. Subcontractor specifically agrees that it is relying upon the Owner's credit (not the Contractor's) for payment, and Subcontractor specifically accepts the risk of non-payment by Owner. Based upon applications for payment submitted to the Contractor by the Subcontractor, corresponding to applications for payment submitted by the Contractor to the Architect, and certificates for payment issued by the Architect, the Contractor shall make progress payments on account of the Subcontract Sum to the Subcontractor as provided below and elsewhere in the Subcontract Documents. Payments received by the Subcontractor for Work properly performed by its employees, sub-tier Subcontractors and suppliers shall be held by the Subcontractor in trust for those employees, sub-tier subcontractors or suppliers who performed Work or furnished materials, or both, under contract with the Subcontractor for which payment was made to the Subcontractor by the Contractor. Nothing contained herein shall require money to be placed in a separate account and not commingled with money of the Subcontractor shall create any fiduciary liability or tort liability on the part of the Subcontractor for breach of trust or shall entitle any person or entity to an award of punitive damages against the Subcontractor for breach of the requirements of this provision.

§ 11.1.2 The period covered by each application for payment shall be one calendar month ending on the last day of the month, or as required in the Prime Contract, or as follows:

«Provided in each Project Agreement»

§ 11.1.3 Provided an application for payment is received by the Contractor not later than the «20th» day of a month, the Contractor shall include the Subcontractor's Work covered by that application in the next application for payment which the Contractor is entitled to submit to the Architect. The Contractor shall pay the Subcontractor each progress payment no later than ten working days after the Contractor receives payment from the Owner.

§ 11.1.4 If the Subcontractor's application for payment is received by the Contractor after the application date fixed above, the Subcontractor's Work covered by it shall be included by the Contractor in the next application for payment submitted to the Architect.

§ 11.1.5 The Subcontractor shall submit to the Contractor a schedule of values prior to submitting the Subcontractor's first Application for Payment. Each subsequent application for payment shall be based upon the most recent schedule of values submitted by the Subcontractor in accordance with the Subcontract Documents. The schedule of values shall allocate the entire Subcontract Sum among the various portions of the Subcontractor's Work and be prepared in such form and supported by such data to substantiate its accuracy as the Contractor may require. This schedule unless objected to by the Contractor, shall be used as a basis for reviewing the Subcontractor's applications for payment.

§ 11.1.6 Applications for payment submitted by the Subcontractor shall indicate the percentage of completion of each portion of the Subcontractor's Work as of the end of the period covered by the application for payment.

§ 11.1.7 Subject to the provisions of the Subcontract Documents, the amount of each progress payment shall be computed as set forth in the sections below.

§ 11.1.7.1 The amount of each progress payment shall first include:

- .1 That portion of the Subcontract Sum properly allocable to completed Work;
- .2 That portion of the Subcontract Sum properly allocable to materials and equipment delivered and suitably stored at the site by the Subcontractor for subsequent incorporation in the Subcontractor's Work or, if approved by the Contractor, suitably stored off the site at a location agreed upon in writing; and
- .3 The amount, if any, for changes in the Work that are not in dispute and have been properly authorized by the Contractor, to the same extent provided in the Prime Contract, pending a final determination by the Contractor of the cost of changes in the Subcontractor's Work, even though the Subcontract Sum has not yet been adjusted.

§ 11.1.7.2 The amount of each progress payment shall then be reduced by:

- .1 The aggregate of previous payments made by the Contractor;
- .2 150% of the amount, if any, for Work that remains uncorrected and for which the Contractor has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A201-2017 for a cause that is the fault of the Subcontractor;
- .3 For 150% of Work performed or defects discovered since the last payment application, any amount for which the Contractor may withhold payment in whole or in part, as provided in Article 9 of AIA Document A201-2017, for a cause that is the fault for which the Contractor believes, in its sole and absolute discretion, relate to damage, defective work or fault of the Subcontractor; and
- .4 Retainage withheld pursuant to Section 11.1.8 of this Agreement.

§ 11.1.8 Retainage

For each progress payment made prior to substantial completion of the Subcontractor's Work, the Contractor may withhold the following amounts as retainage from the payment otherwise due:

« As determined by the Prime Contract. If no rate is set forth in the Prime Contract, the rate of Retainage shall be ten (10%) percent or the maximum amount allowed by law, whichever is less. »

Retainage shall be paid within ten (10) days' receipt of retainage from the Owner for Subcontractor's Work.

§ 11.1.9 Upon the partial or entire disapproval by the Contractor of the Subcontractor's application for payment, the Contractor shall provide written notice to the Subcontractor. When the basis for the disapproval has been remedied, the Subcontractor shall be paid the amounts withheld.

§ 11.1.10 Provided the Contractor has fulfilled its payment obligations under the Subcontract Documents, the Subcontractor shall defend and indemnify the Contractor and Owner from all loss, liability, damage, or expense, including reasonable attorney's fees and litigation expenses, arising out of any lien claim or other claim for payment by any of the Subcontractor's subcontractors, suppliers, or vendors of any tier. Upon receipt of notice of such lien claim or other claim for payment, the Contractor shall notify the Subcontractor. If approved by the applicable court, when required, the Subcontractor may substitute a surety bond for the property against which the lien or other claim for payment has been asserted.

§ 11.2 Substantial Completion

When the Subcontractor's Work or a designated portion thereof is substantially complete and in accordance with the requirements of the Prime Contract, so long as Contractor has received payment from Owner for said work, the Contractor shall, upon application by the Subcontractor, make prompt application for payment for such Work. Within 30 days following issuance by the Architect of the certificate for payment covering such substantially completed Work, the Contractor shall, to the full extent allowed in the Prime Contract, make payment to the Subcontractor, deducting any portion of the funds for the Subcontractor's Work withheld in accordance with the certificate to cover costs of items to be completed or corrected by the Subcontractor. Such payment to the Subcontractor shall be the entire unpaid balance of the Subcontract Sum if a full release of retainage is allowed under the Prime Contract for the Subcontractor's Work prior to the completion of the entire Project. If the Prime Contract does not allow for a full release of retainage, then such payment shall be an amount which, when added to previous payments to the Subcontractor, will reduce the retainage on the Subcontractor's substantially completed Work to the same percentage of retainage as that on the Contractor's Work covered by the certificate.

§ 11.3 Final Payment

§ 11.3.1 Final payment, constituting the entire unpaid balance of the Subcontract Sum, shall be made by the Contractor to the Subcontractor when the Subcontractor's Work is fully performed in accordance with the requirements of the Subcontract Documents, Owner has accepted the Subcontractor's Work, the Architect has issued a certificate for payment covering the Subcontractor's completed Work, and the Contractor has received payment from the Owner.

§ 11.3.2 Before issuance of the final payment, the Subcontractor, if required, shall submit evidence satisfactory to the Contractor that all payrolls, bills for materials and equipment, and all known indebtedness connected with the Subcontractor's Work have been satisfied. Acceptance of final payment by the Subcontractor shall constitute a waiver of claims by the Subcontractor, except those previously made in writing and identified by the Subcontractor as unsettled at the time of final application for payment.

§ 11.4 Interest

Payments due and unpaid under this Subcontract shall bear interest from the date payment is due at such rate as the parties may agree upon in writing, or as defined in the Prime Contract, or in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.

ARTICLE 12 INSURANCE AND BONDS

§ 12.1 Subcontractor's Required Insurance Coverage

§ 12.1.1 The Subcontractor shall purchase and maintain the following types and limits of insurance, from a company or companies lawfully authorized to issue insurance in the jurisdiction where the Project is located, as will protect the Subcontractor from claims that may arise out of, or result from, the Subcontractor's operations and completed operations under the Subcontract:

See Master Attachment A, attached hereto and incorporated herein.

See Subcontract Attachment A, as applicable (provided in Specific Project Agreement).

§ 12.1.2 Coverages, whether written on an occurrence or claims-made basis, shall be maintained without interruption from the date of commencement of the Subcontractor's Work until the date of final payment and termination of any coverage required to be maintained after final payment to the Subcontractor, and, with respect to the Subcontractor's completed operations coverage, for the applicable statute of repose, statute of limitations or the amount of time you are legally liable for the Work or as specified in the Prime Contract, whichever is longer.

§ 12.1.3 If professional services are required under Section 4.9, the Subcontractor shall provide the professional liability insurance coverage required under this Section 12.1 and Attachment A for the following period after completion of the Work:

« Provided in each Project Agreement, if applicable »

§ 12.1.4 Certificates of Insurance.

The Subcontractor shall provide certificates of insurance and all required policy forms and endorsements acceptable to the Contractor evidencing compliance with the requirements in this Article 12 and Attachment A at the following times: (1) prior to commencement of the Subcontractor's Work; (2) upon renewal or replacement of each required policy of insurance; and (3) upon the Contractor's written request. An additional certificate evidencing continuation of liability coverage, including coverage for completed operations, shall be submitted with the final application for payment and thereafter upon renewal or replacement of such coverage until the expiration of the time required in this Article 12. The certificates shall show the Contractor and the Owner, and any other entities required by the Prime Contract, as additional insured as further outlined in Attachment A.

§ 12.1.5 Deductibles and Self-Insured Retentions. The Subcontractor shall disclose to the Contractor any deductible or self-insured retentions applicable to any insurance required to be provided by the Subcontractor.

§ 12.1.6 Additional Insured Obligations. See Subcontract Attachment A, as applicable (provided in Specific Project Agreement).

§ 12.1.7 Notice of Cancellation or Change in Coverage. Within three (3) business days of the date the Subcontractor becomes aware of an impending, threatened or actual cancellation or expiration of any insurance required by the Subcontract Documents (whichever comes first), the Subcontractor shall provide notice to the Contractor of such impending or actual cancellation or expiration. Upon receipt of notice from the Subcontractor, the Contractor shall, unless the lapse in coverage arises from an act or omission of the Contractor, have the right to suspend the Work in accordance with this Agreement until the lapse in coverage has been cured by the procurement of replacement coverage by the Subcontractor. The furnishing of notice by the Subcontractor shall not relieve the Subcontractor of any contractual obligation to provide any required coverage.

§ 12.2 Subcontractor's Required Performance Bond and Payment Bond

§ 12.2.1 The Subcontractor shall provide surety bonds, from a company or companies lawfully authorized to issue surety bonds in the jurisdiction where the Project is located, as follows:

As provided in each Project Agreement, Performance & Payment Bonds may be required.

Such bonds shall be provided by companies and at ratings acceptable to the Contractor, in Contractor's sole discretion. Payment and Performance Bonds shall be AIA Document A312™, Payment Bond and Performance Bond. Each party agrees that electronic signatures (whether digital or encrypted) and/or scanned copies of original signatures of any such bond is intended to authenticate the bond and shall have the same force and effect as manual signatures and original copies. Such electronically signed or scanned/PDF versions of the AIA Document A312™, Payment Bond and Performance Bond shall be fully enforceable against the surety.

§ 12.2.2 Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations under this Agreement, the Subcontractor shall promptly furnish a copy of the bonds or shall permit a copy to be made.

§ 12.3 Contractor's Insurance and Bond Obligations

§ 12.3.1 Upon written request of the Subcontractor, the Contractor shall furnish to the Subcontractor satisfactory evidence of insurance required of the Contractor under the Prime Contract.

§ 12.3.2 Upon written request of the Subcontractor, the Contractor shall furnish a copy or permit a copy to be made of any bond covering payment of obligations arising under the Subcontract.

§ 12.4 Property Insurance

§ 12.4.1 When requested in writing, the Contractor shall make available for the Subcontractor's review copies of the builders risk policies in effect for the Project, to the extent copies of the policies are available to the Contractor. The Contractor shall notify the Subcontractor if the required builders risk insurance policies are not in effect.

§ 12.4.2 If the required builders risk insurance is not in effect for the full value of the Subcontractor's Work, then the Subcontractor shall purchase insurance for the value of the Subcontractor's Work, and the Subcontractor shall be reimbursed for the direct cost (without mark-up) of the insurance by an adjustment in the Subcontract Sum.

§ 12.4.3 Property insurance for the Subcontractor's materials and equipment required for the Subcontractor's Work, stored off site or in transit and not covered by the Project builders risk insurance, shall be paid for through the application for payment process.

§ 12.4.4 **Risk of Loss.** All Work covered by any Work Authorization or this Master Agreement done at the Project site or in preparing or delivering materials or equipment, or any or all of them, to the Project site, shall be at the risk of Subcontractor exclusively until the completed Work is accepted by Contractor.

§ 12.5 **Waivers of Subrogation.** The Contractor and Subcontractor waive all rights against (1) each other and any of their subcontractors, sub-subcontractors, agents, and employees, each of the other, and (2) the Owner, those entities required under the Prime Contract, and (3) Separate Contractors, if any, and any of their subcontractors, sub-subcontractors, agents, and employees for damages caused by fire or other causes of loss to the extent those losses are covered by builders risk or property insurance provided under the Prime Contract or other property insurance applicable to the Work or to property at or adjacent to the Project site, except such rights as they may have to proceeds of such insurance held by the Owner as a fiduciary. The Subcontractor shall require similar written waivers in favor of the individuals and entities enumerated herein from the Subcontractor's Sub-subcontractors, agents and employees. The policies of insurance purchased and maintained by each person or entity agreeing to waive claims pursuant to this Section 12.5 shall not prohibit this waiver of subrogation, which shall be effective as to a person or entity (1) even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise; (2) even though that person or entity did not pay the insurance premium directly or indirectly; or (3) whether or not the person or entity had an insurable interest in the property damaged.

ARTICLE 13 TEMPORARY FACILITIES, SERVICES, EQUIPMENT AND WORKING CONDITIONS

§ 13.1 The Contractor shall furnish and make available at no cost to the Subcontractor the Contractor's temporary facilities and services, except as noted below:

«Provided in each Project Agreement»

§ 13.2 The Contractor's equipment will be available to the Subcontractor only at the Contractor's discretion and on mutually satisfactory terms, except as noted below:

«Provided in each Project Agreement»

§ 13.3 Specific working conditions as noted below:

(Insert any specific arrangements or requirements concerning working conditions and labor matters applicable to the Subcontractor's Work.)

«Provided in Each Specific Project Agreement»

ARTICLE 14 MISCELLANEOUS PROVISIONS

§ 14.1 Where reference is made in this Subcontract to a provision of another Subcontract Document, the reference refers to that provision as amended or supplemented by other provisions of the Subcontract Documents.

§ 14.2 The Contractor's representative for this Master Agreement:

(Name, address, email address and other information)

«Ron A. Montoya»
«BNBuilders, Inc.»
«2601 – 4th Avenue, Suite 350»
«Seattle, WA 98121»
«Phone: (206) 382-3443»

§ 14.3 The Subcontractor’s representative for this Master Agreement:
(Name, address, email address and other information)

« »
« »
« »
« »
« »
« »

§ 14.4 Notice

§ 14.4.1 Except as otherwise provided in Section 14.4.2, where the Subcontract Documents require one party to notify or give notice to the other party, such notice shall be provided in writing to the designated representative of the party to whom the notice is addressed and shall be deemed to have been duly served if delivered in person, by mail, by courier, or by electronic transmission if a method for electronic notice is set forth in Section 14.4.3.

§ 14.4.2 Notice of Claims shall be provided in writing and shall be deemed to have been duly served only if delivered to the designated representative of the party to whom the notice is addressed by certified or registered mail, or by courier providing proof of delivery.

§ 14.4.3 Notice in electronic format as set forth below or in the Prime Contract:

« Provided in each Project Agreement »

§ 14.5 Neither the Contractor’s nor the Subcontractor’s representative for this Master Agreement or for any Project Agreement shall be changed without ten days’ prior notice to the other party.

§ 14.6 The invalidity of any provision of the Subcontract Documents shall not invalidate either this Master Agreement or the Subcontract or its remaining provisions. If it is determined that any provision of this Master Agreement or the Subcontract for a particular Project violates any law or is otherwise invalid or unenforceable, then that provision shall be revised to the extent necessary to make that provision legal and enforceable. In such case, this Master Agreement and the Subcontract shall be construed, to the fullest extent permitted by law, to give effect to the parties’ intentions and purposes in executing the Subcontract.

§ 14.7 Unless already provided for by the Prime Contract, the parties shall agree upon protocols governing the transmission and use of Instruments of Service or any other information or documentation in digital form.

§ 14.8 The substantially prevailing party in any legal action or arbitration shall be entitled to recover all cost of suit, including, but not limited to reasonable attorney fees.

§ 14.9 Subcontractor hereby acknowledges that it is thoroughly familiar with all DBE/MBE/WBE requirements pertaining to a Project under any specific Project Agreement. If the Subcontractor claims status as a DBE/MBE/WBE, the Subcontractor shall take all steps necessary and shall make all necessary records available to the Contractor and the Owner to assure that Subcontractor is in compliance with such requirements. In the event that any subcontractor or supplier of the Subcontractor is designated as or is required to be a DBE/MBE/WBE, Subcontractor agrees to be responsible for insuring that any sub-subcontractor or supplier meets all applicable requirements. Subcontractor acknowledges that Contractor is relying upon Subcontractor’s representations regarding the validity of Subcontractor’s status, if any, as a DBE/MBE/WBE, and that misrepresentation of the status of Subcontractor or any of its sub-subcontractors or material suppliers is a material breach of this Master Agreement and grounds for immediate termination of any Work Authorization or this Master Agreement. In the event of

termination as the result of material misrepresentation of the status of the Subcontractor as a DBE/MBE/WBE, Subcontractor shall not be entitled to any compensation not already paid.

§ 14.10 Design Build Work. To the extent that any portion of the Work under a Project Agreement is designated as design-build, including any portion of MEP work, Subcontractor agrees as follows.

§ 14.10.1 Subcontractor acknowledges that that Contractor is relying upon Subcontractor to perform all necessary design services and coordination for Subcontractor's Work to comprise a completely operation system or systems, integrated with the other components of the Project, meeting the Owner's requirements, and noncompliance with applicable codes and laws, including to the extent applicable the ADA and FHA.

§ 14.10.2 Subcontractor shall procure all design services in connection with its work from licensed, independent professionals. If the person providing the design services for Subcontractor is an independent design professional, the services shall be provided pursuant to a written agreement acceptable to Contractor and all such agreements shall include appropriate indemnities by such design professional toward Contractor and (if required by the Prime Contract) Owner and shall require appropriate amounts of professional liability insurance. Contractor reserves the right to object to the persons or employees that Subcontractor intends to utilize for design services, in which case Subcontractor at its sole cost shall utilize other persons, acceptable to Contractor, for such services.

§ 14.10.3 Subcontractor shall prepare, for written approval by the Contractor and Owner, schematic design documents consisting of drawings illustrating the basic components of the design of the Subcontractor's Work and their relationship to other Project elements. Three printed sets and one reproducible set of these documents, at a minimum, shall be provided to Contractor. Following completion of the schematic design documents, Subcontractor shall update the preliminary schedule and estimate for the Contractor's review and estimate. Approval by the Contractor, Owner, or Architect of any submittals by Subcontractor shall not relieve Subcontractor from its obligations under the Subcontract Documents, including its obligation to comply with applicable codes and law.

§ 14.10.4 Based upon the approved schematic design documents, Subcontractor shall prepare, for approval by the Contractor and Owner, design development documents consisting of further definition of design elements, including drawings, outline specifications, and other documents to fix and describe the size and character of the Subcontractor's Work, including the relationship to other Project elements. Three printed sets and one reproducible set of these documents, at a minimum, shall be provided to Contractor. Following completion of the design development documents, Subcontractor shall review and update the schedule and estimate for Contractor's review and approval.

§ 14.10.5 Based upon the approved design development documents, Subcontractor shall prepare for approval by Contractor, Owner, and governmental and/or other entities, including revisions necessary to secure needed approvals, construction documents setting forth in detail the requirements for construction of Subcontractor's Work. These documents shall consist of drawings and specifications that comply in all respects with codes, laws, regulations, and standards of good practice to be in effect as of the time that the work is to be performed. Three printed sets and one reproducible set of these documents, at a minimum, shall be provided to Contractor.

§ 14.10.6 Subcontractor shall coordinate its Work with that of Contractor, other subcontractors, and all other persons at the Project site, to ensure that the completed Project provides a fully functional, operational system or systems that conform to Owners' design program.

§ 14.10.7 Copies or originals of all data collected in relation to work associated with any Work Authorization or, and all data and documents prepared in connection with the Project, shall be provided to Contractor and to Owner. Data collected, stored, and/or provided shall be in a form acceptable to Contractor. All data, designs, drawings, reports, drafts, work products, maps, records and other documents reproduced, prepared or caused to be prepared by Subcontractor pursuant to or in connection with any Work Authorization or shall be the exclusive property of Contractor, who shall own the copyright and all other intellectual property rights in connection therewith, and who shall be entitled to make full use thereof. All such documents shall be delivered and/or returned to Contractor upon request.

§ 14.11 This Master Agreement and any Project Agreement may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts shall constitute one agreement. This Master Agreement and any Work Authorization may also be executed and made binding

through the use of signatures sent via facsimile and/or PDF through e-mail and whether digital or encrypted, which signatures shall be treated and effective as originals.

ARTICLE 15 ENUMERATION OF SUBCONTRACT DOCUMENTS

§ 15.1 Subcontract Documents, except for Modifications issued after execution of the Master Subcontract Agreement, are enumerated in the sections below.

§ 15.1.1 The Specific Project Agreement and any documents listed therein.

§ 15.1.2 This executed AIA Document A401™-2017, Master Form of Agreement Between Contractor and Subcontractor.

§ 15.1.3 The Prime Contract, consisting of the Agreement between the Owner and the Contract.

§ 15.1.4 State-Specific Rider – Refer to Attachment “F”

- California Rider to AIA A401-2017 Master Form Agreement Between Contractor and Subcontractor
- Washington Rider to AIA A401-2017 Master Form Agreement Between Contractor and Subcontractor

§ 15.1.5 Additional Documents, if any, forming part of the Subcontract Documents:

.1 Other documents:

- «Attachment "A" – Master Insurance Requirements, dated 1/1/2017
- Attachment "B" – Subcontractor Billing Information, dated TBD
- Attachment "C" – Scope of Work, dated TBD
- Attachment "D" – List of Contract Documents, dated TBD
- Attachment "E" – Project Schedule, dated TBD
- Attachment "F" – State-Specific Rider(s)
- Attachment "G" – Safety Program Requirements, dated TBD »

This Master Subcontract Agreement entered into as of the day and year first written above and shall expire 5 years from said date.

BNBuilders, Inc.

<Insert Subcontractor Legal Name>

CONTRACTOR (Signature)

«Ron A. Montoya, Director of Operations»

(Printed name and title)

SUBCONTRACTOR (Signature)

« »»« »

(Printed name and title)

Contractor's License No.: _____

Contractors UBI No.: _____

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