

SUBCONTRACT

This Subcontract is made and entered into this Insert Day day of Insert Month, Insert Year, in the City of Riverside and State of California, by and between Regional Connector Constructors, a Joint Venture (“Contractor”) located at 1995 Agua Mansa Road, Riverside, California 92509 and Insert Subcontractor Name, a Type of Entity of Insert Subcontractor Address (“Subcontractor”). (Contractor and Subcontractor individually referred to as “Party” and collectively as “Parties.”) Contractor has entered into or is about to enter into a written contract, Contract No. C0980 (“Prime Contract”) with Los Angeles County Metropolitan Transportation Authority (“Owner”) to perform all labor and to furnish all materials and equipment for the construction of an approximately 1.9 mile below-grade guideway from 7th Street / Metro Center to the existing Metro Gold Line (“Project” or “Prime Work”). Subcontractor shall furnish, install, and perform the work set forth in Exhibit A and in any Subcontract Change Order as defined below (“Scope of Work” or “Work”) in strict accordance with the terms and conditions in this Subcontract. Contractor shall pay pursuant to the terms in Exhibit A (“Subcontract Price”) for full and complete performance of the Work and Subcontractor’s duties and obligations set forth herein.

1. CONTRACT DOCUMENTS. The “Contract Documents” include (a) this Subcontract, including all appendices, riders, progress schedules, exhibits and other documents incorporated into in the Subcontract and/or its Exhibits, either by reference or other means (collectively, “Subcontract”) and (b) the Prime Contract, including the Prime Contract’s plans, drawings and specifications (“Plans”) and all other documents incorporated into the Prime Contract, whether by reference or other means, (collectively, “Prime Contract”) to the fullest extent that the Prime Contract applies to the Work. This Subcontract and the Prime Contract, including the Plans, (all as compared to each other and within each individually) supplement one another and are complementary and cumulative in nature. What is called for by one shall be as binding as if called for by all. If there are conflicting terms among this Subcontract and the Prime Contract, the more stringent as applicable to the Work shall prevail and govern, whether administrative or substantive in nature. Any disagreement with respect to the interpretation of any such conflicting terms shall ultimately be decided by Contractor. Subcontractor shall request Contractor’s determination in writing respecting the order of precedence among conflicting terms promptly upon becoming aware same failing which, it shall assume responsibility for its incorrect interpretation thereof.

1.1 Review of Contract Documents. Subcontractor has reviewed and is familiar with all Contract Documents related to its Scope of Work and has considered the scheduling requirements of Owner and Contractor and the availability and cost of labor, materials, tools, and equipment. Contractor is not liable to Subcontractor for any costs or delays that may arise from Subcontractor’s failure to do so. Subcontractor represents that it has by its own independent investigation ascertained the Work required herein and the conditions associated therewith, it has verified all information furnished by Contractor or others satisfying itself as to the correctness and accuracy of that information. Any failure by Subcontractor to independently investigate and become fully informed shall not relieve Subcontractor from its responsibilities hereunder.

1.2 Discrepancies. Unless the Prime Contract requires a shorter time period, Subcontractor shall notify Contractor of any discrepancies, conflicts, or ambiguities in the Contract Documents (“Discrepancy”) within 5 business days from the date which Subcontractor discovers the Discrepancy. Subcontractor waives any Claim arising out of any Discrepancy if it fails to give timely notice of the Discrepancy. Subcontractor may not assert a Claim for any Discrepancy that Subcontractor failed to discover but reasonably should have discovered with due diligence. Work performed by Subcontractor prior to resolving the Discrepancy shall be at Subcontractor’s sole risk, cost, and expense.

2. SCOPE OF WORK. Subcontractor shall perform its Work in a good and workmanlike manner. The Scope of Work described in Exhibit A includes all work, labor, tools, equipment, materials, cutting, patching, and services required to perform satisfactorily and to timely complete Subcontractor’s Work and to cleanly blend the Work with the work of others. The Work is not limited by any titles on drawings or headings in specifications, and the Parties intend that all items and services customarily performed and provided with the Work described in Exhibit A shall be performed by Subcontractor including any and all items and services consistent with, contemplated by, and reasonably inferable from, the Contract Documents and/or necessary to provide a complete and fully functioning scope of Work, to produce the intended utility and appearance of the Work and to provide a neat and workmanlike fit with the remainder of the Prime Work, whether or not such items and services are specifically mentioned therein, unless specifically excluded in Exhibit A.

3. SCHEDULING OF THE WORK. Subcontractor shall perform all Work in accordance with Contractor’s schedule as it may be amended from time to time. Contractor may issue a schedule relating to Subcontractor’s Work (“Subcontract Schedule”) which will be incorporated into this Subcontract. Alternatively, Contractor may request Subcontractor to provide a Subcontract Schedule that

conforms to Contractor's schedule for the Project. If Contractor does not approve the Subcontract Schedule, Subcontractor shall revise and resubmit it. Subcontractor will comply with Contractor's schedule obligations and all requirements applicable thereto as set forth in the Prime Contract. Subcontractor and its lower-tiered subcontractors shall promptly furnish all scheduling information requested by Contractor from time to time and in such form and detail as requested for its Work, within 5 days of the request.

3.1 Timely Prosecution of Work. Time is of the essence for the performance of the Work. Subcontractor shall promptly begin and diligently prosecute its Work in accordance with the Subcontract Schedule. Subcontractor assumes the risk and has considered the practical and cost impacts of all reasonably foreseeable hindrances and delays to its Work in entering into this Subcontract. If Subcontractor delays any portion of the Project, Contractor may direct Subcontractor to increase its workforce, the number of shifts, the days of work, and to institute overtime operations to maintain the Subcontract Schedule or to regain any time lost, all which shall be done by Subcontractor at Subcontractor's expense. Subcontractor shall promptly follow Contractor's direction regardless of whether Subcontractor is entitled to additional compensation and/or time with respect to the delay. Any right to additional time or money is subject to other sections of this Subcontract.

3.2 Time Extension. The Subcontract Schedule shall be extended only if Contractor determines that Subcontractor has been, or will be, necessarily delayed in completing its Work solely and directly by a cause which meets all the conditions and requirements specified in the Prime Contract regarding extensions of time and only to the extent Owner grants Contractor such extension of time. No time extension shall be granted for any period of excusable delay that is concurrent with any non-excusable delay. Strict compliance with the Claims Procedures in this Subcontract is a condition precedent to Subcontractor's right to an extension. Any determination for an extension of time shall be based upon the requirements imposed by the Contract Documents, including GC-29.

3.3 Change to Subcontract Schedule. The Prime Work may require a change to the Subcontract Schedule. Contractor will make the schedule for the Prime Work available for Subcontractor's review and Subcontractor is obligated to keep itself informed of any changes to it. Subcontractor will revise the Subcontract Schedule as may be required to conform to any changes to Contractor's schedule for the Project. Any right to additional time or money is subject to other sections of this Subcontract.

3.4 Delay Damages. Except as otherwise permitted by law, Subcontractor shall have no claim against Contractor for any loss or damage it may sustain through delay, disruption, suspension, stoppage, interference, compression, or acceleration of Subcontractor's Work ("Delay Damages") caused or directed by Contractor for any reason, and that all such claims shall be fully compensated for by Contractor's granting Subcontractor such time extensions as it is entitled to as a result of any of the foregoing. If Delay Damages are permitted by law and Contractor causes Subcontractor to sustain Delay Damages, Subcontractor is only be entitled to compensation for periods of compensable delays which are not concurrent with any non-compensable delays. Any recovery of Delay Damages is limited to the following:

- (a) Increased wages attributable to work being performed by trades in a higher wage period;
- (b) Increased field office expenses;
- (c) Increased cost to purchase materials;
- (d) Increased cost to store materials, to the extent that the Subcontractor can demonstrate that such storage is specific to this Project;
- (e) Extended insurance and bonding;
- (f) With respect to rented equipment, the lesser of the actual rental cost or the reasonable rental value for idled equipment on the Site; and
- (g) With respect to owned idle heavy construction equipment, the lesser of a reasonable rental cost or the cost of transportation to remove and return the equipment to the jobsite.

3.4.1 Contractor will only pay Delay Damages as set forth above for amounts which are actually, reasonably and necessarily incurred and verifiable by appropriate documentation.

3.4.2 If Delay Damages are recoverable from Owner under the Prime Contract, Subcontractor is entitled to recover only those Delay Damages as permitted under the Prime Contract, including GC-29, CP-10, and Schedule E thereto, and only those arising solely and directly out of a cause that meets all the conditions and requirements specified in the Prime Contract regarding Delay Damages. Subcontractor's recovery of Delay Damages under this section is limited to its pro-rated share of the amount recovered by Contractor from Owner.

4. PROSECUTION OF THE WORK. It is the responsibility of Subcontractor to inspect the location of the Project and the location where the Work will be performed (collectively, “Work Site”) and take into account all visible and reasonably inferable geographic and climatic conditions. Subcontractor shall inform Contractor if the Work Site is not ready for the reception and installation of the Work. Contractor is not responsible for or liable for any costs, loss, or damages that may arise if Subcontractor commences its Work before the Work Site is ready. Subcontractor represents that it has inspected the Work Site and is familiar with local conditions under which the Work is to be performed, including potential congestion, restrictions upon transportation of material, equipment, and labor forces to and within the Work. Subcontractor’s entitlement to additional time or compensation resulting from the Work Site conditions differing from what it anticipated is limited by Contractor’s entitlement to an adjustment pursuant to the terms of the Prime Contract.

4.1 Preceding Work. Subcontractor shall inspect the preceding work of others upon and adjacent to its Work. Prior to commencing its Work, Subcontractor shall promptly notify Contractor of any observable defect or condition which may impede, interfere with, or otherwise impact Subcontractor’s Work that Subcontractor knew or reasonably should have known existed. If Subcontractor does not provide any such notice, Subcontractor will be deemed to have accepted the conditions of such work and Contractor is not responsible for any costs, losses, or damages that may arise from such conditions.

4.2 Lines, Grades, and Layout. Prior to beginning its Work, Subcontractor shall establish all the lines, grades and levels that may be required to perform its Work properly. Subcontractor shall lay out and install its Work in such manner as not to delay or interfere with the Prime Work being or to be performed by others. All dimensions and elevations indicated on the Plans are to be field verified by Subcontractor, who must promptly report any errors or discrepancies to Contractor. Subcontractor shall confirm the accuracy of any lines, grades, or levels that may be furnished by others, unless Contractor has directed Subcontractor in writing to rely upon them. If Subcontractor fails to correctly establish all the lines, grades and levels, or does not otherwise properly lay out its Work, Subcontractor shall alter, correct, or repair its Work as necessitated by such failure, all at Subcontractor’s expense.

4.3 Inspection of Work. Owner and Contractor have the right to inspect all of Subcontractor’s material and workmanship at any time and at any location. Subcontractor shall notify Contractor whenever any portion of its Work is ready for inspection.

4.4 Hazardous Materials. Subcontractor will comply with all environmental laws and regulations, and the Prime Contract regarding the proper handling, transportation, treatment, removal or storage of hazardous wastes, substances or materials, or any substance which requires investigation or remediation.

4.5 Repair or Corrections to Work. Subcontractor will protect its Work from any damage and shall, at its own expense, fully insure and secure its Work. Subcontractor shall promptly repair and correct any nonconformance or defect in its Work and any Work rejected by Owner or Contractor. If Subcontractor fails to repair or correct any damage, nonconformity, or defect to its Work within 3 days of receipt of notice from Contractor, Contractor may make any repairs or corrections and deduct the reasonable cost thereof from any amounts due Subcontractor without limiting any other remedy or right Contractor may have. If Owner or Contractor elects to accept nonconforming Work rather than requiring its removal or correction, the Subcontract Price shall be adjusted as necessary to equitably compensate Contractor for any charge by Owner arising out of Subcontractor’s failure to strictly comply with the Contract Documents.

4.6 Taxes, Assessments, Permits, and Fees. Subcontractor will obtain, at its cost and expense, any and all permits, and approvals and licenses required to perform its Work. Subcontractor will pay all federal, state, and local taxes, assessments, and fees now or hereafter in effect, related to its Work without additional charge to Contractor. Subcontractor will comply with all filing and reporting requirements for any such taxes, assessments, and premiums relating to its Work.

4.7 Temporary Facilities. Subcontractor will furnish all temporary facilities needed for its Work. Common facilities to be provided by Contractor, if any, are only those set forth in Exhibit A.

5. SUBCONTRACTOR OBLIGATIONS. Subcontractor assumes to Contractor all of the obligations and responsibilities applicable to the performance of this Subcontract which Contractor assumes toward Owner respecting performance of the Prime Contract. Subcontractor is bound to Contractor in the same manner and to the same extent that Contractor is bound to Owner under the Prime Contract. Where the Prime Contract or other Contract Documents refer to Contractor, and the work therein pertains to Subcontractor’s Work, such Work shall be interpreted to apply to Subcontractor rather than Contractor. Contractor shall have, without diminution of any further rights it may have and to the fullest extent permitted by law, all rights and remedies against Subcontractor

respecting the performance of this Subcontract that Owner has against Contractor respecting the performance of the Prime Contract, including, without limitation: any exculpatory and indemnitory provisions, including GC-43; audit and access to documents; any duty, including any absolute duty, to protect the Work; any exclusions or limitations upon Claims for damages for delay; any limitations of time, notice requirements, procedures or conditions precedent respecting Claims or requests of any kind including requests for extension of time; Owner changes to the Work, including GC-31; variances between the actual site conditions (including subsurface conditions) and the conditions shown or indicated in the Contract Documents, including GC-28 (collectively, "Differing Site Conditions"); liquidated damages, including SP-11; suspension of work, including GC-36; termination of the Contract, including GC-37 and GC-38; any requirements to document, substantiate, or certify Claims or requests of any kind, including GC-34; any warranties or guarantees, including GC-23; specific guarantee retainage provisions; audit and access to documents, including SP-35; and document retention; and any dispute resolution provisions, including GC-35 and any forum, jurisdiction and venue provisions. Any time provisions imposed upon Contractor under the Prime Contract or by law shall be binding upon Subcontractor, provided however, that Subcontractor must in each case act towards Contractor within one half of the time provided therein for action by Contractor towards Owner, or such lesser time as is elsewhere herein provided, to afford Contractor reasonable opportunity to evaluate and timely act upon any Claim, request or position asserted by Subcontractor. Subcontractor represents that it has had ample opportunity to and has examined and understands all of the Prime Contract provisions related to its Work and accepts the rights and obligations imposed thereunder. Subcontractor is responsible for all laws, regulations, and other provisions of the Prime Contract that are required to be flowed down to subcontractors by operation of law or the Prime Contract. Without limiting in any way the generality of this section, Subcontractor is fully bound by all clauses set forth in Exhibit E.

5.1 Insurance. Subcontractor shall provide and maintain at Subcontractor's own expense the insurance coverage listed in Exhibit C for the work and/or services provided by this Subcontract and as required by the Prime Contract, including SP-06.

5.2 Bonds. Prior to commencing its Work, at its expense Subcontractor shall promptly procure and furnish to Contractor separate performance and payment bonds with a surety company that is acceptable to Contractor, each in the penal sum equal to the Subcontract Price, and in the forms as attached to this Subcontract as Exhibit G. No change, alteration, or modification in or deviations from this Subcontract or the Plans or in the terms or manner of payment shall release or exonerate, in whole or in part, any surety on any bond given in connection with this Subcontract, and neither Owner nor Contractor shall be under any obligation to notify the surety or sureties of any such change or obtain their consent thereto.

5.2.1 Contractor has the right to reject any bond that is not for the requisite penal sum or with an acceptable surety company. Contractor may terminate this Subcontract for default at any time if Subcontractor fails to maintain acceptable performance and payment bonds or other security pursuant to this section.

5.2.2 If Subcontractor is unable to obtain the required bonds, Subcontractor must offer and provide in lieu of the bonds some other form of performance and payment security as applicable to Subcontractor's Work (for example, letter of credit, parent guarantee, joint check arrangements, or similar form of security or any combination thereof). Any such alternate security may only be approved in Exhibit A or Subcontract Change Order.

5.3 Contractor Direction. Subcontractor will promptly comply with all orders and directions given by Contractor, irrespective of any dispute and without awaiting a determination by any person, entity or tribunal with respect to any such dispute. Any dispute will be subject to the Claims Procedures in this Subcontract.

5.4 Registration Numbers. Prior to commencing its Work, Subcontractor will furnish Contractor with its Employer's registration number(s) (including tax identification number and W-9, as applicable) assigned to it by the state and federal agencies having the authority to issue such registration numbers.

5.5 Certified Payroll Reports. Subcontractor will furnish Contractor with certified copies of Subcontractor's payroll in full compliance with the Prime Contract and any applicable federal, state, or local government agency law, regulation, or requirement. Subcontractor shall furnish such evidence and document the completeness and accuracy thereof as Contractor may from time to time reasonably request. Subject to any applicable laws, regulations, and requirements and the Prime Contract, Contractor may designate the officer or principal of Subcontractor required to certify the payroll.

5.6 Cooperation. Subcontractor must keep itself informed of the conditions of and relating to the Project so as to avoid any delay. Contractor may require that certain portions of the Project be accessible and/or used concurrently by Subcontractor and others. Subcontractor will cooperate with Contractor, Owner, and other contractors and subcontractors employed on the Project.

5.7 Subcontractor Materials. At Contractor's request, Subcontractor will document the exact quantities and qualities of the materials and equipment purchased, used, or to be used by Subcontractor. Subcontractor is responsible for the receipt, delivery, unloading, storage, warehousing, protection, insurance, and risk of loss relating to any materials or equipment it is to furnish, install, provide, or have provided to it under this Subcontract.

5.8 Contractor-Furnished Materials. If Contractor furnishes or causes others to furnish material or equipment to Subcontractor ("Contractor-Furnished Materials"), Subcontractor will inspect all Contractor-Furnished Materials at time of delivery and prior to use by Subcontractor and notify Contractor, immediately and in writing, of any observable defects or non-conformity in Contractor-Furnished Material. Failure to notify Contractor shall be deemed an acknowledgement and acceptance that Contractor-Furnished Material complies with the Contract Documents and serves as a waiver of any claims regarding any alleged defect or non-conformity, other than latent defects not readily discoverable when such Contractor-Furnished Materials are delivered to Subcontractor.

5.9 Privity. Until the final acceptance of the Project, Subcontractor shall not to perform any work directly for Owner, or any other prime contractor, or deal directly with any representatives of same, in connection with the Project, unless otherwise directed or permitted in writing in advance by Contractor. All work for this Project performed by Subcontractor shall be processed and handled exclusively under this Subcontract.

5.10 Submittals. Subcontractor is responsible for all submittals that relate to its Work. Approval of Subcontractor's submittals by Owner and/or Contractor does not authorize Subcontractor to deviate or substitute from the Work required under the Contract Documents. Subcontractor shall correct any deviation or substitution at Contractor's direction, at any time and at Subcontractor's expense. Notwithstanding the foregoing, Contractor may demand that Subcontractor comply with any approved submittal without additional charge.

5.11 Subcontractor Warranties. Subcontractor expressly assumes towards Contractor all of the obligations and responsibilities that Contractor assumes toward the Owner with respect to maintaining, warranting, and guaranteeing its Work. Subcontractor shall perform any and all necessary and required maintenance, warranty, and guarantee work at its own expense. Subcontractor shall also be fully responsible: (1) to repair or replace any defective or improper work or material, (2) to repair or correct any damages caused thereby, and (3) to undertake at its cost and expense, the repair or replacement of such work, materials or equipment, which are found by the Owner to be unacceptable, unsatisfactory or otherwise not in accordance with the Contract Documents. The provisions of the Prime Contract regarding retention of amounts as guaranty for maintenance or repair of the Prime Work to be performed, if any, apply to this Subcontract. Unless a greater period of time is elsewhere provided for, the Subcontractor warrants all of its Work to be free from defects for a period of one year from the date of Owner's acceptance of the Project.

5.12 Government Funding. If this Subcontract arises under or is related to a government contract, grant, or other government funding, Subcontractor certifies and agrees as follows:

5.12.1 Subcontractor certifies that it is eligible to receive such contracts, grants or funds from the government entity. Subcontractor further certifies that neither it nor its principals or management employees have been convicted of any acts which would render Subcontractor or any of its principals or management employees ineligible for receipt of a contract, grant, or funds from such government entity.

5.12.2 Subcontractor will comply with all laws and regulations applicable to any government contract, grant or funding. Subcontractor will comply with all registrations required and execute all government forms or documents, including Federal Government Form SF 1413 as required.

5.12.3 Contractor may terminate this Subcontract for default if Subcontractor fails to comply with this section, or is or becomes ineligible to receive government contracts, grants, or other government funding.

5.13 Management and Supervision of Employees and Work. Subcontractor will furnish its best skill, judgment, qualified field supervision, and project management continuously throughout the performance of the Work. Subcontractor shall keep a competent person on the Project at all times who shall have full authority to carry out all of Contractor's instructions. Subcontractor shall immediately replace any workers objectionable to Contractor or Owner without additional charge.

5.14 Labor. Subcontractor shall conform to all labor policies of Contractor and Owner. Subcontractor shall not employ labor or means or use materials which may cause strikes or other labor disharmony, disputes or trouble with workmen employed by Contractor or other contractors, subcontractors or persons on any work. Whenever a labor dispute delays or threatens to delay the Work, Subcontractor shall immediately give written notice thereof to Contractor containing all information relevant to the dispute.

5.15 Lower-Tier Subcontractors, Suppliers, and Vendors. Subject to Contractor's prior written approval, Subcontractor may employ lower-tiered subcontractors, suppliers, and vendors. Each lower-tiered agreement shall: (a) be in writing; (b) specifically incorporate the entirety of this Subcontract by reference; (c) be accompanied by proof of insurance as Owner and Contractor may require; (d) provide that Contractor and Owner are intended third-party beneficiaries of the lower-tiered subcontract or purchase order (without liability for benefits received); (e) provide a consent to be joined in any dispute resolution procedure or proceeding involving Contractor, Owner, and Subcontractor; (f) consent that any such agreement may be assigned at Owner's or Contractor's option if this Subcontract is terminated for any reason; and (g) flow down all obligations as required by the Prime Contract and this Subcontract.

5.16 Code of Conduct. Subcontractor acknowledges receipt and review of Contractor's Code of Conduct, a copy of which is attached hereto as Exhibit D. Subcontractor and all of its employees, consultants, vendors and suppliers shall comply with the Code of Conduct in connection with all Work. The Parties hereto acknowledge that this Section is a material term of this Subcontract and that Subcontractor's failure to comply with same shall be grounds for termination for default.

5.17 Advertising. Subcontractor may not publish or advertise any description relating to the Project without first obtaining Contractor's written consent.

6. DISADVANTAGED BUSINESS ENTERPRISE PROGRAM. Contractor is committed to maximizing opportunities for disadvantaged business enterprises, including but not limited to any business enterprise owned by socially and economically disadvantaged individuals who are afforded protection by 49 CFR Part 26 or similar state program (collectively referred to as "DBE").

6.1 Subcontractor Program. Subcontractor shall comply with Owner's DBE program and work plan, including SP-01 and the Contracting Plan (Exhibit 2) referenced in SP-23, and shall meet or exceed the minimum DBE goals set forth in this Subcontract. Contractor will maintain oversight of Subcontractor's activities, including those identified within the DBE Work Plan, to ensure full compliance with the DBE requirements.

6.2 DBE Subcontractor. If Subcontractor is itself a qualified DBE, it shall: (a) provide to Contractor a copy of its DBE qualification certification; (b) immediately advise Contractor in writing of any change or update in such certification status; and (c) certify the amount of any lower-tiered subcontract from a non-DBE entity.

6.3 Lower-Tier Subcontractors. Subcontractor is responsible for meeting the DBE goals in the Prime Contract for its lower-tiered subcontracts, in conformance with 49 CFR Section 26.53(e). Contractor has the same rights against Subcontractor that Owner has against Contractor under the Prime Contract if Subcontractor fails to meet the DBE goal without making sufficient good faith efforts to meet said goal. If Subcontractor's lower-tiered subcontractor is a qualified DBE, Subcontractor shall certify the amount of such award and the percentage by which same satisfies, or exceeds, Subcontractor's share of the Project's participation goals.

7. SUBCONTRACT CHANGE ORDERS. Changes to the Subcontract Price or Subcontract Schedule may only be made in accordance with this section. Without notice to or the consent of Subcontractor's surety, Contractor may at any time direct changes in Subcontractor's Work consisting of additions, deletions, reductions, or other revisions to the Scope of Work and/or Subcontract Schedule ("Subcontract Change Order"). A Subcontract Change Order may arise from changes to the Work or Project schedule initiated by or the responsibility of Owner ("Owner Direction"). All Subcontract Change Orders shall be signed by the representative of Contractor authorized to issue such Subcontract Change Orders. Work reflected in a Subcontract Change Order is referenced hereinafter as "Subcontract Change Order Work."

7.1 Owner Changes. If Subcontractor requests an increase in the Subcontract Price or a change to the Subcontract Schedule due to Owner Direction, Subcontractor must submit its request in strict accordance with the terms of the Contract Documents. The provisions of the Prime Contract with respect to pricing, mark-up, overhead, approval, and performance of Owner Direction shall be applicable to this Subcontract and fully binding upon Subcontractor unless otherwise expressly provided for in this Subcontract. Contractor is liable to Subcontractor for Owner Directions only to the same extent that Owner is liable to Contractor for Subcontractor's Work. In the case of reduced or deleted Work resulting from an Owner Direction, any credit shall be calculated in accordance with the requirements of the Prime Contract, unless otherwise agreed by the Parties in writing. Owner's decision regarding the amount of any credit for the reduced or deleted Work resulting from an Owner Direction is binding upon Subcontractor. If Subcontractor disputes Owner's decision, Subcontractor may pursue a Claim as set forth below.

7.2 Other Changes. If Subcontractor seeks an increase in the Subcontract Price or change in the Subcontract Schedule for any Subcontract Change Order other than an Owner Change, the Parties will negotiate in good faith a change in the Subcontract Price and/or change in the Subcontract Schedule, as applicable. Subcontractor shall timely and diligently perform its Work, including all Subcontract Change Order Work, regardless of whether the Parties agree upon the change in the Subcontract Price or Subcontract Schedule. If the Parties fail to reach an agreement, Contractor may direct the Subcontract Change Order Work to be performed on a time and material basis or Contractor may issue a unilateral Subcontract Change Order in good faith, subject to Subcontractor's right to file a Claim. In no event shall Subcontractor delay or suspend the Work due to any disputed Subcontract Change Order. In the case of reduced or deleted Work resulting from a Subcontract Change Order other than an Owner Direction, the Parties shall negotiate the credit and any change to the Subcontract Schedule in good faith. If the Parties fail to reach an agreement, Contractor may issue a unilateral Subcontract Change Order in good faith, subject to Subcontractor's right to file a Claim.

7.3 Documentation Required. With regard to any increase or decrease in the Subcontract Price or change to the Subcontract Schedule, Subcontractor shall promptly provide to Contractor all documents or other information requested by Contractor to show how the increase or deduction was calculated or time impacts.

7.4 Amendment to Schedule of Values. The Schedule of Values may be amended to reflect any change in Subcontract Price or change in the Subcontract Schedule resulting from a Subcontract Change Order. By submitting any request for a Subcontract Change Order, Subcontractor authorizes Contractor to contact its suppliers of labor and materials to confirm the charges for labor, materials, or other items claimed by Subcontractor.

7.5 Time and Material Work. If Contractor directs Subcontractor to perform any Subcontract Change Order Work that is not directed by Owner on a time and material basis ("T&M Work"), such T&M Work will be payable as set forth below:

7.5.1 Labor. Payment for labor shall include only the following:

- (a) Wages: Direct field labor only up to and including the rank of working foreman;
- (b) Payroll Taxes: Actual cost. In determining actual costs, the statutory limitations for FICA,
- (c) State Unemployment Insurance, and Federal Unemployment Insurance must be taken into account;
- (d) Union Benefits: Actual cost per union agreements; and
- (e) Insurance: Actual net additional cost of insurance paid as a result of the T&M Work. In determining the actual cost of insurance, Contractor will be given the benefit of premium discounts, experience modifications, etc. There will be no reimbursement for flat rate policies such as auto insurance, etc.

7.5.2 Equipment. Payment for equipment shall only be made upon the following conditions:

- (a) Subcontractor must submit and Contractor must approve, in writing and prior to beginning any T&M Work, the estimated working time and idle time and the value or rates of equipment to be used by Subcontractor. Contractor's approval, in advance and in writing, of the estimated working time and idle time of equipment and the value and rates is a condition precedent to payment by Contractor for equipment under this section.
- (b) Payment for equipment shall be limited to the value or rates of equipment used of the size and capacity actually required for the safe and proper performance of the T&M Work. If Subcontractor

elects to use equipment of greater size, capacity, value or rental value, Contractor is only obligated to pay for equipment at the rate applicable for equipment actually required.

- (c) Rental charged for equipment owned by Subcontractor shall in no case exceed the monthly rates in the edition of the Rental Rate Blue Book current at the time the equipment is used on the T&M Work, as published by Equipment Watch. Contractor and Subcontractor may agree to a different rate. Where a piece of equipment used by Subcontractor is not listed in this publication, the rental rate shall be agreed upon by Contractor and Subcontractor prior to its use on the T&M Work.
- (d) Contractor will pay only the amount actually invoiced by the rental or leasing company for leased or rented equipment.

7.5.3 **Material and Installed Equipment.** Subcontractor will be paid the actual net cost of material and installed equipment. Contractor will be given the benefit of trade discounts provided to Subcontractor. Subcontractor must submit vendor's invoice or bill of sale and evidence of payment with its Payment Application that includes T&M Work. Subcontractor's payment for material and installed equipment is a condition precedent to payment by Contractor for same.

7.5.4 **Overhead and Profit.** Subcontractor may add up to 10% to the cost of labor and material and installed equipment for T&M Work as overhead and profit (combined), except that no overhead and profit is allowed on any overtime related to acceleration, on the premium portion of overtime, or on the benefits paid on overtime. No overhead and profit may be added to any other costs allowed under this section or on work performed by sub- subcontractors. If overhead and profit are required by the Prime Contract or by law to be paid on work performed by sub-subcontractors, the amount of overhead and profit on such work shall not exceed 5%. "Overhead and profit" as used in this subsection includes all home office general and administrative expenses, field supervision including superintendents, timekeeping, engineering, drafting, field office expense, small tools, general purpose equipment, Subcontractor's Association fees and any other costs not specifically enumerated herein.

7.5.5 **Documentation Required for T&M Work.** For all T&M Work, Subcontractor must deliver, not later than noon the day after the T & M Work was performed, to Contractor's Project Manager a daily time ticket reflecting:

- (a) A complete description of the T&M Work performed on that day;
- (b) The number of hours spent on the Subcontract Change Order Work by employee name and specific trade classification;
- (c) The number of hours in which an individual piece of equipment was used, with a description of the equipment, including manufacturer, model number, capacity, etc.; and
- (d) The quantity and specific nature of each item of material furnished or equipment installed for Subcontract Change Order Work or retrieved for salvage.

7.5.6 The Project Manager shall review and, if approved, sign and return the daily time ticket to Subcontractor.

7.5.7 Contractor may deny payment for T&M Work if Subcontractor fails to strictly adhere to the requirements set forth in this section.

7.5.8 All original invoices for extra work, complete with the original signed daily time tickets and material backup invoices from vendors, are to be sent to Contractor's main office, or to an address otherwise identified in Exhibit A. An identical copy must be sent to Contractor's jobsite project office.

7.6 Unit Price Work. Where unit prices apply to Work under the Prime Contract, including GC-30, and are stipulated in the Subcontract, either expressly or through incorporation by reference, all Subcontract Change Orders shall be made in accordance with the unit price terms and conditions of the Prime Contract. Unit prices stipulated in the Subcontract include all general and administrative expenses, overhead, profit, supervision, and all other direct and indirect expenses applicable to the Unit Price Work. Where Unit Price Work is not required by the Prime Contract but is ordered by Contractor, the unit prices stipulated in the Subcontract, either expressly or through incorporation by reference, shall be subject to an equitable adjustment only if they exceed the stipulated quantity of units set forth in the Subcontract by more than 15%.

7.6.1 Subcontractor shall give notice to Contractor, in advance, that it may exceed the stipulated quantities of any unit stipulated in the Subcontract in performing its Work before Subcontractor exceeds 80% of the stipulated unit, or at least 7 days in advance, whichever is earlier. Any increase in the stipulated quantities or unit price for any unit must be agreed to by Contractor and set forth in a Subcontract Change Order.

7.6.2 Failure to provide notice required in this subsection shall constitute a waiver by Subcontractor of its right to any equitable adjustment in the unit price. Any dispute regarding Unit Price Work is subject to the Claims Procedures in this Subcontract.

7.6.3 If any Subcontract Change Order was issued increasing the unit price based upon Subcontractor's notice and Subcontractor does not subsequently incur an increase in the stipulated quantities greater than 15%, Contractor is entitled to a credit to the Subcontract Price equal to the increase in the Subcontract Price resulting from the unit price increase in the Subcontract Change Order.

8. PAYMENT. Payments shall be made in accordance with the Schedule of Values included in Exhibit A. Contractor may request a more detailed Schedule of Values prior to Subcontractor's submission of its first application for payment. The detailed Schedule of Values shall show all items making up the total amount of the Subcontract Price. Contractor will either accept the detailed Schedule of Values in writing or provide its comments to Subcontractor. Upon receipt of any such comments, Subcontractor will revise and resubmit its proposed schedule of values accordingly until accepted by Contractor in writing.

8.1 Progress Payments. Contractor shall pay the Subcontract Price, less retainage in the same percentage as may be retained by Owner, through progress payments made pursuant to the Schedule of Values in Exhibit A. Subcontractor shall submit its application for progress payments ("Payment Application") in a form as directed by Contractor. Payment Applications must be submitted monthly, no later than 3 business days following the last day of Owner's current monthly pay period.

8.1.1 Payment Applications may be submitted only in conformance with the Schedule of Values, and only for that portion of Work that has been completed. Payment Applications shall be submitted to Contractor's jobsite project office and Contractor's Accounts Payable – Subcontracts Department at 1995 Agua Mansa Road, Riverside, CA 92509, unless otherwise directed in writing by Contractor. If approved in advance by Owner, Payment Applications may include requisitions for materials and equipment not incorporated in Subcontractor's Work but delivered and suitably stored at the site or at some other location, subject to further terms and conditions precedent as directed by Owner and Contractor. The risk of loss for such materials at all times shall remain on Subcontractor. If requested by Contractor, the application shall be accompanied by a forecast of next month's expected payment application.

8.1.2 In consideration of each Progress Payment and as an express condition precedent to the receipt thereof, Subcontractor shall provide Contractor with all documentation necessary to substantiate payment as may be requested by Contractor or Owner, including:

- (a) An original executed unconditional waiver and release upon progress payment, certifying payment for all labor performed and materials furnished as of the last day of the preceding Payment Application period, in the forms attached as Exhibit F;
- (b) An original executed conditional waiver and release upon progress payment, certifying payment for all labor performed and materials furnished as of the last day of the current Payment Application period, in the forms attached as Exhibit F;
- (c) An original executed Certification for Request for Payment in the form attached as Exhibit H; and
- (d) Original unconditional and conditional waivers and releases, on the appropriate forms identified above, executed by all of Subcontractor's suppliers, vendors, materialmen, sub-subcontractors or others, including union benefit funds, furnishing labor or materials in connection with the Project. If required by Contractor, pay quantities and daily reports shall be turned in daily to Contractor's Project Engineer. Failure to do so may delay payment.

8.1.3 Unless Exhibit A, the Prime Contract, or governing law requires a different time, payment to Subcontractor shall be made no later than 30 days after Contractor receives its payment from Owner for the portion of Subcontractor's Work for which Subcontractor has submitted a Payment Application.

8.1.4 If permitted by law, payment from Owner to Contractor is a condition precedent to Subcontractor's entitlement to payment for its Work. Subcontractor is not entitled to any payment for any Work that is rejected by Owner or Contractor, or for any Work for which Owner withholds any payment to Contractor. Subcontractor and Contractor acknowledge that there is a risk that the Owner may breach of the Prime Contract by making late payments or failing to pay Contractor. The Parties will share the credit risk of Owner and the risk of non-payment by Owner in proportion to their entitlement to payments due for their respective work, together with that of all subcontractors on the Project. Where applicable law does not allow for the Owner's prior payment to Contractor to serve as a condition precedent, then Subcontractor shall wait a reasonable period of time to receive payment so as to afford Contractor the opportunity to seek and obtain payment from Owner. Subcontractor is not entitled to receive payment which Contractor has not received from Owner for Subcontractor's Work until the expiration of such reasonable period of time.

8.2 Final Payment. Subcontractor shall submit a Final Payment Application promptly after Owner's final approval and acceptance of Subcontractor's Work. Subcontractor shall provide Contractor with all documentation necessary to substantiate payment as may be requested by Contractor or Owner, including:

- (a) An original executed conditional waiver and release upon final payment certifying payment for all labor and materials furnished as of the last day of Subcontractor's Work, in the forms attached as Exhibit F;
- (b) Unconditional waivers and releases upon final payment, in the forms attached as Exhibit F, originally executed by all of Subcontractor's suppliers, vendors, materialmen, sub-subcontractors or others, including union benefit funds, furnishing labor or materials in connection with the Project;
- (c) All required close-out obligations and documents for all Work required by the Contract Documents; and
- (d) An original executed Certification for Request for Payment in the form attached as Exhibit H; and
- (e) If Subcontractor furnished a payment or performance bond, the written consent of Subcontractor's surety(ies) to Contractor's release of final payment to Subcontractor.

8.2.1 Unless the Prime Contract or governing law requires a different time, Final Payment to Subcontractor will be made no later than 90 days after Contractor receives its payment from Owner for the portion of Subcontractor's Work for which Subcontractor has submitted a Payment Application. If permitted by law, Owner's acceptance of Subcontractor's Work, payment from Owner to Contractor for Subcontractor's Work, and Contractor's receipt of all required documentation are conditions precedent to Subcontractor's entitlement to receive final payment. Unless otherwise required by law, payment by the Owner to the Contractor for all of Subcontractor's Work shall be a condition precedent to Subcontractor's entitlement to final payment, unless the Owner's failure to make such payment is for reasons unrelated to Subcontractor's Work or its failure to satisfy obligations under this Subcontract. To the extent applicable law does not permit the making of Final Payment by Owner to Contractor to serve as a condition precedent, Subcontractor shall wait a reasonable period of time to receive Final Payment so as to afford Contractor the opportunity to seek and obtain same from Owner. Subcontractor is not entitled to receive Final Payment which Contractor has not received from Owner for Subcontractor's Work until the expiration of such reasonable period of time.

8.2.2 After receipt of Final Payment, Subcontractor shall deliver an original executed unconditional waiver and release upon final payment in the forms attached as Exhibit F, together with a written certification that it has paid all outstanding obligations to laborers, sub-subcontractors, suppliers or others for which it is a trustee of contract funds under any statute, and has satisfied all of its payroll tax obligations in connection with the Project.

8.3 Disputes with Lower-tiered Subcontractors. In the event of any disputes between Subcontractor and its laborers, sub-subcontractors, suppliers or others, Subcontractor may except same from such waivers and releases but shall furnish complete details as to the nature of such disputes, showing that Contractor is adequately indemnified against any loss emanating from such dispute.

8.4 Pay Quantities and Daily Reports. If required by Contractor or Owner, documents supporting Pay Applications, including pay quantities and daily reports, shall be turned in daily to Contractor. Any delay may delay progress payments.

8.5 Satisfaction of Subcontractor Obligations. No payment received by Subcontractor may be used for any purpose other than to pay monies owed by Subcontractor to persons furnishing labor, equipment, or materials used in performing the Work unless and until all Subcontractor's obligations to such persons have been fully satisfied or discharged. Any sums received by Subcontractor from Contractor shall be received in trust for payment to persons furnishing labor, equipment, or materials used in performing the Work and Subcontractor shall not be deemed to hold any right, title or interest therein absent a contractual or legal right to the contrary.

Subcontractor is liable for any loss, cost, damage or expense, including legal expenses, incurred by Contractor by reason of Subcontractor's violation of this covenant.

8.6 Backcharges. If, in Contractor's good faith opinion, Contractor is subject to any actual or potential losses, including but not limited to damages, judgments, or expenses (including attorneys' fees), for which Contractor is entitled to reimbursement or indemnity from Subcontractor, Contractor may withhold from any payment to Subcontractor an amount sufficient to cover such loss. If the backcharge is not sufficient to cover Contractor's actual losses arising from Subcontractor's Work, Subcontractor shall pay Contractor the difference within 10 days of Contractor's demand.

8.7 Liens, Claims, or Suits. If, at any time before Final Payment, there is a lien, claim, or any other type of encumbrance (collectively "Lien") filed against Subcontractor related to its Work, Contractor shall have the right to retain out of any payment due or which may become due to Subcontractor an amount sufficient to indemnify Contractor against any loss, cost or expense arising from any such Lien, including reasonable attorney's fees. Subcontractor shall cause any Lien to be discharged by payment, bonding, or otherwise within 7 days of receipt of notice of the Lien or within the time periods required by the Prime Contract, whichever is shorter. If Subcontractor fails to discharge such Lien within 7 days, Contractor may pay or otherwise discharge such Lien and withhold the costs incurred in doing so, including reasonable attorney's fees, from any amounts owed Subcontractor. The rights contained in this section are absolute and not dependent upon the ultimate validity of such Lien. Any amounts retained by Contractor pursuant to this section will be interest free and will not be released until the invalidity of any such Lien has been conclusively determined by a tribunal of competent jurisdiction, or has been properly paid and satisfied, and documents evidencing such disposition have been presented to Contractor.

8.8 No Acceptance of Work by Payment. Payments to Subcontractor do not constitute or imply acceptance of Subcontractor's Work or waive Contractor's rights or remedies it may have under this Subcontractor or in law. Payments to Subcontractor do not constitute a waiver by Contractor or Owner with regard to defects respecting any portion of Subcontractor's Work that are discovered after any Progress Payment or Final Payment to be non-conforming or defective for any reason.

9. INDEMNIFICATION. To the fullest extent permitted by law, Subcontractor agrees to fully defend, indemnify, and hold harmless Contractor (including its officers, directors, agents, servants, employees and affiliated and related corporate entities), Contractor's surety, and Owner, as well as each and every party and/or person which Contractor is contractually or legally required to defend and/or indemnify (collectively "Indemnitees" and individually the "Indemnitee"), from and against any and all claims, demands, losses, damages, liens, stop payment notices, penalties, costs, expenses, and/or liabilities arising out of, pertaining to, or relating to (a) Subcontractor's Work and/or contractual obligations whether performed by Subcontractor and/or anyone acting through or on its behalf, (b) materials and services provided by Subcontractor and/or anyone acting through or on its behalf, (c) the performance or failure to perform the Work by Subcontractor and/or anyone acting through or on its behalf, and/or (d) violation or infringement of any patent and/or intellectual property rights by Subcontractor and/or anyone acting through or on its behalf (collectively "Indemnified Claims" and individually "Indemnified Claim"). This duty to defend, indemnify, and hold harmless is without regard to any negligence or fault by Subcontractor and/or anyone acting through or on its behalf. Having fully considered its options at law, Subcontractor elects to proceed under Civil Code section 2782.05, subdivision (e)(2) with respect to its duty to defend. Upon final resolution of any such Indemnified Claim, any reallocation of defense fees and costs shall be governed by section 2782.05 of the Civil Code and the Claims provisions of this Subcontract.

9.1 Scope. In no event shall Subcontractor's obligations hereunder be construed to require indemnity or defense to a greater extent than permissible under the statutes or public policy of the State of California. Subcontractor has no duty to defend and indemnify Contractor (including its officers, directors, agents, servants, employees and affiliated and related corporate entities) or its surety to the extent that any Indemnified Claim (a) arises out of the sole or active negligence or willful misconduct of Contractor, its agents, servants and/or other independent contractors, (b) arises out of defects in design furnished by the Contractor, its agents, servants and/or other independent contractors, or (c) does not arise out of the Subcontract Work, whether performed by Subcontractor and/or anyone acting through or on behalf of Subcontractor. Subcontractor agrees to defend and indemnify Owner, as well as each and every party and/or person which Contractor is contractually or legally required to defend and/or indemnify, to the same extent that Contractor is required to do so. Subcontractor agrees to ensure that all of its lower-tiered subcontractors are obligated to fully indemnify, defend, and hold harmless all Indemnitees to the same extent that Subcontractor is obligated hereunder. Subcontractor's obligations hereunder shall not be limited by the provisions of any worker's compensation laws or by the existence of any insurance.

9.2 Protection of the Work. Subcontractor assumes to Contractor all duties and obligations which Contractor assumes to Owner under the Prime Contract and shall have primary responsibility and liability with respect to the protection of its Work, including GC-26. Subcontractor shall, at its own expense, fully protect, insure against and secure its Work from injury or damage. Any damage caused to Subcontractor's work prior to final acceptance and payment for the Project shall be immediately rectified by Subcontractor at its sole expense, or, without limiting any other remedy or right it may have, Contractor may remedy the damage caused thereby and deduct the reasonable cost thereof from any amounts due or to become due Subcontractor.

10. TERMINATION AND SUSPENSION.

10.1 Termination for Default. If Subcontractor materially breaches any term of this Subcontract, Contractor may terminate for default the Subcontract or any part thereof, as determined by Contractor in its sole discretion. Contractor may also terminate this Subcontract for default, in whole or in part, if:

- (a) The Work, or any part thereof, is not commenced or prosecuted by Subcontractor in accordance with the Subcontract Schedule and in sufficient time for Contractor to meet its schedule under the Prime Contract;
- (b) Subcontractor fails or refuses to comply with Contractor's written orders or directions;
- (c) Subcontractor delays or interferes with the Prime Work;
- (d) Subcontractor fails to pay its subcontractors, laborers, materialmen, or others to whom it may be indebted when such debts become due;
- (e) Subcontractor fails to comply with the requirements of any federal, state, or local law, regulations, or other legal requirement, including the requirement to provide certified copies of payroll;
- (f) Subcontractor fails to furnish adequate assurances, as determined in Contractor's discretion, of its ability to duly and timely complete the Work; or
- (g) Any petition for Subcontractor's bankruptcy, or any other insolvency proceedings, is filed or commenced by or against Subcontractor; a receiver is appointed for Subcontractor; or Subcontractor makes an assignment for the benefit of its creditors.

10.1.1 Contractor will provide written notice of any default to Subcontractor. If Subcontractor does not cure or substantially commence cure within 3 days after receipt of notice of default and thereafter continuously and diligently proceed to cure the default, Contractor may terminate this Subcontract for default. Contractor's failure to provide notice of a default within a certain time period shall not waive its right to do so thereafter during any time such default continues to exist and shall not relieve Subcontractor of any of its obligations under this Subcontract.

10.1.2 Contractor may take over and complete any Work not completed by Subcontractor prior to termination under this section ("Terminated Work") or, at its option, employ others to complete the Terminated Work. Contractor, or anyone employed on Contractor's behalf to complete the Terminated Work, may use any major equipment or materials provided by Subcontractor until all Terminated Work has been completed. After the Terminated Work has been completed, Subcontractor may remove such equipment or materials that remain, but neither Contractor nor any person employed on Contractor's behalf to complete the Terminated Work is liable for ordinary wear and tear. Subcontractor shall reimburse Contractor for all costs to complete the Terminated Work, including the following: (a) the actual and necessary expense of completing the Terminated Work (including all charges of any person employed to finish the Work); (b) attorneys' fees incurred by Contractor in exercising its rights under this section; (c) damages incurred by Contractor, Owner, or any other subcontractor or contractor working on the Project through Subcontractor's default; and (d) 10% of direct costs for overhead if Contractor completes the Work itself (items (a) through (d) hereinafter "Completion Costs").

10.1.3 If this Subcontract is terminated for default, Subcontractor is not entitled to any further payment until all of the Terminated Work is completed and Contractor has received payment in full therefor from Owner. If the Subcontract Price less all previous payments made to Subcontractor exceeds the Completion Costs, such excess shall be paid by Contractor to Subcontractor. If such Completion Costs plus all previous payments made to Subcontractor exceeds the Subcontract Price, Subcontractor shall pay the difference to Contractor. Except to the extent prohibited by any applicable statute, Contractor shall have the right to set off against any other balances and obligations due or to become due to Subcontractor under any other subcontract(s) between Contractor or its affiliates and Subcontractor. This right of set off shall be deemed to be included and incorporated in every other subcontract between Contractor or its affiliates and Subcontractor as an amendment in writing thereto.

10.1.4 If this Subcontract is terminated for default and it is determined that such termination was improper or wrongful, the termination shall then be deemed to be a termination for convenience, but no pre-judgment or other interest shall apply in respect of any payment due Subcontractor thereunder.

10.2 Termination for Convenience. Contractor shall have the right to terminate, in whole or in part, this Subcontract for its own or Owner's convenience, for any reason and regardless of whether Subcontractor is in default. Contractor shall provide written notice of any termination for convenience to Subcontractor signed by an authorized representative of Contractor. Subcontractor must stop its Work immediately upon receipt of such notice. If this Subcontract is terminated for Contractor's convenience, Contractor shall pay Subcontractor for that portion of the Work actually performed plus any costs for labor, subcontractors, or materials, reasonably and necessarily incurred by Subcontractor to comply with such termination ("Subcontractor Termination Costs") plus an amount equal to 5% of such Subcontractor Termination Costs for and in lieu of overhead and profit thereon. Contractor shall not be liable to Subcontractor for any other costs nor for prospective profits on Work not performed.

10.3 Owner Termination. If the termination is due to any default or action by Owner, or as a result of court order or public authority, Contractor is not liable to Subcontractor for any sum greater than that which Contractor receives from Owner with respect to Subcontractor's performance, less any costs incurred by Contractor in obtaining that amount from Owner.

10.4 Surety's Waiver. If an indemnity agreement between Subcontractor and its surety gives rise to any claim by or right of Subcontractor to or for a stay, limitation, or reduction of Contractor's rights or remedies against the surety, surety agrees to subordinate and/or waive the provisions of its indemnity agreement in favor of immediate enforcement of Contractor's rights under its bonds.

10.5 Suspension of Prime Work. If the Prime Contract is suspended in whole or in part by Owner, Contractor may similarly suspend Subcontractor's Work and Subcontractor's rights will be limited to such extension of the Substantial Completion Date by the same time as may be allowed to Contractor by Owner. Subcontractor shall not be entitled to any compensation from Contractor on account of such suspension, unless and only to the extent that Owner compensates Contractor for additional costs incurred by Subcontractor on account of such suspension.

10.6 Suspension of Subcontract Work. If deemed to be in the Project's best interest, Contractor may temporarily suspend the Work or any part thereof. Subcontractor's entitlement to additional time or compensation is subject to the applicable terms of this Subcontract.

11. CLAIMS. The term "Claim" as used throughout this Subcontract means any request, demand, or claim for, extra or additional money, time, change or reduction of responsibility, the adjustment or interpretation of contract terms, or other relief arising under or relating to the Subcontract.

11.1 Strict Compliance. Subcontractor's strict compliance with all provisions in this Claims section is a condition precedent to Subcontractor's filing of any litigation relating to this Subcontract. Subcontractor's failure to comply strictly with the terms of this section will constitute a waiver of any such Claim and shall relieve Contractor of all responsibility to make any payments or provide any extension of time or any other relief to Subcontractor, or to present Subcontractor's Claim to Owner or any other entity for any amounts claimed or other relief sought by Subcontractor. Contractor's consideration, acceptance, presentation, or prosecution of any Claim shall not constitute a waiver by Contractor of Subcontractor's failure to strictly comply with this section.

11.2 Notice Requirements. Unless the Prime Contract imposes a shorter deadline, Subcontractor must submit to Contractor written notice ("Claim Notice") of any Claim within 72 hours after the commencement of the event or condition which is the basis for a Claim. The Claim Notice must include the amount of increase in the Subcontract Price and/or the Subcontract Schedule or any other relief sought and the specific reasons why Subcontractor is entitled to the relief. Each Claim Notice must be accompanied by all documentation that supports the Claim. If Subcontractor incurs additional costs or delays, or the relief sought by Subcontractor otherwise changes after the Claim Notice seeking such relief has been submitted, Subcontractor must amend its Claim Notice and update the supporting documentation within 30 days of such change.

11.3 Owner Claims. If Subcontractor's Claim is due, in whole or in part, to any act, omission, direction or order of Owner or its agents ("Owner Claim"), Subcontractor's only recourse is Contractor's presentation of the Owner Claim to Owner. Contractor's liability to Subcontractor on account of any Owner Claim shall be limited to the compensation or relief obtained from Owner for same.

11.3.1 The procedure provided for in the Prime Contract for the submission, documentation and determination of claims shall govern Subcontractor's Owner Claim and the determination of Owner shall be final, conclusive, and binding upon Subcontractor. Contractor shall present Subcontractor's Owner Claim to Owner in a timely manner, either in its own name or in the name of Subcontractor only if Subcontractor strictly complies with this section, including but not limited to the following requirements:

- (a) Within the deadlines set forth in this Subcontract, Subcontractor must submit its Owner Claim in strict compliance with the requirements of the Prime Contract for the submission of Contractor's claims to Owner;
- (b) Subcontractor must include with its Owner Claim all substantiation for all relief sought as is required in the Prime Contract and this Subcontract, as well as any certification of Subcontractor that may be required by Owner; and
- (c) Subcontractor must certify that it has duly substantiated its Owner Claim and that such Owner Claim is truthful and accurate.

Contractor may refuse to present a Subcontractor Claim to Owner to the extent that Contractor reasonably determines that such Claim is without merit, unsubstantiated, or lacks a good faith basis for assertion.

11.3.2 Subcontractor shall pay all costs, including legal fees, incurred by Contractor in the presentation of any Owner Claim, regardless of the outcome. Contractor may treat Subcontractor's failure to promptly pay such costs as a withdrawal of its Owner Claim. If Contractor's submission of Subcontractor's Owner Claim is combined with Contractor's claims or another subcontractor's claims, Subcontractor will pay its reasonable portion, as determined by Contractor, of the costs, including legal fees, incurred by Contractor in accordance with this subsection.

11.3.3 If a recovery or settlement from Owner does not expressly allocate an amount to Subcontractor's Owner Claim, the Parties shall endeavor to agree upon such allocation in good faith; however, if they are unable to so agree, the allocation of any recovery or settlement, expenses, and costs will be made by Contractor in good faith.

11.3.4 It is within Contractor's discretion whether to commence or, if commenced, to continue, any legal proceedings against Owner, including compromise or settlement of any such proceedings, relating to Subcontractor's Owner Claim, provided, however, that Contractor shall endeavor in good faith to keep Subcontractor informed and to consult with Subcontractor in advance of the commencement, discontinuance, or settlement of any such proceedings.

11.4 Other Claims. Within 30 days after a Party sends notice to the other Party of any dispute other than an Owner Claim ("Dispute"), each Party shall designate a senior representative to engage in direct negotiation to resolve the Dispute. The senior representatives will meet in person, or if both Parties agree, via telephone, within 30 days of being so designated and will make a good faith attempt to resolve the Dispute. If the representatives cannot negotiate a resolution to the dispute, the Parties may submit the dispute for mediation administered by the American Arbitration Association under its Construction Industry Mediation Procedures. Each Party shall pay an equal share of the cost of the mediator and any AAA fees. The mediation will be held in the venue for litigation, unless otherwise agreed by both Parties. Mediation shall be a condition precedent to the initiation of any formal lawsuit in a court of competent jurisdiction. Any such lawsuit shall be initiated in a state or federal court of competent jurisdiction within the County and the State that the Project is located. However, should filing of such lawsuit be required to preserve a Party's rights hereunder, such filing shall be made and the matter stayed pending completion of mediation. Subcontractor waives any claim for special, incidental, consequential or penal damages for any Dispute, including, without limitation, any right to claims for loss of income, revenue, profit, interest or efficiency.

12. MISCELLANEOUS PROVISIONS.

12.1 Assignments and Subletting. Subcontractor may not assign the Work or any part of it, or make any assignments of any money due or to become due to it hereunder, or give any orders to Contractor for payments to third parties, without the prior written consent of Contractor. Any such assignment without Contractor's prior written consent is void at Contractor's discretion. This Subcontract is binding on and inures to the benefit of the permitted successors and assigns of the Parties.

12.2 Inspection of Records. Contractor and Owner may audit all of Subcontractor's books, records, documents, schedules, bid estimates, and other data of Subcontractor relating to bidding, pricing or performance of this Subcontract or any Subcontract Change Order for any reason. Contractor and Owner may also conduct any audit as permitted by the Prime Contract, including SP-35 and CP-9. This right is in addition to any other discovery or similar rights arising out of litigation, and is subject to specific enforcement and injunctive relief. Contractor may exercise this right for the same period of time that Owner may do so under the Prime Contract, but in no event shall such period of time be less than 6 years after Owner's acceptance of the Project.

12.3 Cumulative Rights and Remedies of Contractor. None of the rights and remedies granted to, conferred upon, or reserved by Contractor under this Subcontract are exclusive or impose any limitations upon, or be in derogation of any right or remedy of Contractor now existing, or hereafter to exist, at law, in equity or by statute, or in the manner or time for the exercise thereof. Each and every right and remedy of Contractor under this Subcontract is cumulative and in addition to all other rights and remedies of Contractor under this Subcontract, now existing or hereafter to exist, at law, in equity, or by statute. Names or headings of Sections and the location of any clause shall not be construed so as to limit or restrict the purpose or intent thereof.

12.4 Owner Consent. Where the Prime Contract requires Owner approval of subcontractors, this Subcontract shall be of no force or effect until Owner gives its consent and/or approval in writing to subcontracting the Work to Subcontractor unless Owner shall have waived such requirement. If this Subcontract predates the Prime Contract, award of the Prime Contract to Contractor and full execution thereof is a condition precedent for either Party to enforce any Subcontract rights or obligations.

12.5 Form and Manner of Notice. Where required by the terms of this Subcontract, written notice may be either (a) by personal service or (b) by use of a recognized public overnight courier service, or Express United States mail. The written notice shall become effective upon receipt. Personal service may be delivered to the senior representative of the party at the Project site or to such person at the office address of the party set forth in this Subcontract. Service by mail, or overnight courier, shall be sent to the party at its office address set forth herein.

12.6 Merger; No Oral Modification; No Third Party Rights. All prior writings, representations, negotiations, and understandings with respect to the subject matter of this Subcontract, including the Project or the Work, are merged herein. This Subcontract cannot be modified, nor any term or provision thereof waived, except by written instrument duly signed by the Parties or their successors in interest. Nothing in this Subcontract shall be construed to create any rights of any kind in or for the benefit of any third-party.

12.7 Severability and Waiver. The invalidity of any term or provision of this Subcontract, whether declared invalid by a court or otherwise, shall not affect the validity of any other term or provision hereof. The failure of Contractor to enforce any provision of this Subcontract shall not constitute a waiver of the future enforcement of that provision and shall not constitute a waiver of the enforcement of any other provision.

12.8 Neutral Interpretation. This Subcontract is deemed to have been jointly prepared by all Parties hereto and shall not be construed against any particular Party.

12.9 Governing Law. This Subcontract shall be governed, construed, and enforced in accordance with the laws of the State of California, without regard to its conflict of laws rules.

13. EXHIBITS. All terms, conditions, obligations, and documents incorporated by reference in the following exhibits are incorporated into this Subcontract:

- (a) Exhibit A – Scope Work and Contract Price;
- (b) Exhibit B – Safety;
- (c) Exhibit C – Insurance;
- (d) Exhibit D – Code of Conduct;
- (e) Exhibit E – Certain Prime Contract Clauses;
- (f) Exhibit F – Waivers and Releases;
- (g) Exhibit G – Payment and Performance Bonds; and
- (h) Exhibit H – Certification for Request for Payment.

(i) Exhibit I – Subcontractor Quality Control

IN WITNESS WHEREOF, the parties hereto have duly executed this Subcontract as of the day and year first above written.

CONTRACTOR:

SUBCONTRACTOR:

REGIONAL CONNECTOR CONSTRUCTORS

BY: _____

BY: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

LICENSE NO.: #991917 _____

LICENSE NO.: _____

CONTRACTORS ARE REQUIRED BY LAW TO BE LICENSED AND REGULATED BY THE CONTRACTOR'S STATE LICENSE BOARD WHICH HAS JURISDICTION TO INVESTIGATE COMPLAINTS AGAINST CONTRACTORS IF A COMPLAINT REGARDING A PATENT ACT OR OMISSION IS FILED WITHIN FOUR YEARS OF THE DATE OF THE ALLEGED VIOLATION. A COMPLAINT REGARDING A LATENT ACT OR OMISSION PERTAINING TO STRUCTURAL DEFECTS MUST BE FILED WITHIN 10 YEARS OF THE DATE OF THE ALLEGED VIOLATION. ANY QUESTIONS CONCERNING A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR, CONTRACTOR'S STATE LICENSE BOARD, PO BOX 26000, SACRAMENTO, CALIFORNIA 95826.

APPENDIX "A" SCOPE OF WORK AND CONTRACT PRICE

The work shall include, but not be limited to the following items, clarifications and/or modifications:

Scope:

Subcontractor shall provide XXXXXXXXXXXXXXXXXXXX in accordance with the Contract Documents.

Schedule of Values:

ITEM	COST CODE	DESCRIPTION	QTY	UM	UP	Total
XXX	XXX.XX.XX.XXXXA		0	EA	\$0.000	\$0.00
XXX	XXX.XX.XX.XXXXB		0	EA	\$0.000	\$0.00
XXX	XXX.XX.XX.XXXXC		0	EA	\$0.000	\$0.00
XXX	XXX.XX.XX.XXXXD		0	HR	\$0.000	\$0.00
XXX	XXX.XX.XX.XXXXE		0	AL	\$0.000	\$0.00
Total:						\$0.00
Amount Written Out: XXXXXXXX Dollars and XX Cents						

CLARIFICATIONS:

1. This Subcontract Agreement will be executed on a XXXX basis per the Schedule of Values, not to exceed \$XXXXX
2. .
3. .
4. .
5. .
6. .
7. SUBCONTRACTOR must provide *weekly*, one (1) original and (1) copy of all certified payrolls, including non-performance, and fringe benefit statement if required by law or by the Prime Contract. Send Inquiries to: laborcompliance@skanska.com.
8. SUBCONTRACTOR to furnish bond, CONTRACTOR to pay bond premium, up to 1%; premium over 1% to be paid by SUBCONTRACTOR.
9. SUBCONTRACTOR shall perform all work in accordance with the labor provisions of the Prime Contract.
10. SUBCONTRACTOR to furnish all Work to complete scope in accordance with the Contract Documents.
11. All unit prices in the Schedule of Values are fixed for the duration of the project and all quantities therein are estimated. Actual total amount paid for each line item and subsequent total will depend upon the final quantity fulfilled at CONTRACTOR request. Total dollar amount is an estimate only and not guaranteed to SUBCONTRACTOR.
12. SUBCONTRACTOR shall comply with and satisfy the LACMTA Pre-Qualification Application requirements.
13. Retention not to exceed percentage withheld by OWNER.
14. SUBCONTRACTOR shall submit all required Conditional Waiver and Release Forms with SUBCONTRACTOR's invoice. CONSULTANTS's failure to submit all required Conditional Waiver and Release forms shall result in delay of payment by CONTRACTOR to CONSULTANT until CONSULTANT submits all required Conditional Waiver and Release Forms.
15. SUBCONTRACTOR shall submit all required Unconditional Waiver and Release Forms upon receipt of payment from CONTRACTOR. SUBCONTRACTOR's failure to submit all required Unconditional Waiver and Release forms shall result in delay of payment by CONTRACTOR to SUBCONTRACTOR of future invoice(s) until SUBCONTRACTOR submits all required Unconditional Waiver and Release Forms.

EXHIBIT B

SAFETY

GENERAL RESPONSIBILITY

SUBCONTRACTOR is obligated to provide a safe and healthful working environment for its employees and any other persons exposed to its work.

SUBCONTRACTOR is obligated to comply with all applicable environmental, health and safety requirements of the CONTRACTOR and owner; as well as all laws, codes, ordinances, rules, regulations and lawful orders of all public authorities as they pertain to the SUBCONTRACTOR's work.

TRANSPORTATION AND ENVIRONMENTAL COMPLIANCE:

If a SUBCONTRACTOR's work activities involve transportation or shipping of hazardous materials, as defined by the Department of Transportation, or if the work requires Environmental Controls for spills/releases, SUBCONTRACTOR will appoint a designee to provide compliance support. In the event of an incident/release, the designee will coordinate all response activities for the SUBCONTRACTOR. The designee will also notify the insurance carriers and HAZMAT of any incidents/releases.

SUBCONTRACTOR will submit copies of Material Safety Data Sheets (MSDS) for all listed hazardous materials it intends to bring on-site, prior to their arrival. When requested, SUBCONTRACTOR will provide training to CONTRACTOR'S employees and other parties who may be routinely exposed to these materials, at no cost to CONTRACTOR.

REQUIREMENTS PERTAINING TO WORK AT CONTRACTOR FACILITIES AND ON-PROJECT ACTIVITIES

The following shall apply to SUBCONTRACTORS of all tiers, providing ON-PROJECT or CONTRACTOR FACILITY construction, renovation and services at no additional cost to the CONTRACTOR. If the requirements set forth in this agreement conflict with any of the following; Prime Contract, SHEMS, IIPP or other applicable safety documents, the most stringent standards will apply.

Full compliance with the CONTRACTOR's safety program (SHEMS/ IIPP) including required drug testing. A copy will be available for review and distribution at the CONTRACTOR's field or area office(s). SUBCONTRACTOR may adapt any part of the program appropriate for its organization and scope of work.

A SUBCONTRACTOR's safety record, procedures and relevant exceptions are to be made available to CONTRACTOR for review, as requested. SUBCONTRACTORS that do not meet the following maximum limits must provide an acceptable explanation of their current deficiencies and proposed efforts to ensure an acceptable safety performance in the future. Exceptions are acceptable at CONTRACTOR's discretion.

- Experience Modification Rate = 1.25 (interstate or intrastate as applicable)
Note: EMR is not applicable to Joint Venture organizations but EMR of parent companies may be requested for review.
- OSHA Recordable Incidence Rate (for the most recent calendar year) = 3.5
- Lost workday Rate = 1.0 (for the most recent calendar year).
- Company and/or its corporate officials may not be listed on the EPA Criminal Enforcement Docket.

SAFETY VIOLATIONS:

SUBCONTRACTOR must promptly correct any violation of safety protocol within their area of responsibility. CONTRACTOR will notify SUBCONTRACTOR if an apparent violation is observed.

If notified of any non-compliance, SUBCONTRACTOR will take immediate action and make all reasonable efforts to correct the unsafe or unhealthy condition(s) or act(s) within a reasonable time. If SUBCONTRACTOR refuses to take corrective action, CONTRACTOR will initiate one or more of the appropriate actions, in accordance with the subcontract provisions:

- A. Cease the operation or a portion thereof (particularly in the case of an imminent danger).
- B. Correct the situation and back charge SUBCONTRACTOR.
- C. Stop or delay payment for the work being performed.
- D. Invoke subcontract penalties and/or terminate the subcontract.
- E. Order the permanent or temporary removal of personnel from the project.

In the event SUBCONTRACTOR fails to comply with the project safety and health regulations and/or fails to correct identified hazards, CONTRACTOR may, without prejudice to any other legal or contractual rights of CONTRACTOR, issue a stop work order and/or the removal of personnel from the project. A start order to resume work will be issued, at the discretion of CONTRACTOR. SUBCONTRACTOR will not file a claim(s) for time-extension or additional compensation by reason of, or in connection with, such action on behalf of the CONTRACTOR.

If safety protocol is violated, SUBCONTRACTOR will enforce uniform disciplinary action to the appropriate party. The enforced action will be consistent with the Owner and/or CONTRACTOR's safety policy. CONTRACTOR may order the immediate, permanent or temporary, removal of any individual(s) from the project site if they violate safety protocol. CONTRACTOR may order the immediate removal of any individual in a supervisory position, who fails to take prompt, corrective action when notified of non-compliance with safety requirements.

REQUIREMENTS PERTAINING TO ON-PROJECT ACTIVITIES

The following shall apply to SUBCONTRACTORS of all tiers, providing ON-PROJECT construction, renovation and services. If the requirements set forth in this agreement conflict with any of the following; Prime Contract, SHEMS, IIPP or other applicable safety documents, the most stringent standards will apply.

SUBCONTRACTORS of all tiers are responsible for the development, implementation, administration and enforcement of their individual environmental, health and safety programs. SUBCONTRACTOR will ensure that all requirements are passed on to its SUBCONTRACTORS to include but not limited to: JOB HAZARD ANALYSIS (JHA); PERSONAL PROTECTIVE EQUIPMENT (PPE) AND DRESS REQUIREMENTS and SUBSTANCE ABUSE PREVENTION PROGRAM.

EMPLOYEE ORIENTATION AND TRAINING:

Employees of SUBCONTRACTORS of all tiers, upon their first day of employment or initial entrance onto the project site, are required to attend a CONTRACTOR Project Safety Orientation. SUBCONTRACTOR is responsible for all costs associated with employee training. CONTRACTOR will provide SUBCONTRACTOR with copies of the Code of Safe Work Practice and other site specific orientation materials. This orientation program will include:

SUBCONTRACTOR project supervisory personnel at the Foreman level and above are required to complete an OSHA 30 hour Construction Safety Training Class. Authorized documentation of completion must be provided to CONTRACTOR within 60 calendar days of attending CONTRACTOR's Project Orientation. Failure to comply will result in removal of the individual(s) from the project. Documentation must be dated within 12 months prior to the CONTRACTOR's Project Orientation.

SUBCONTRACTOR, at its own expense, will provide safety training for its employees and the employees of its lower tiered SUBCONTRACTORS. Such training will be documented, with copies provided to CONTRACTOR as requested. Safety training will include:

1. Orientation of safety policies stipulated by the SUBCONTRACTOR prior to each employee's initial work assignment on the project.
2. Supervisor orientation to safety policies and their responsibility to enforce them.
3. Daily "Toolbox Talks" on an appropriate safety subject, for all employees.

4. Hazardous materials training (HAZCOM).
5. Personal protective equipment
6. Personal safe work practices
7. Special safety training for those affected, including but not limited to: confined space entry, respiratory protection, hot work permits, fire watch, trenching/excavation, fall protection, scaffolding, lock-out/tag-out, forklifts, hoisting and rigging, etc.
8. Employee's rights and obligations
9. OSHA 30 hour Construction Safety Class for all supervisors.

SAFETY REPRESENTATIVE:

SUBCONTRACTOR will designate a "Safety Representative" with authority to manage SUBCONTRACTOR's work, and its lower-tier SUBCONTRACTORS, IIPP and project environmental, health and safety programs. The Safety Representative's responsibilities, including implementation and enforcement of the program(s), will be specified in the IIPP.

Prior to the commencement of work, SUBCONTRACTOR will provide the name and qualifications of the on-site Safety Representative to CONTRACTOR for approval. The Safety Representative must have a current certification in First-Aid/CPR from an accredited agency, and have completed the basic "30 hour Introduction to OSHA" Construction Safety Outreach course within the last 12 months.

No field related work will commence prior to the CONTRACTOR's Safety Department approving the SUBCONTRACTOR Safety Representative

SAFETY MANAGER:

If any of the following criteria is met SUBCONTRACTOR and any lower tier SUBCONTRACTOR shall designate a full time Safety Manager:

- SUBCONTRACTOR employs 30 or more employees at the project site.
- SUBCONTRACTOR contract is greater than 10 million dollars.
- CONTRACTOR determines that SUBCONTRACTOR work warrants a Safety Manager due to scope and risk factors.
- SUBCONTRACTOR whose work is observed to be in gross non-compliance with CONTRACTOR'S SHEMS/IIPP, project safety requirements or Cal-OSHA regulations.

The Safety Manager shall be a full time position. The Safety Manager cannot hold any other position for the SUBCONTRACTOR. The Safety Manager must have a current OSHA 500 certification and a minimum of 5 plus years of experience in Heavy Civil construction specifically in a Safety position or similar as approved by the CONTRACTOR's Director of Environmental Health and Safety (EHS). The Safety Manager shall have specific knowledge of the SUBCONTRACTOR works, i.e.; hazardous waste, NFPA 70E, demolition, scaffolding, etc. Safety Manager's qualifications must be approved by the CONTRACTOR's Director of EHS. Safety Manager must be available and on site when work is ongoing.

No field related work will commence prior to approval of the Safety Manager by the CONTRACTOR's Director of EHS.

A summary form (included in this appendix) of occupational injuries and illnesses is submitted by the 4th of every month. SUBCONTRACTORS will report all fatal or serious occupational injuries/illnesses, as defined by CCR Title 8, paragraph 330(h) immediately. If an employee sustains an on-the-job, partially disabling injury that results in lost time at work, the SUBCONTRACTOR may choose to discontinue employment on a modified basis. In these instances, SUBCONTRACTOR will notify CONTRACTOR twenty-four (24) hours prior to the discontinuance of employment. CONTRACTOR reserves the right to perform an independent investigation at no additional cost to SUBCONTRACTOR.

SUBCONTRACTOR MONTHLY INCIDENT SUMMARY REPORT

Subcontractor Name _____

Contract Number: _____

Project Name: _____

Reporting Period:

Month: _____

Year: _____

This form must be submitted to Skanska Safety Director by the 4th of the following month.
 It is to be submitted even if no accidents occurred.

Note: Subcontractors that fail to submit this report may not receive payment.

Directions: Report all injuries, no matter how minor as indicated below! When reporting number of OSHA recordable medical cases that had lost work days, enter number of calendar days away from work (do not count first day of injury, but the weekends must be counted). Carry over days from a previously reported lost time case where the worker is still off work in this reporting period. Report the number of OSHA recordable medical cases that had restricted or light duty work and the total number of calendar days or restricted or light duty (do not count the first day of injury, but the weekend must be counted). Carry over days from a previously reported restricted or light duty case where the worker is still on restricted or light duty. Report number of first aid only cases for period as well.

	Man-hours Worked	First Aid Injuries	Medical Treatment Only	Lost Time Injuries	Days Lost	Restricted Work Injuries	Days of Restricted Work
Month							
YTD							

Attached a copy of the Employers First Report of Injury or OSHA 301 Report for each recordable injury case reported

Person Making Report: _____

Phone Number: _____

Return to: Skanska USA Civil West California District Inc.
 Fax: (866) 363-7522
 Email: Clark.Peterson@Skanska.com

EXHIBIT C

INSURANCE REQUIREMENTS

CONTRACTOR CONTROLLED INSURANCE PROGRAM (CCIP)

1.1 **Overview.** Regional Connector Constructors Joint Venture (Contractor) has arranged with Aon Risk Services West, Inc. (the “CCIP Administrator”) for this project (“Project”) to be insured under its Contractor Controlled Insurance Program (“CCIP”). Unless otherwise defined herein, all defined terms set forth in this Appendix “C” shall have the same meaning as set forth in the Subcontract Agreement (“Subcontract Agreement”) to which this Appendix is attached. The CCIP is more fully described in the insurance manual (the “Insurance Manual”) for the Project, which is incorporated herein and into the Contract Documents by this reference. Parties performing labor or services at the Project site are eligible and are required to enroll in the CCIP, unless they are Excluded Parties (as defined below). The CCIP will provide to Enrolled Parties (as defined below) Workers’ Compensation and Employer’s Liability insurance, Commercial General Liability insurance, and Excess Liability insurance, as summarily described below, in connection with the performance of the Work (“CCIP Coverages”).

PLEASE NOTE THAT THE TERMS ENROLLED & EXCLUDED PARTIES ARE MEANT TO ESTABLISH WHICH PARTIES ARE COVERED BY THE POLICIES WITHIN THE CCIP THAT REQUIRE ENROLLMENT: WORKERS COMPENSATION, GENERAL LIABILITY, AND EXCESS LIABILITY.

1.2 **Enrolled Parties and Their Insurance Obligations.** CCIP Coverages shall cover Enrolled Parties. Enrolled Parties are: the Owner, the Contractor, the CCIP Administrator, and eligible Subcontractors of all tiers that enroll in the CCIP, and such other persons or entities as Contractor may designate, in its sole discretion (each party insured under the CCIP is an “Enrolled Party”). Enrolled Parties (other than the Owner, Contractor and the CCIP Administrator) shall obtain and maintain, and shall require each of their subcontractors of any tier to obtain and maintain, the insurance coverage specified in Section 1.9, below, and in the Insurance Manual.

1.3 **Excluded Parties and Their Insurance Obligations.** The CCIP GL, WC & Excess Liability Coverages do not cover the following “Excluded Parties”:

- (a) Hazardous materials remediation, removal and/or transport companies and their consultants;
- (b) Architects, surveyors, engineers, and soil testing engineers, and their consultants;
- (c) Vendors, suppliers, fabricators, material dealers, truckers, haulers, drivers and others who merely transport, pick up, deliver, or carry materials, personnel, parts or equipment, or any other items or persons to or from the Project site;
- (d) Any Subcontractor of any tier that does not perform any actual labor on the Project site;
- (e) Crane Operators and Riggers;
- (f) Any other party or entity excluded by Contractor even if otherwise eligible.

Excluded Parties and parties no longer enrolled in or covered by the CCIP shall obtain and maintain the insurance coverage specified in Section 1.9, below, and in the Insurance Manual for all on-site and off-site operations.

1.4 **CCIP Insurance Policies Establish the CCIP Coverages.** The CCIP Coverages and exclusions summarized in this Appendix C and in the other Contract Documents are set forth in full in their respective insurance policies. The summary descriptions of the CCIP Coverages in this Appendix C or the Insurance Manual are not intended to be complete or to alter or amend any provision of the actual CCIP Coverages. In the event that any provision of this Appendix C, the summary below, the Insurance Manual, or the Contract Documents conflicts with the CCIP insurance policies, the provisions of the actual CCIP insurance policies shall govern.

1.5 **Summary of CCIP Coverages.** CCIP GL, WC & Excess Liability Coverages shall apply only to those operations of each Enrolled Party performed at the Project site in connection with the Work, and only to Enrolled Parties that are eligible for the CCIP. CCIP GL, WC & Excess Liability coverages shall not apply to ineligible parties, even if they are erroneously enrolled in the CCIP. An Enrolled Party’s operations away from the Project site, including product manufacturing, fabrication, assembling, or otherwise, shall only be covered if such off-site operations are identified and are dedicated solely to the Project. The CCIP Site Definition is:

Designated Project: Regional Connector Transit Corridor Project C0980

“Designated Project” means:

The Regional Connector Transit Corridor Project C0980 track route, including operations on and off the project site or location that are necessary or incidental to the project as described in contract documents. Designated Project includes the work sites associated

The Regional Connector Transit Corridor Project C0980, and any offsite staging areas, as long as they are dedicated solely to the Regional Connector Transit Corridor Project C0980. Also included are those areas immediately adjacent to the Designated Project, including boundaries of local streets or public easements, in which the enrolled subcontractors at any tier perform work under their respective contracts.

CCIP Coverages shall not cover off-site operations until receipt by Subcontractor of any tier of written acknowledgment of such coverage from the CCIP Administrator. Contact the CCIP Administrator if any location outside of this definition will be used solely for construction or supporting activities for this project. The CCIP shall provide only the following insurance to eligible and Enrolled Parties:

Summary Only

- | | | |
|--|---|---|
| (1) | Workers' Compensation Insurance
This insurance is primary for all occurrences at the Project site | Statutory Limit |
| | | |
| (2) | Employer's Liability Insurance
Bodily Injury by Accident, each accident
Bodily Injury by Disease, each employee
Bodily Injury by Disease, policy limit
This insurance is primary for all occurrences at the Project site. | \$5,000,000
\$5,000,000
\$5,000,000 |
| | | |
| (3) | Commercial General Liability Insurance Equivalent to ISO Occurrence Form, or its equivalent.

Each Occurrence Limit
General Aggregate Limit for all Enrolled Parties
Ten (10) Years Products & Completed Operations Extension
Products & Completed Operations Aggregate
for all Enrolled Parties
This insurance is primary for all occurrences at the Project site. |

\$5,000,000
\$10,000,000

\$10,000,000 |
| | | |
| The CCIP Commercial General Liability policy shall not provide coverage for any claim that could be covered under a Property or Builder's Risk policy. | | |
| | | |
| (4) | Excess Liability Insurance (over Employer's Liability & General Liability)
Each Occurrence Limit
General Annual Aggregate for all Enrolled Parties
Ten (10) Years Products & Completed Operations Extension
Products & Completed Operations Aggregate
for all Enrolled Parties |
\$345,000,000
\$345,000,000

\$345,000,000 |

1.6 **Contractor's Insurance Obligations.** Contractor shall pay the costs of premiums for the CCIP Coverages. Contractor will receive or pay, as the case may be, all adjustments to such costs, whether by way of dividends, retroactive adjustments, return premiums, other moneys due, audits or otherwise. Subcontractor hereby assigns to Contractor the right to receive all such adjustments, and shall use its best efforts to ensure that each of its Subcontractors of every tier assigns to Contractor the right to receive all such adjustments. Contractor assumes no obligation to provide insurance other than that specified in this Appendix C, and in the CCIP insurance policies. Contractor's furnishing of CCIP Coverages shall in no way relieve or limit, or be construed to relieve or limit, Subcontractor of any responsibility, liability, or obligation imposed by the Contract Documents, the CCIP insurance policies, or by law, including, without limitation, any indemnification obligations which Subcontractors have to Contractor thereunder. Contractor reserves the right at its option, without obligation to do so, to furnish other insurance coverage of various types and limits provided that such coverage is not less than that specified in the Contract Documents.

1.7 **Subcontractor's CCIP Obligations.** Subcontractor shall:

- (1) Incorporate the terms of this Appendix C in all subcontract agreements.
- (2) Enroll in the CCIP within five (5) days of the notice of award of the Subcontract and maintain enrollment in the CCIP for the duration of the Subcontract, and assure that each of Subcontractor's eligible Subcontractors of every tier enroll in the CCIP, and maintain enrollment in the CCIP for the duration of their respective subcontract within five (5) days of subcontracting and prior to the commencement of Work at the Project site.
- (3) Comply with all of the administrative, safety, insurance, and other requirements outlined in this Appendix C, the Insurance Manual, the CCIP insurance policies, or elsewhere in the Contract Documents.
- (4) Provide to each of its Subcontractors of every tier a copy of the Insurance Manual, and ensure Subcontractor compliance with the provisions of the CCIP insurance policies, the Insurance Manual, this Appendix C, and the Contract Documents. The failure of (a) Contractor to include the Insurance Manual in the bid documents or (b) Subcontractor to provide to each of its eligible Subcontractors of every tier a copy of the same shall not relieve Subcontractors from any of the obligations contained therein.
- (5) Acknowledge, and require all of its Subcontractors of every tier to acknowledge, in writing, that Contractor and the CCIP Administrator are not agents, partners or guarantors of the insurance companies providing coverage under the CCIP (each such insurer, a "CCIP Insurer"); that neither Contractor nor the CCIP Administrator are responsible for any claims or disputes between or among Subcontractors and any CCIP Insurer(s), and that neither Contractor nor CCIP Administrator guarantees the solvency or the availability of limits of any CCIP Insurer(s). Any type of insurance coverage or limits of liability in addition to the CCIP Coverages that Subcontractor requires for its own protection, or that is required by applicable laws or regulations, shall be Subcontractors sole responsibility and expense, and shall not be billed to Contractor.
- (6) Cooperate fully with the CCIP Administrator and the CCIP Insurers, as applicable, in its or their administration of the CCIP, including but not limited to complying with, and requiring all of its Subcontractors to comply with CCIP Administrator's instructions for electronically enrolling in the CCIP using "AonWrap" and for electronically reporting payroll using "AonWrap."
- (7) Provide, within five (5) days of Contractor's or the CCIP Administrator's request, all documents or information as requested of Subcontractor. Such information may include, but may not be limited to, payroll records, certified copies of insurance coverages, declaration & rate pages of coverages, certificates of insurance, underwriting data, prior loss history information, safety records or history, OSHA citations, construction cost estimates for this Project, or such other data or information as Contractor, the CCIP Administrator, or CCIP Insurers may request in the administration of the CCIP, to verify that the Costs of CCIP Coverages were not included in the Contract Price/Contract Sum or any subcontract amount, or as required by the Insurance Manual. All such records shall be maintained through the term of the Contract and for a period of one (1) year thereafter, or for such longer time if required by the Contract Documents.
- (8) Have an obligation to pay Contractor for each claim paid under the CCIP Commercial General Liability, Builder's Risk, Professional Liability or Contractor's Pollution Liability Policy ("CCIP Policies") that is attributable to the Work, acts, or omissions of Subcontractor or its lower-tiered subcontractors ("Obligation"). Subcontractor shall also have an obligation to pay Contractor for each subsequent claim paid under the CCIP Policies that is attributable to the Work, acts, or omissions of Subcontractor or its lower-tiered subcontractors ("Cumulative Obligation"). Subcontractor's Obligation and Cumulative Obligation are uninsured and shall not be covered by the CCIP Policies. The amount of the Obligation and Cumulative Obligation depends upon the Subcontract Price. If the Subcontract Price is \$1,000,000 or less, Subcontractor's Obligation is \$5,000 for each claim paid, and the amount of the Cumulative Obligation is an additional \$2,500 for each subsequent claim paid. If the Subcontract Price is more than \$1,000,000 up to \$10,000,000, Subcontractor's Obligation is \$10,000 for each claim paid, and the amount of the Cumulative Obligation is an additional \$3,750 for each subsequent claim paid. If the Subcontract Price is more than \$10,000,000, Subcontractor's Obligation is \$15,000 for each claim paid, and the amount of the Cumulative Obligation is an additional \$5,000 for each subsequent claim paid. For example, if a claim is paid under the CCIP Policies that relates to a subcontractor's work and that subcontractor has a \$750,000 Subcontract Price, that subcontractor will owe Contractor a \$5,000 Obligation. The next time a claim is paid that relates to the same subcontractor's work, that subcontractor will owe Contractor the \$5,000 Obligation plus a \$2,500 Cumulative Obligation, for a total owed of \$7,500. The third time a claim is paid that relates to the same subcontractor's work, that subcontractor will owe Contractor the \$5,000 Obligation plus a \$5,000 Cumulative Obligation, for a total owed of \$10,000.
- (9) Failure to report Workers' Compensation claims to the Contractor within 72 hours will result in an assessment of \$1,500. A \$10,000 assessment will apply to any Workers' Compensation claim not reported to the Contractor within 30 days.
- (10) Subcontractor shall institute a modified return to work program for any injured employee who is covered or entitled to coverage under the Workers' Compensation insurance provided in the CCIP. Failure to provide reasonable accommodations will result in an assessment of \$1,500 per day until the injured worker is returned to work. Contractor and the CCIP Administrator shall determine reasonable accommodations.

1.8 **Bid Net of Insurance.** Subcontractor shall bid the Project 'net' of insurance costs due to eligibility for the CCIP. Subcontractor shall exclude the Cost of CCIP Coverages from its bid, and ensure that each Subcontractor of every tier excludes the

Cost of CCIP Coverages from their respective bids. The “Costs of CCIP Coverages” is defined as the amount of Subcontractors’ reduction in insurance costs due to eligibility for CCIP Coverages as determined by using Aon Form 1(a), Aon Form 1(b), Aon Form 1(c), and Aon Form-2, which are located in the Insurance Manual. The Costs of CCIP Coverages includes reduction in insurance premiums, related taxes and assessments, markup on the insurance premiums and losses retained through the use of the self-funded program, self-insured retention, or deductible program. The Cost of CCIP Coverages must include expected losses within any retained risk. Subcontractor must deduct the Cost of CCIP Coverages for all lower tier subcontractors, in addition to its own Cost of CCIP Coverages. Change orders must also be priced to exclude the Cost of CCIP Coverages.

1.9 Additional Insurance Required From Enrolled Parties and Excluded Parties. Subcontractor shall obtain and maintain, and shall require each of its Subcontractors of all tiers to obtain and maintain, the insurance coverage specified in this Section 1.9 in a form and from insurance companies reasonably acceptable to Contractor. The insurance limits may be provided through a combination of primary and excess policies, including the umbrella form of policy. Each policy required under this Section 1.9, except Workers’ Compensation and Professional Liability, shall include the Los Angeles County Metropolitan Transportation Authority, the City of Los Angeles, the County of Los Angeles, Arcadis U.S., Inc., Connector Partnership, a joint venture, TIFIA Lender, Regional Connector Constructors Joint Venture, Skanska USA Civil Inc., Skanska USA Civil West California District Inc., Traylor Bros., Inc., and their respective members, directors, officers, employees, and agents, and any additional entities as Contractor may request as additional insureds, by way of both ISO form 2010 1001 and 2037 1001, or other endorsement acceptable to Contractor. The additional insured endorsement shall state that the coverage provided to the additional insureds is primary and non-contributory with respect to any other insurance available to the additional insureds. The coverage provided the additional insured must be at least as broad as the coverage provided the Subcontractor, and shall not contain any additional exclusions or limitations applicable to the additional insured. Subcontractor shall provide certificates of insurance coverage to Contractor or the CCIP Administrator as required by the Insurance Manual. All insurance provided under this Section 1.9 shall be obtained from a carrier or carriers admitted in the state where the Project is located, with an A.M. Best’s rating of A- or better, financial capacity of VII or greater, but subject to approval of Contractor.

- Enrolled Parties are to provide evidence of Worker’s Compensation, Employer’s Liability, General Liability, and Excess Liability insurance, as set out below, for off-site activities, and evidence of Automobile Liability insurance for all activities, both on-site and off-site. Depending on the scope of the work to be performed, professional liability and/or other forms of insurance may be required.

- Excluded Parties must provide evidence of Worker’s Compensation, Employer’s Liability, General Liability, and Automobile Liability Insurance as set out below for both on-site and off-site activities.

- (1) Standard Commercial Automobile Liability Insurance covering all owned, non-owned, and hired automobiles, trucks, and trailers with a \$1,000,000 combined single limit.
- (2) Statutory Workers’ Compensation Insurance and Employer’s Liability insurance with statutory limits as required by law, including Jones Act and USL&H coverage, if appropriate, and Employer’s Liability limits of not less than \$1,000,000 each accident, \$1,000,000 each employee, and with a \$1,000,000 policy limit.
- (3) Commercial General Liability Insurance in a form providing coverage not less than the standard ISO Commercial General Liability insurance policy (“Occurrence Form”) providing at a minimum premises and operations; products and completed operations; contractual liability; broad form property damage (including completed operations); explosion, collapse and underground hazards (including subsidence and other earth movement); personal injury liability; and independent contractors coverages. The limits shall be:

	<u>Enrolled Parties/Excluded Parties</u>
Each Occurrence	\$1,000,000
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
Personal/Advertising Injury Aggregate	\$1,000,000

Commercial General Liability insurance meeting the above requirements shall be maintained in force and effect for a period of at least five (5) years following the completion of the Project.

- (4) Excess Liability Insurance coverage, with minimum excess limits as set forth below, or as otherwise agreed to by Contractor:

Enrolled and Excluded Parties	\$5,000,000
-------------------------------	-------------

- (5) **Hazardous Materials.** If Subcontractor and/or its subcontractors or suppliers, regardless of tier, perform remediation of hazardous materials, or if their operations create an exposure to hazardous materials as those terms are defined under federal, state, or local law, Subcontractor and its subcontractors and suppliers must obtain a Contractor's Pollution Liability Policy" with limits of not less than \$5,000,000 per occurrence and \$5,000,000 aggregate, naming Contractor as an additional insured. If Subcontractor or its subcontractors or suppliers haul hazardous material (including, without limitation waste), the must carry Automobile Liability Insurance with \$1,000,000 combined single limit per occurrence for bodily injury and property damage applicable to all hazardous waste hauling vehicles and include an MCS-90 endorsement.
- (6) **Riggers' Liability.** Should Subcontractor's work involve the moving, lifting, lowering, rigging, or hoisting of property or equipment, Subcontractor shall carry Riggers' Liability Insurance to insure against physical loss or damage to the property or equipment. The Riggers' Liability insurance shall provide coverage on an "all risk" basis, with full replacement cost coverage, without any overload exclusion, and with limits of at least \$1,000,000 per occurrence.

NOTE: Rigger's Liability coverage is NOT included in the CCIP coverages extended to enrolled parties.

- (7) **Aircraft Liability.** If Subcontractor (or its subcontractors or suppliers, regardless of tier) use any owned, leased, chartered, or hired aircraft of any type in the performance of the Subcontract, they shall obtain and maintain aircraft liability insurance in an amount of not less than \$10,000,000 per occurrence, including passenger liability. Evidence of coverage in the form of a certificate of insurance shall be provided prior to the start of the Project.
- (8) **Subcontractor's Equipment.** Subcontractor shall obtain and maintain contractor's equipment coverage, on an 'all risk' basis, to insure against all loss or damage to Subcontractor's tools, equipment, and machinery used in the performance of the work. This contractor's equipment coverage shall provide for a waiver of subrogation as against Owner, Contractor, and all other subcontractor's performing work on the Project.
- (9) **Subcontractor's failure to procure or maintain the insurance required by this Appendix C and to ensure that all of its Subcontractors of every tier maintain the required insurance during the entire term of their respective contracts shall constitute a material breach of this Agreement pursuant to which Contractor may immediately suspend or terminate this Agreement or, at its discretion, procure or renew such insurance to protect Contractor's interests, pay any and all premiums in connection therewith, and withhold or recover all monies so paid from Subcontractor.**
- (10) **Subcontractor is free to maintain additional insurance, over and above the requirements set forth in this Appendix, at Subcontractor's sole cost and expense.**
- (11) **To the fullest extent permitted by law, Subcontractor agrees to defend, indemnify, and hold harmless Contractor for any claim, loss, damage, liability, penalty, cost, or assessment arising out of or related to the Subcontractor's failure to obtain and maintain Workers' Compensation Insurance and Employer's Liability Insurance as required herein, regardless of any active or passive negligence of Contractor; provided, that Subcontractor shall not be responsible for any such claim, loss, damage, liability, penalty, cost, or assessment caused by the sole negligence or willful misconduct of Contractor.**

1.10 Additional Insurance Provided By Contractor. Contractor shall provide Builder's Risk Insurance, Contractors Pollution Liability, and Professional Liability to all subcontractors on the Regional Connector Transit Corridor Project C0980, as follows:

(1) **Builder's Risk.** Contractor shall provide Builder's Risk Insurance, written on a form and subject to exclusions determined by Contractor, providing coverage for the replacement cost for all materials and equipment permanently incorporated into the buildings and structures forming a part of the Project, and all materials and equipment on or about the Project site intended for permanent incorporation into said buildings and structures. The Builder's Risk insurance will provide coverage for Owner, Contractor, and all Subcontractors of any tier performing a portion of the work on the Project. Such coverage shall exclude machinery, tools and equipment owned or procured by Subcontractor in the performance of the work, which are not intended for permanent incorporation into the Project. Owner, Contractor, and Subcontractor waive all rights of subrogation for any loss covered by the Builder's Risk insurance, except such rights as they may have to the proceeds of such insurance. The coverage limit is \$350,000,000. Subcontractor agrees that it shall be liable for an obligation as detailed in Section 1.7 (8) for each loss payable under the Builder's Risk insurance policy involving Subcontractor's work, or the work of its lower tier subcontractors or any other entity or person for whom Subcontractor may be responsible.

(2) **Contractors Pollution Liability Insurance.** Coverage is provided to all subcontractors of any tier, **except any contractor performing remediation of hazardous materials.** The limits are \$40,000,000 per occurrence and \$50,000,000 aggregate. Subcontractor agrees that it shall be liable for an obligation as detailed in Section 1.7 (8) for each loss payable under the Pollution

Liability insurance policy and attributable to Subcontractor's operations, or the operations of its lower tier subcontractors or any other entity or person for whom Subcontractor may be responsible.

Subcontractors performing remediation of hazardous materials will be required to provide Contractors Pollution Liability Insurance with a limit of not less than \$5,000,000 per occurrence. This coverage must also name the Los Angeles County Metropolitan Transportation Authority, the City of Los Angeles, the County of Los Angeles, Arcadis U.S., Inc., Connector Partnership, a joint venture, TIFIA Lender, Regional Connector Constructors Joint Venture, Skanska USA Civil Inc., Skanska USA Civil West California District Inc., Traylor Bros., Inc., and their respective members, directors, officers, employees, and agents, and any additional entities as Contractor may request as additional insureds

(3) **Professional Liability:** Coverage is provided to all subcontractors of any tier. The limits are \$50,000,000 per occurrence and aggregate. Subcontractor agrees that it shall be liable for an obligation as detailed in Section 1.7 (8) for each loss payable under the Professional Liability insurance policy and attributable to Subcontractor's acts or omissions, or the acts or omissions of its lower tier subcontractors or any other entity or person for whom Subcontractor may be responsible.

1.11 Subcontractor's Representations and Warranties to Contractor. Subcontractor represents and warrants to Contractor, and shall use its best efforts to ensure that each of its Subcontractors of every tier represent and warrant to Contractor that:

(1) All information they submit to Contractor, or to the CCIP Administrator, shall be accurate and complete.

(2) They have had the opportunity to read and analyze copies of the CCIP insurance policies that are on file in Contractor's office, and that they understand the CCIP Coverages. Any reference or summary in the Agreement, this Appendix C, the Insurance Manual, or elsewhere in any other Contract Document as to amount, nature, type or extent of CCIP Coverages and/or potential applicability to any potential claim or loss is for reference only. Subcontractor has not relied upon said reference, but solely upon their own independent review and analysis of the CCIP Coverages in formulating any understanding and/or belief as to amount, nature, type or extent of any CCIP Coverages and/or its potential applicability to any potential claim or loss.

(3) The Costs of CCIP Coverages were not included in Subcontractor's bid or proposal for the Work, the Contract Price/Contract Sum, and will not be included in any change order or any request for payment for the Work or extra work.

(4) Subcontractor acknowledges that Contractor shall not pay or compensate Subcontractor or any subcontractor of any tier, in any manner, for the Costs of CCIP Coverages.

1.12 Audits. Subcontractor agrees that Contractor, the CCIP Administrator, and/or any CCIP Insurer may audit Subcontractors payroll records, books and records, insurance coverages, insurance cost information, bid estimates, pricing for any cost in the Contract Price/Contract Sum or any subcontracted Work, or any information that Subcontractor provides to Contractor, the CCIP Administrator, or the CCIP Insurers to confirm their accuracy, and to ensure that the Costs of CCIP Coverages are not included in any payment for the Work. In the event of an audit of Subcontractor's records and information as permitted in the Contract, this Appendix C or in other Contract Documents reveals a discrepancy in the insurance, payroll, safety, or any other information required by the Contract Documents to be provided by Subcontractor to Contractor, or to the CCIP Administrator, or reveals the inclusion of the Cost of CCIP Coverages in any payment for the Work, Contractor shall have the right to full deduction from the Contract Price/Contract Sum of all such Costs of CCIP Coverages and all audit costs. Audit costs shall include, but shall not be limited to, the fees of the CCIP Administrator, and the fees of attorneys and accountants conducting the audit and review.

1.13 Contractor's Election to Modify or Discontinue the CCIP. Contractor may, for any reason, modify the CCIP Coverages, discontinue the CCIP, or request that Subcontractor withdraw from the CCIP upon thirty (30) days written notice. Upon such notice Subcontractor shall obtain and thereafter maintain during the performance of the Work, all (or a portion thereof as specified by Contractor) of the CCIP Coverages. The form, content, limits of liability, cost, and the insurer issuing such replacement insurance shall be subject to Contractor's approval. The cost of the replacement coverage shall be at Contractor's expense, but only to the extent of the applicable Costs of CCIP Coverages.

1.14 Withholding Payments. To the fullest extent permitted by law, Contractor may withhold from any payment owed or owing to Subcontractor the Costs of CCIP Coverages if they are included in a request for payment. If Subcontractor fails to timely comply with the provisions of this Appendix C, Contractor may withhold any payments due to Subcontractor until such time as they have performed the requirements of this Appendix C. Such withholding by Contractor shall not be deemed to be a default under the Contract Documents.

1.15 Waiver of Subrogation. Where permitted by law, Subcontractor hereby waives all rights of recovery by subrogation because of deductible clauses, inadequacy of limits of any insurance policy, limitations or exclusions of coverage, or any other reason against Los Angeles County Metropolitan Transportation Authority, the City of Los Angeles, the County of Los Angeles, Arcadis U.S., Inc., Connector Partnership, a joint venture, TIFIA Lender, Regional Connector Constructors Joint Venture, Skanska USA Civil

Inc., Skanska USA Civil West California District Inc., Traylor Bros., Inc., and their respective members, directors, officers, employees, and agents, and any other contractor or subcontractor performing Work or rendering services on behalf of Owner or Contractor in connection with the planning, development and construction of the Project. Subcontractor shall also require that all Subcontractor maintained insurance coverage related to the Work, include clauses providing that each insurer shall waive all of its rights of recovery by subrogation against Subcontractor together with the same parties referenced immediately above in this Section 1.15. Where permitted by law, Subcontractor shall require similar written express waivers and insurance clauses from each of its Subcontractors. A waiver of subrogation shall be effective as to any individual or entity even if such individual or entity (a) would otherwise have a duty of indemnification, contractual or otherwise, (b) did not pay the insurance premium directly or indirectly, and (c) whether or not such individual or entity has an insurable interest in the property damaged.

1.16 **Duty of Care.** Nothing contained in this Appendix C or the Insurance Manual shall relieve Subcontractor of their respective obligations to exercise due care in the performance of their duties in connection with the Work, and to complete the Work in strict compliance with the Contract Documents.

1.17 **Conflicts.** In the event of a conflict, the provisions of the CCIP insurance policies shall govern, then the provisions of the Contract and its other related Contact Documents, then the provisions of the Insurance Manual.

EXHIBIT D

CODE OF CONDUCT

General Principles

The key responsibility of Regional Connector Constructors, hereinafter referred to as RCC, is to develop and maintain an economically sound and prosperous business. RCC assumes its responsibilities where we have effective control. These include our responsibilities toward the communities and environments in which we operate, toward our employees, business partners and society in general. Therefore we have defined some key foundations for our performance:

- We are committed to doing business with a high degree of integrity and ethics.
- We comply with legal requirements that apply in the countries where we do business.
- We respect the United Nations Universal Declaration of Human Rights and recognize our responsibility to observe those rights that apply to our performance toward our employees and the communities in which we operate. This commitment includes activities that relate to the rights and entitlements of Indigenous Peoples.
- We are open-minded in dialogue with those who are affected by our operations. We respond to inquiries from external parties and communicate with affected parties in a timely and effective manner. Within our sphere of influence we endeavor to ensure that in our projects, our suppliers, subcontractors, agents, joint ventures and other partners abide by the principles set out in our Code of Conduct.

Employee Relations

A strong and consistent relationship with all employees, built on mutual respect and dignity, is of vital importance to RCC. Employment conditions offered to employees will at least meet minimum requirements of national legislation and relevant ILO conventions.

- We provide a safe and healthy working environment and are committed to continual improvement.
- We provide equal opportunities to people without regard to race, color, gender, nationality, religion, ethnic affiliation or other distinguishing characteristics. We do not allow discrimination or harassment.
- We provide means for employees and other persons involved with RCC to report legitimate concerns and grievances in a manner that ensures proper review and action, without retaliation. We recognize employees' rights to form or join trade unions in accordance with applicable national laws and principles.
- We provide training and education opportunities for employees that support their current and future work plans.
- We do not employ any person below the age of 15 or applicable higher legal minimum age.
- We do not use forced labor, slave labor or other forms of involuntary labor at our work sites. We do not allow any practice that would restrict free movement of employees.

Behavior in Our Marketplace

Corruption, bribery and unfair anti-competitive actions distort markets and hamper economic, social and democratic development. RCC does not tolerate such activities.

- We shall not act contrary to applicable competition laws.
- We shall not, directly or indirectly, offer or give any undue payment or other consideration to any person or entity for the purpose of inducing such person or entity to act contrary to prescribed duties in order to obtain, retain or direct business or to secure any other improper advantage in the conduct of RCC's business.
- We shall not, directly or indirectly, solicit or accept any undue payment or other consideration that is given for the purpose of inducing us to act contrary to prescribed duties.
- We record the correct nature of all financial transactions by recording them in accordance with locally Accepted Accounting Principles and in all Group reporting follow International Financial Reporting Standards (IFRS) and applicable RCC Policies and Rules.
- We have controls in place in our IT procedures to ensure adequate levels of data protection for our clients.

Environment

Based on the strong belief that project development and construction related services can make a major contribution to a more sustainable world, RCC is committed to proactive environmental management at all levels.

- We maintain organizational structures, management systems, procedures and training plans that as a minimum ensure compliance with all relevant laws, regulations and standards.
- Our Environmental Management System is certified in accordance with ISO 14001. Since line management is responsible for our environmental performance, it is integrated into core business processes and plans.

- In a spirit of continual improvement, we involve our workforce in the process of environmental management including subcontractors, partners and other interested parties.
- Our ambition is to continually improve the environmental credentials of our projects, products and services by actively looking for ways to reduce negative environmental impacts during their entire life cycle.

EXHIBIT E

CERTAIN PRIME CONTRACT CLAUSES

Without limiting in any way the generality of section 2 of the Subcontract above, Subcontractor is fully bound by the following clauses from the Prime Contract:

1. All Articles, Sections, Paragraphs, and/or Subparagraphs of the Prime Contract noted by an asterisk (“*”) are incorporated into this agreement and shall be incorporated by reference into all of Subcontractor’s lower-tiered agreements on the Project.
2. Subcontractor shall have the same duties and obligations to Contractor with respect to its performance of its own Work as Contractor has to Owner under the Prime Contract.
3. All Work being performed and Goods being furnished by Subcontractor shall comply with the Contractor’s Prime Contract.
4. Subcontractor shall make such Schedule commitments, submit such Schedules and scheduling information, and submit any other required information to Contractor as is necessary for Contractor to comply with its Schedule and reporting commitments to Owner under the Prime Contract.
5. All Subcontractor guarantees and warranties, express or implied, shall inure to the benefit of both Owner and Contractor during the performance of the Work; upon final completion of the Work, such guarantees and warranties shall inure to the benefit of Owner.
6. Nothing contained in this agreement shall be deemed to create any privity of Contract between Owner and Subcontractor, nor shall it create any duties, obligations, or liabilities on the part of Owner to Subcontractor except those required by Law.
7. Subcontractor shall ensure that each of its subcontracts with its lower-tiered subcontractors or suppliers contains those terms specifically required by the Prime Contract to be included in subcontracts, including without limitation those set forth in this Appendix, as well as such additional terms and conditions as are sufficient to ensure compliance by the lower-tiered subcontractor or supplier with all applicable requirements of the Prime Contract. Subcontractor shall ensure that each of its subcontractors and suppliers includes this requirement in their respective subcontracts with lower-tier subcontractors, so that subcontractors of all tiers are bound thereby.
8. Owner is a third party beneficiary of this agreement.
9. Subcontractor shall participate in any dispute review proceeding pursuant to GC-35 of the Prime Contract, if such participation is requested by Owner or Contractor.
10. Subcontractor’s Work shall comply with the Americans with Disabilities Act and all terms required by the Prime Contract, including SP-50.
11. Subcontractor’s obligations with respect to its Work are the same as the Contractor’s obligations reflected in the Prime Contract, including GC-04, for Subcontractor’s scope of Work.
12. Subcontractor’s obligations with respect to its lower-tiered subcontractors and suppliers are the same as Contractor’s obligations with respect to its subcontractors and suppliers under the Prime Contract, including GC-06.
13. In the event that the Subcontractor’s Work is impacted by Force Majeure as defined in the Contract Documents, Subcontractor’s rights and obligations are the same as Contractor’s rights and obligations under the Contract Documents, including GC-29.4.
14. The basis of establishing the costs associated with changed work must comply with the Contract Documents, including GC-32.
15. Subcontractor shall strictly comply with all claim procedures set forth in the Contract Documents. Subcontractor assumes to Contractor all of the same obligations that Contractor assumes to Owner under GC-34.
16. Subcontractor may rely on the Contract Documents to the same extent that the Contractor may rely on the Contract Documents under the Prime Contract. Subcontractor’s obligations with respect to Project Definition Documents are the same as Contractor’s obligations under the Contract Documents, including GC-44.
17. Contract Assurance:

The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor or subcontractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as Metro deems appropriate.

18. Prompt Payment and Retainage Provision: (Required in all DBE and non-DBE subcontract agreements)
The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 7 days from the receipt of each payment the prime contractor receives from Owner. The prime contractor agrees further to return retention payments to each subcontractor within 7 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time may occur only for good cause following written approval of Owner.

**REQUIRED CONTRACT PROVISIONS
FEDERAL-AID CONSTRUCTION CONTRACTS**

- I. General
- II. Nondiscrimination
- III. Nonsegregated Facilities
- IV. Davis-Bacon and Related Act Provisions
- V. Contract Work Hours and Safety Standards Act Provisions
- VI. Subletting or Assigning the Contract
- VII. Safety: Accident Prevention
- VIII. False Statements Concerning Highway Projects
- IX. Implementation of Clean Air Act and Federal Water Pollution Control Act
- X. Compliance with Governmentwide Suspension and Debarment Requirements
- XI. Certification Regarding Use of Contract Funds for Lobbying

3. A breach of any of the stipulations contained in these Required Contract Provisions may be sufficient grounds for withholding of progress payments, withholding of final payment, termination of the contract, suspension / debarment or any other action determined to be appropriate by the contracting agency and FHWA.

4. Selection of Labor: During the performance of this contract, the contractor shall not use convict labor for any purpose within the limits of a construction project on a Federal-aid highway unless it is labor performed by convicts who are on parole, supervised release, or probation. The term Federal-aid highway does not include roadways functionally classified as local roads or rural minor collectors.

ATTACHMENTS

A. Employment and Materials Preference for Appalachian Development Highway System or Appalachian Local Access Road Contracts (included in Appalachian contracts only)

I. GENERAL

1. Form FHWA-1273 must be physically incorporated in each construction contract funded under Title 23 (excluding emergency contracts solely intended for debris removal). The contractor (or subcontractor) must insert this form in each subcontract and further require its inclusion in all lower tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services).

The applicable requirements of Form FHWA-1273 are incorporated by reference for work done under any purchase order, rental agreement or agreement for other services. The prime contractor shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Form FHWA-1273 must be included in all Federal-aid design-build contracts, in all subcontracts and in lower tier subcontracts (excluding subcontracts for design services, purchase orders, rental agreements and other agreements for supplies or services). The design-builder shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Contracting agencies may reference Form FHWA-1273 in bid proposal or request for proposal documents, however, the Form FHWA-1273 must be physically incorporated (not referenced) in all contracts, subcontracts and lower-tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services related to a construction contract).

2. Subject to the applicability criteria noted in the following sections, these contract provisions shall apply to all work performed on the contract by the contractor's own organization and with the assistance of workers under the contractor's immediate superintendence and to all work performed on the contract by piecework, station work, or by subcontract.

II. NONDISCRIMINATION

The provisions of this section related to 23 CFR Part 230 are applicable to all Federal-aid construction contracts and to all related construction subcontracts of \$10,000 or more. The provisions of 23 CFR Part 230 are not applicable to material supply, engineering, or architectural service contracts.

In addition, the contractor and all subcontractors must comply with the following policies: Executive Order 11246, 41 CFR 60, 29 CFR 1625-1627, Title 23 USC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), Title VI of the Civil Rights Act of 1964, as amended, and related regulations including 49 CFR Parts 21, 26 and 27; and 23 CFR Parts 200, 230, and 633.

The contractor and all subcontractors must comply with: the requirements of the Equal Opportunity Clause in 41 CFR 60-1.4(b) and, for all construction contracts exceeding \$10,000, the Standard Federal Equal Employment Opportunity Construction Contract Specifications in 41 CFR 60-4.3.

Note: The U.S. Department of Labor has exclusive authority to determine compliance with Executive Order 11246 and the policies of the Secretary of Labor including 41 CFR 60, and 29 CFR 1625-1627. The contracting agency and the FHWA have the authority and the responsibility to ensure compliance with Title 23 USC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), and Title VI of the Civil Rights Act of 1964, as amended, and related regulations including 49 CFR Parts 21, 26 and 27; and 23 CFR Parts 200, 230, and 633.

The following provision is adopted from 23 CFR 230, Appendix A, with appropriate revisions to conform to the U.S. Department of Labor (US DOL) and FHWA requirements.

1. Equal Employment Opportunity: Equal employment opportunity (EEO) requirements not to discriminate and to take affirmative action to assure equal opportunity as set forth under laws, executive orders, rules, regulations (28 CFR 35, 29 CFR 1630, 29 CFR 1625-1627, 41 CFR 60 and 49 CFR 27) and orders of the Secretary of Labor as modified by the provisions prescribed herein, and imposed pursuant to 23 U.S.C. 140 shall constitute the EEO and specific affirmative action standards for the contractor's project activities under

this contract. The provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) set forth under 28 CFR 35 and 29 CFR 1630 are incorporated by reference in this contract. In the execution of this contract, the contractor agrees to comply with the following minimum specific requirement activities of EEO:

a. The contractor will work with the contracting agency and the Federal Government to ensure that it has made every good faith effort to provide equal opportunity with respect to all of its terms and conditions of employment and in their review of activities under the contract.

b. The contractor will accept as its operating policy the following statement:

"It is the policy of this Company to assure that applicants are employed, and that employees are treated during employment, without regard to their race, religion, sex, color, national origin, age or disability. Such action shall include: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship, pre-apprenticeship, and/or on-the-job training."

2. EEO Officer: The contractor will designate and make known to the contracting officers an EEO Officer who will have the responsibility for and must be capable of effectively administering and promoting an active EEO program and who must be assigned adequate authority and responsibility to do so.

3. Dissemination of Policy: All members of the contractor's staff who are authorized to hire, supervise, promote, and discharge employees, or who recommend such action, or who are substantially involved in such action, will be made fully cognizant of, and will implement, the contractor's EEO policy and contractual responsibilities to provide EEO in each grade and classification of employment. To ensure that the above agreement will be met, the following actions will be taken as a minimum:

a. Periodic meetings of supervisory and personnel office employees will be conducted before the start of work and then not less often than once every six months, at which time the contractor's EEO policy and its implementation will be reviewed and explained. The meetings will be conducted by the EEO Officer.

b. All new supervisory or personnel office employees will be given a thorough indoctrination by the EEO Officer, covering all major aspects of the contractor's EEO obligations within thirty days following their reporting for duty with the contractor.

c. All personnel who are engaged in direct recruitment for the project will be instructed by the EEO Officer in the contractor's procedures for locating and hiring minorities and women.

d. Notices and posters setting forth the contractor's EEO policy will be placed in areas readily accessible to employees, applicants for employment and potential employees.

e. The contractor's EEO policy and the procedures to implement such policy will be brought to the attention of employees by means of meetings, employee handbooks, or other appropriate means.

4. Recruitment: When advertising for employees, the contractor will include in all advertisements for employees the notation: "An Equal Opportunity Employer." All such advertisements will be placed in publications having a large circulation among minorities and women in the area from which the project work force would normally be derived.

a. The contractor will, unless precluded by a valid bargaining agreement, conduct systematic and direct recruitment through public and private employee referral sources likely to yield qualified minorities and women. To meet this requirement, the contractor will identify sources of potential minority group employees, and establish with such identified sources procedures whereby minority and women applicants may be referred to the contractor for employment consideration.

b. In the event the contractor has a valid bargaining agreement providing for exclusive hiring hall referrals, the contractor is expected to observe the provisions of that agreement to the extent that the system meets the contractor's compliance with EEO contract provisions. Where implementation of such an agreement has the effect of discriminating against minorities or women, or obligates the contractor to do the same, such implementation violates Federal nondiscrimination provisions.

c. The contractor will encourage its present employees to refer minorities and women as applicants for employment. Information and procedures with regard to referring such applicants will be discussed with employees.

5. Personnel Actions: Wages, working conditions, and employee benefits shall be established and administered, and personnel actions of every type, including hiring, upgrading, promotion, transfer, demotion, layoff, and termination, shall be taken without regard to race, color, religion, sex, national origin, age or disability. The following procedures shall be followed:

a. The contractor will conduct periodic inspections of project sites to insure that working conditions and employee facilities do not indicate discriminatory treatment of project site personnel.

b. The contractor will periodically evaluate the spread of wages paid within each classification to determine any evidence of discriminatory wage practices.

c. The contractor will periodically review selected personnel actions in depth to determine whether there is evidence of discrimination. Where evidence is found, the contractor will promptly take corrective action. If the review indicates that the discrimination may extend beyond the actions reviewed, such corrective action shall include all affected persons.

d. The contractor will promptly investigate all complaints of alleged discrimination made to the contractor in connection with its obligations under this contract, will attempt to resolve such complaints, and will take appropriate corrective action within a reasonable time. If the investigation indicates that the discrimination may affect persons other than the complainant, such corrective action shall include such other persons. Upon completion of each investigation, the contractor will inform every complainant of all of their avenues of appeal.

6. Training and Promotion:

a. The contractor will assist in locating, qualifying, and increasing the skills of minorities and women who are

applicants for employment or current employees. Such efforts should be aimed at developing full journey level status employees in the type of trade or job classification involved.

b. Consistent with the contractor's work force requirements and as permissible under Federal and State regulations, the contractor shall make full use of training programs, i.e., apprenticeship, and on-the-job training programs for the geographical area of contract performance. In the event a special provision for training is provided under this contract, this subparagraph will be superseded as indicated in the special provision. The contracting agency may reserve training positions for persons who receive welfare assistance in accordance with 23 U.S.C. 140(a).

c. The contractor will advise employees and applicants for employment of available training programs and entrance requirements for each.

d. The contractor will periodically review the training and promotion potential of employees who are minorities and women and will encourage eligible employees to apply for such training and promotion.

7. Unions: If the contractor relies in whole or in part upon unions as a source of employees, the contractor will use good faith efforts to obtain the cooperation of such unions to increase opportunities for minorities and women. Actions by the contractor, either directly or through a contractor's association acting as agent, will include the procedures set forth below:

a. The contractor will use good faith efforts to develop, in cooperation with the unions, joint training programs aimed toward qualifying more minorities and women for membership in the unions and increasing the skills of minorities and women so that they may qualify for higher paying employment.

b. The contractor will use good faith efforts to incorporate an EEO clause into each union agreement to the end that such union will be contractually bound to refer applicants without regard to their race, color, religion, sex, national origin, age or disability.

c. The contractor is to obtain information as to the referral practices and policies of the labor union except that to the extent such information is within the exclusive possession of the labor union and such labor union refuses to furnish such information to the contractor, the contractor shall so certify to the contracting agency and shall set forth what efforts have been made to obtain such information.

d. In the event the union is unable to provide the contractor with a reasonable flow of referrals within the time limit set forth in the collective bargaining agreement, the contractor will, through independent recruitment efforts, fill the employment vacancies without regard to race, color, religion, sex, national origin, age or disability; making full efforts to obtain qualified and/or qualifiable minorities and women. The failure of a union to provide sufficient referrals (even though it is obligated to provide exclusive referrals under the terms of a collective bargaining agreement) does not relieve the contractor from the requirements of this paragraph. In the event the union referral practice prevents the contractor from meeting the obligations pursuant to Executive Order 11246, as amended, and these special provisions, such contractor shall immediately notify the contracting agency.

8. Reasonable Accommodation for Applicants / Employees with Disabilities: The contractor must be familiar

with the requirements for and comply with the Americans with Disabilities Act and all rules and regulations established there under. Employers must provide reasonable accommodation in all employment activities unless to do so would cause an undue hardship.

9. Selection of Subcontractors, Procurement of Materials and Leasing of Equipment: The contractor shall not discriminate on the grounds of race, color, religion, sex, national origin, age or disability in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor shall take all necessary and reasonable steps to ensure nondiscrimination in the administration of this contract.

a. The contractor shall notify all potential subcontractors and suppliers and lessors of their EEO obligations under this contract.

b. The contractor will use good faith efforts to ensure subcontractor compliance with their EEO obligations.

10. Assurance Required by 49 CFR 26.13(b):

a. The requirements of 49 CFR Part 26 and the State DOT's U.S. DOT-approved DBE program are incorporated by reference.

b. The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the contracting agency deems appropriate.

11. Records and Reports: The contractor shall keep such records as necessary to document compliance with the EEO requirements. Such records shall be retained for a period of three years following the date of the final payment to the contractor for all contract work and shall be available at reasonable times and places for inspection by authorized representatives of the contracting agency and the FHWA.

a. The records kept by the contractor shall document the following:

(1) The number and work hours of minority and non-minority group members and women employed in each work classification on the project;

(2) The progress and efforts being made in cooperation with unions, when applicable, to increase employment opportunities for minorities and women; and

(3) The progress and efforts being made in locating, hiring, training, qualifying, and upgrading minorities and women;

b. The contractors and subcontractors will submit an annual report to the contracting agency each July for the duration of the project, indicating the number of minority, women, and non-minority group employees currently engaged in each work classification required by the contract work. This information is to be reported on [Form FHWA-1391](#). The staffing data should represent the project work force on board in all or any part of the last payroll period preceding the end of July. If on-the-job training is being required by special provision, the contractor

will be required to collect and report training data. The employment data should reflect the work force on board during all or any part of the last payroll period preceding the end of July.

III. NONSEGREGATED FACILITIES

This provision is applicable to all Federal-aid construction contracts and to all related construction subcontracts of \$10,000 or more.

The contractor must ensure that facilities provided for employees are provided in such a manner that segregation on the basis of race, color, religion, sex, or national origin cannot result. The contractor may neither require such segregated use by written or oral policies nor tolerate such use by employee custom. The contractor's obligation extends further to ensure that its employees are not assigned to perform their services at any location, under the contractor's control, where the facilities are segregated. The term "facilities" includes waiting rooms, work areas, restaurants and other eating areas, time clocks, restrooms, washrooms, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing provided for employees. The contractor shall provide separate or single-user restrooms and necessary dressing or sleeping areas to assure privacy between sexes.

IV. DAVIS-BACON AND RELATED ACT PROVISIONS

This section is applicable to all Federal-aid construction projects exceeding \$2,000 and to all related subcontracts and lower-tier subcontracts (regardless of subcontract size). The requirements apply to all projects located within the right-of-way of a roadway that is functionally classified as Federal-aid highway. This excludes roadways functionally classified as local roads or rural minor collectors, which are exempt. Contracting agencies may elect to apply these requirements to other projects.

The following provisions are from the U.S. Department of Labor regulations in 29 CFR 5.5 "Contract provisions and related matters" with minor revisions to conform to the FHWA-1273 format and FHWA program requirements.

1. Minimum wages

a. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions

of paragraph 1.d. of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph 1.b. of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

b.(1) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(i) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(ii) The classification is utilized in the area by the construction industry; and

(iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(2) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(3) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Wage and Hour Administrator for determination. The Wage and Hour Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or

will notify the contracting officer within the 30-day period that additional time is necessary.

(4) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs 1.b.(2) or 1.b.(3) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

c. Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

d. If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

2. Withholding

The contracting agency shall upon its own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract, or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the contracting agency may, after written notice to the contractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

3. Payrolls and basic records

a. Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-

Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

b. (1) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the contracting agency. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the contracting agency for transmission to the State DOT, the FHWA or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the contracting agency..

(2) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(i) That the payroll for the payroll period contains the information required to be provided under §5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under §5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(ii) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(iii) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(3) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph 3.b.(2) of this section.

(4) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

c. The contractor or subcontractor shall make the records required under paragraph 3.a. of this section available for inspection, copying, or transcription by authorized representatives of the contracting agency, the State DOT, the FHWA, or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the FHWA may, after written notice to the contractor, the contracting agency or the State DOT, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

4. Apprentices and trainees

a. Apprentices (programs of the USDOL).

Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice.

The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed.

Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly

rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination.

In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

b. Trainees (programs of the USDOL).

Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration.

The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration.

Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed.

In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

c. Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

d. Apprentices and Trainees (programs of the U.S. DOT).

Apprentices and trainees working under apprenticeship and skill training programs which have been certified by the Secretary of Transportation as promoting EEO in connection with Federal-aid highway construction programs are not subject to the requirements of paragraph 4 of this Section IV. The straight time hourly wage rates for apprentices and trainees under such programs will be established by the particular programs. The ratio of apprentices and trainees to journeymen shall not be greater than permitted by the terms of the particular program.

5. Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

6. Subcontracts. The contractor or subcontractor shall insert Form FHWA-1273 in any subcontracts and also require the subcontractors to include Form FHWA-1273 in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

7. Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

8. Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

9. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

10. Certification of eligibility.

a. By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

b. No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

c. The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

V. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

The following clauses apply to any Federal-aid construction contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by 29 CFR 5.5(a) or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

1. Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

2. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1.) of this section, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1.) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1.) of this section.

3. Withholding for unpaid wages and liquidated damages. The FHWA or the contracting agency shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2.) of this section.

4. Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1.) through (4.) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1.) through (4.) of this section.

VI. SUBLETTING OR ASSIGNING THE CONTRACT

This provision is applicable to all Federal-aid construction contracts on the National Highway System.

1. The contractor shall perform with its own organization contract work amounting to not less than 30 percent (or a greater percentage if specified elsewhere in the contract) of the total original contract price, excluding any specialty items designated by the contracting agency. Specialty items may be performed by subcontract and the amount of any such specialty items performed may be deducted from the total original contract price before computing the amount of work required to be performed by the contractor's own organization (23 CFR 635.116).

a. The term "perform work with its own organization" refers to workers employed or leased by the prime contractor, and equipment owned or rented by the prime contractor, with or without operators. Such term does not include employees or equipment of a subcontractor or lower tier subcontractor, agents of the prime contractor, or any other assignees. The term may include payments for the costs of hiring leased employees from an employee leasing firm meeting all relevant Federal and State regulatory requirements. Leased employees may only be included in this term if the prime contractor meets all of the following conditions:

- (1) the prime contractor maintains control over the supervision of the day-to-day activities of the leased employees;
- (2) the prime contractor remains responsible for the quality of the work of the leased employees;
- (3) the prime contractor retains all power to accept or exclude individual employees from work on the project; and
- (4) the prime contractor remains ultimately responsible for the payment of predetermined minimum wages, the submission of payrolls, statements of compliance and all other Federal regulatory requirements.

b. "Specialty Items" shall be construed to be limited to work that requires highly specialized knowledge, abilities, or equipment not ordinarily available in the type of contracting organizations qualified and expected to bid or propose on the contract as a whole and in general are to be limited to minor components of the overall contract.

2. The contract amount upon which the requirements set forth in paragraph (1) of Section VI is computed includes the cost of material and manufactured products which are to be purchased or produced by the contractor under the contract provisions.

3. The contractor shall furnish (a) a competent superintendent or supervisor who is employed by the firm, has full authority to direct performance of the work in accordance with the contract requirements, and is in charge of all construction operations (regardless of who performs the work) and (b) such other of its own organizational resources (supervision, management, and engineering services) as the contracting officer determines is necessary to assure the performance of the contract.

4. No portion of the contract shall be sublet, assigned or otherwise disposed of except with the written consent of the contracting officer, or authorized representative, and such consent when given shall not be construed to relieve the contractor of any responsibility for the fulfillment of the contract. Written consent will be given only after the contracting agency has assured that each subcontract is

evidenced in writing and that it contains all pertinent provisions and requirements of the prime contract.

5. The 30% self-performance requirement of paragraph (1) is not applicable to design-build contracts; however, contracting agencies may establish their own self-performance requirements.

VII. SAFETY: ACCIDENT PREVENTION

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

1. In the performance of this contract the contractor shall comply with all applicable Federal, State, and local laws governing safety, health, and sanitation (23 CFR 635). The contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions as it determines, or as the contracting officer may determine, to be reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of the work covered by the contract.
2. It is a condition of this contract, and shall be made a condition of each subcontract, which the contractor enters into pursuant to this contract, that the contractor and any subcontractor shall not permit any employee, in performance of the contract, to work in surroundings or under conditions which are unsanitary, hazardous or dangerous to his/her health or safety, as determined under construction safety and health standards (29 CFR 1926) promulgated by the Secretary of Labor, in accordance with Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3704).
3. Pursuant to 29 CFR 1926.3, it is a condition of this contract that the Secretary of Labor or authorized representative thereof, shall have right of entry to any site of contract performance to inspect or investigate the matter of compliance with the construction safety and health standards and to carry out the duties of the Secretary under Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C.3704).

VIII. FALSE STATEMENTS CONCERNING HIGHWAY PROJECTS

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

In order to assure high quality and durable construction in conformity with approved plans and specifications and a high degree of reliability on statements and representations made by engineers, contractors, suppliers, and workers on Federal-aid highway projects, it is essential that all persons concerned with the project perform their functions as carefully, thoroughly, and honestly as possible. Wilful falsification, distortion, or misrepresentation with respect to any facts related to the project is a violation of Federal law. To prevent any misunderstanding regarding the seriousness of these and similar acts, Form FHWA-1022 shall be posted on each Federal-aid highway project (23 CFR 635) in one or more places where it is readily available to all persons concerned with the project:

18 U.S.C. 1020 reads as follows:

"Whoever, being an officer, agent, or employee of the United States, or of any State or Territory, or whoever, whether a person, association, firm, or corporation, knowingly makes any false statement, false representation, or false report as to the character, quality, quantity, or cost of the material used or to be used, or the quantity or quality of the work performed or to be performed, or the cost thereof in connection with the submission of plans, maps, specifications, contracts, or costs of construction on any highway or related project submitted for approval to the Secretary of Transportation; or

Whoever knowingly makes any false statement, false representation, false report or false claim with respect to the character, quality, quantity, or cost of any work performed or to be performed, or materials furnished or to be furnished, in connection with the construction of any highway or related project approved by the Secretary of Transportation; or

Whoever knowingly makes any false statement or false representation as to material fact in any statement, certificate, or report submitted pursuant to provisions of the Federal-aid Roads Act approved July 1, 1916, (39 Stat. 355), as amended and supplemented;

Shall be fined under this title or imprisoned not more than 5 years or both."

IX. IMPLEMENTATION OF CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

By submission of this bid/proposal or the execution of this contract, or subcontract, as appropriate, the bidder, proposer, Federal-aid construction contractor, or subcontractor, as appropriate, will be deemed to have stipulated as follows:

1. That any person who is or will be utilized in the performance of this contract is not prohibited from receiving an award due to a violation of Section 508 of the Clean Water Act or Section 306 of the Clean Air Act.

2. That the contractor agrees to include or cause to be included the requirements of paragraph (1) of this Section X in every subcontract, and further agrees to take such action as the contracting agency may direct as a means of enforcing such requirements.

X. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION

This provision is applicable to all Federal-aid construction contracts, design-build contracts, subcontracts, lower-tier subcontracts, purchase orders, lease agreements, consultant contracts or any other covered transaction requiring FHWA approval or that is estimated to cost \$25,000 or more – as defined in 2 CFR Parts 180 and 1200.

1. Instructions for Certification – First Tier Participants:

a. By signing and submitting this proposal, the prospective first tier participant is providing the certification set out below.

b. The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this

covered transaction. The prospective first tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective first tier participant to furnish a certification or an explanation shall disqualify such a person from participation in this transaction.

c. The certification in this clause is a material representation of fact upon which reliance was placed when the contracting agency determined to enter into this transaction. If it is later determined that the prospective participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the contracting agency may terminate this transaction for cause of default.

d. The prospective first tier participant shall provide immediate written notice to the contracting agency to whom this proposal is submitted if any time the prospective first tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

e. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180 and 1200. "First Tier Covered Transactions" refers to any covered transaction between a grantee or subgrantee of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a grantee or subgrantee of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

f. The prospective first tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

g. The prospective first tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions," provided by the department or contracting agency, entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the \$25,000 threshold.

h. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the Excluded Parties List System website (<https://www.epls.gov>), which is compiled by the General Services Administration.

i. Nothing contained in the foregoing shall be construed to require the establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of the prospective participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

j. Except for transactions authorized under paragraph (f) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

* * * * *

2. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – First Tier Participants:

a. The prospective first tier participant certifies to the best of its knowledge and belief, that it and its principals:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;

(2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (a)(2) of this certification; and

(4) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

b. Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

2. Instructions for Certification - Lower Tier Participants:

(Applicable to all subcontracts, purchase orders and other lower tier transactions requiring prior FHWA approval or estimated to cost \$25,000 or more - 2 CFR Parts 180 and 1200)

a. By signing and submitting this proposal, the prospective lower tier is providing the certification set out below.

b. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department, or agency with which

this transaction originated may pursue available remedies, including suspension and/or debarment.

c. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous by reason of changed circumstances.

d. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180 and 1200. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations. "First Tier Covered Transactions" refers to any covered transaction between a grantee or subgrantee of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a grantee or subgrantee of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

e. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

f. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the \$25,000 threshold.

g. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the Excluded Parties List System website (<https://www.epls.gov/>), which is compiled by the General Services Administration.

h. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

i. Except for transactions authorized under paragraph e of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the

department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Participants:

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

XI. CERTIFICATION REGARDING USE OF CONTRACT FUNDS FOR LOBBYING

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts which exceed \$100,000 (49 CFR 20).

1. The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

2. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

3. The prospective participant also agrees by submitting its bid or proposal that the participant shall require that the language of this certification be included in all lower tier subcontracts, which exceed \$100,000 and that all such recipients shall certify and disclose accordingly.

ATTACHMENT A - EMPLOYMENT AND MATERIALS PREFERENCE FOR APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM OR APPALACHIAN LOCAL ACCESS ROAD CONTRACTS

This provision is applicable to all Federal-aid projects funded under the Appalachian Regional Development Act of 1965.

1. During the performance of this contract, the contractor undertaking to do work which is, or reasonably may be, done as on-site work, shall give preference to qualified persons who regularly reside in the labor area as designated by the DOL wherein the contract work is situated, or the subregion, or the Appalachian counties of the State wherein the contract work is situated, except:

- a. To the extent that qualified persons regularly residing in the area are not available.
- b. For the reasonable needs of the contractor to employ supervisory or specially experienced personnel necessary to assure an efficient execution of the contract work.
- c. For the obligation of the contractor to offer employment to present or former employees as the result of a lawful collective bargaining contract, provided that the number of nonresident persons employed under this subparagraph (1c) shall not exceed 20 percent of the total number of employees employed by the contractor on the contract work, except as provided in subparagraph (4) below.

2. The contractor shall place a job order with the State Employment Service indicating (a) the classifications of the laborers, mechanics and other employees required to perform the contract work, (b) the number of employees required in each classification, (c) the date on which the participant estimates such employees will be required, and (d) any other pertinent information required by the State Employment Service to complete the job order form. The job order may be placed with the State Employment Service in writing or by telephone. If during the course of the contract work, the information submitted by the contractor in the original job order is substantially modified, the participant shall promptly notify the State Employment Service.

3. The contractor shall give full consideration to all qualified job applicants referred to him by the State Employment Service. The contractor is not required to grant employment to any job applicants who, in his opinion, are not qualified to perform the classification of work required.

4. If, within one week following the placing of a job order by the contractor with the State Employment Service, the State Employment Service is unable to refer any qualified job applicants to the contractor, or less than the number requested, the State Employment Service will forward a certificate to the contractor indicating the unavailability of applicants. Such certificate shall be made a part of the contractor's permanent project records. Upon receipt of this certificate, the contractor may employ persons who do not normally reside in the labor area to fill positions covered by the certificate, notwithstanding the provisions of subparagraph (1c) above.

5. The provisions of 23 CFR 633.207(e) allow the contracting agency to provide a contractual preference for the use of mineral resource materials native to the Appalachian region.

6. The contractor shall include the provisions of Sections 1 through 4 of this Attachment A in every subcontract for work which is, or reasonably may be, done as on-site work.

EXHIBIT F

CONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT (Civil Code §8132)

NOTICE: THIS DOCUMENT WAIVES THE CLAIMANT'S LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS EFFECTIVE ON RECEIPT OF PAYMENT. A PERSON SHOULD NOT RELY ON THIS DOCUMENT UNLESS SATISFIED THAT THE CLAIMANT HAS RECEIVED PAYMENT.

Identifying Information

Name of Claimant: _____
Name of Customer: _____
Job Location: _____
Owner: _____
Through Date: _____

Conditional Waiver and Release

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job through the Through Date of this document. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. This document is effective only on the claimant's receipt of payment from the financial institution on which the following check is drawn:

Maker of Check: _____
Amount of Check: \$ _____
Check Payable to: _____

Exceptions

This document does not affect any of the following:

- (1) Retentions.
- (2) Extras for which the claimant has not received payment.
- (3) The following progress payments for which the claimant has previously given a conditional waiver and release but has not received payment: _____
Date(s) of waiver and release: _____
Amount(s) of unpaid progress payment(s): \$ _____
- (4) Contract rights, including (A) a right based on rescission, abandonment, or breach of contract, and (B) the right to recover compensation for work not compensated by the payment.

Signature

Claimant's Signature: _____
Claimant's Title: _____
Date of Signature: _____

EXHIBIT SA-1 - CONDITIONAL WAIVER AND RELEASE UPON PROGRESS PAYMENT

Upon receipt by the undersigned company/subcontractor of a check from _____ in
(Maker of Check)
the sum of \$ _____ payable to _____ and
(Amount of Check) (Payee or Payees of Check)
when the check has been properly endorsed and has been paid by the bank upon which it is drawn,
this document shall become effective to release any mechanic's lien, stop notice, or bond right the
undersigned has on the job of _____
(Owner)

located at _____
(Job Description)

to the following extent. This release covers a progress payment for labor, services, equipment, or
materials furnished to _____
(Your Customer)

through _____, only and does not cover any retentions retained before or after the
(Date)

release date; extras furnished before the release date for which payment has not been received;
extras or items furnished after the release date. Rights based upon work performed or items
furnished under a written change order which has been fully executed by the parties prior to the
release date are covered by this release unless specifically reserved by the claimant in this release.
This release of any mechanic's lien, stop notice, or bond right shall not otherwise affect the contract
rights, including rights between parties to the contract based upon a rescission, abandonment, or
breach of the contract, or the right of the undersigned to recover compensation for furnished labor,
services, equipment, or material covered by this release if that furnished labor, services, equipment,
or material was not compensated by the progress payment. Before any recipient of this document
relies on it, said party should verify evidence of payment to the undersigned.

Original Contract Price	\$ _____
Executed Changes to date	\$ _____
Total Contract Price to date	\$ _____
Total earned to date	\$ _____
Total Payments Received to Date	\$ _____
Retention withheld to date	\$ _____
Any other withholdings to date	\$ _____

Also, I hereby certify, to the best of my knowledge and belief, that the company/subcontractor and its
principals, are not presently debarred, suspended, proposed for debarment, declared ineligible, or
voluntarily excluded by any federal department or agency and are not presently indicted for or
otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with
commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or
performing a public (federal, state or local) transaction or contract under a public transaction; violation
of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery,
falsification or destruction of records, making false statements, or receiving stolen property.

Dated: _____ Company/Subcontractor Name: _____

Signed by: _____
(Print Name) (Print Title)

UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT (Civil Code §8134)

NOTICE TO CLAIMANT: THIS DOCUMENT WAIVES AND RELEASES LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL WAIVER AND RELEASE FORM.

Identifying Information

Name of Claimant: _____
Name of Customer: _____
Job Location: _____
Owner: _____
Through Date: _____

Unconditional Waiver and Release

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job through the Through Date of this document. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. The claimant has received the following progress payment:
\$ _____

Exceptions

This document does not affect any of the following:

- (1) Retentions.
- (2) Extras for which the claimant has not received payment.
- (3) Contract rights, including (A) a right based on rescission, abandonment, or breach of contract, and (B) the right to recover compensation for work not compensated by the payment.

Signature

Claimant's Signature: _____
Claimant's Title: _____
Date of Signature: _____

**EXHIBIT SA-2 - UNCONDITIONAL WAIVER AND RELEASE UPON PROGRESS
PAYMENT OR FINAL PAYMENT**

The undersigned company/subcontractor has been paid and has received a progress payment, or final payment, in the sum of \$ _____ for labor, services, equipment, or material furnished to

_____ on the job of _____
(Your Customer) (Owner)

located at _____ and does hereby release any
(Job Description)

mechanic's lien, stop notice, or bond right that the undersigned has on the above referenced job to the following extent. This release covers a progress payment for labor, services, equipment, or materials furnished to _____ through

_____ only and does not cover any retentions retained before or after the
(Your Customer)
(Date)

release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under a written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in this release. This release of any mechanic's lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress or final payment.

Original Contract Price	\$ _____
Executed Changes	\$ _____
Total Contract Price	\$ _____
Total Payments Received to Date	\$ _____
Total Retention Amount	\$ _____
Other withholdings, Total	\$ _____

Also, I hereby certify, to the best of my knowledge and belief, that the company/subcontractor and its principals, are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency and are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.

Dated: _____ Company Name: _____

Signed by: _____ (Print Name) _____ (Print Title)

NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL RELEASE FORM.

CONDITIONAL WAIVER AND RELEASE ON FINAL PAYMENT (Civil Code §8136)

NOTICE: THIS DOCUMENT WAIVES THE CLAIMANT'S LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS EFFECTIVE ON RECEIPT OF PAYMENT. A PERSON SHOULD NOT RELY ON THIS DOCUMENT UNLESS SATISFIED THAT THE CLAIMANT HAS RECEIVED PAYMENT.

Identifying Information

Name of Claimant: _____
Name of Customer: _____
Job Location: _____
Owner: _____

Conditional Waiver and Release

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. This document is effective only on the claimant's receipt of payment from the financial institution on which the following check is drawn:

Maker of Check: _____
Amount of Check: \$ _____
Check Payable to: _____

Exceptions

This document does not affect any of the following:
Disputed claims for extras in the amount of: \$ _____

Signature

Claimant's Signature: _____
Claimant's Title: _____
Date of Signature: _____

[NOT USED]

UNCONDITIONAL WAIVER AND RELEASE ON FINAL PAYMENT (Civil Code §8138)

NOTICE TO CLAIMANT: THIS DOCUMENT WAIVES AND RELEASES LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL WAIVER AND RELEASE FORM.

Identifying Information

Name of Claimant: _____

Name of Customer: _____

Job Location: _____

Owner: _____

Unconditional Waiver and Release

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for all labor and service provided, and equipment and material delivered, to the customer on this job. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. The claimant has been paid in full.

Exceptions

This document does not affect the following:

Disputed claims for extras in the amount of: \$ _____

Signature

Claimant's Signature: _____

Claimant's Title: _____

Date of Signature: _____

**EXHIBIT SA-2 - UNCONDITIONAL WAIVER AND RELEASE UPON PROGRESS
PAYMENT OR FINAL PAYMENT**

The undersigned company/subcontractor has been paid and has received a progress payment, or final payment, in the sum of \$ _____ for labor, services, equipment, or material furnished to

_____ on the job of _____
(Your Customer) (Owner)

located at _____ and does hereby release any
(Job Description)

mechanic's lien, stop notice, or bond right that the undersigned has on the above referenced job to the following extent. This release covers a progress payment for labor, services, equipment, or materials furnished to _____ through

_____ only and does not cover any retentions retained before or after the
(Your Customer)

release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under a written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in this release. This release of any mechanic's lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress or final payment.

Original Contract Price	\$ _____
Executed Changes	\$ _____
Total Contract Price	\$ _____
Total Payments Received to Date	\$ _____
Total Retention Amount	\$ _____
Other withholdings, Total	\$ _____

Also, I hereby certify, to the best of my knowledge and belief, that the company/subcontractor and its principals, are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency and are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.

Dated: _____ Company Name: _____

Signed by: _____
(Print Name) (Print Title)

NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL RELEASE FORM.

**EXHIBIT G
PAYMENT BOND**

KNOW ALL MEN BY THESE PRESENTS, That _____

(*hereinafter called the "Principal"*), as Principal and _____

a corporation organized and existing under the laws of the State of _____

(*hereinafter called the "Surety"*), as Surety, are held and firmly bound unto _____

(*hereinafter called the "Obligee"*), in the sum of _____

_____ Dollars

(\$ _____), for the payment of which sum well and truly to be made, the said Principal and Surety bind themselves, and their respective heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Obligee has been awarded a contract (*hereinafter called the "Prime Contract"*),

by _____

for _____

and;

WHEREAS, the Principal has entered into a written Subcontract with the Obligee, dated _____
to perform, as Subcontractor, certain portions of the work in connection with said Prime Contract, consisting of _____

which Subcontract is hereby referred to and made a part hereof.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal shall promptly make payment to all persons supplying labor and material in the prosecution of the work provided for in said Subcontract and any and all modifications of said Subcontract that may hereafter be made, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

The said Surety agrees that no change, extension of time, alteration, addition, omission, or other modification of the terms of either the said Subcontract or the said Prime Contract, or both, or in the said work to be performed, or in the specifications, or in the plans, shall in anywise affect its obligation on this Bond, and it does hereby waive notice of any such changes, extensions of time, alterations, additions, omissions, and other modifications.

The said Principal and the said Surety agree that this Bond shall inure to the benefit of all persons supplying labor and material in the prosecution of the work provided for in said Subcontract, as well as to the Obligee, and that such persons may maintain independent actions upon this Bond in their own names.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their several seals this ____ day of _____, 20____, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

_____(Seal)
(Principal)

Witness:

(Business Address)

or Secretary's Attest

By:_____
(Signature & Title)

_____(Seal)
(Surety)

Witness:

(Business Address)

or Secretary's Attest

By:_____
(Signature & Title)

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, That _____

_____ (hereinafter called the "Principal"), as Principal and _____

_____ a corporation organized and existing under the laws of the State of _____

_____ (hereinafter called the "Surety"), as Surety, are held and firmly bound unto _____

_____ (hereinafter called the "Obligee"), in the sum of _____

_____ Dollars

(\$ _____), for the payment of which sum well and truly to be made, the said Principal and Surety bind themselves, and their respective heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Obligee has been awarded a contract (hereinafter called the "Prime Contract"), by _____

_____ for _____

_____ and;

WHEREAS, the Principal has entered into a written Subcontract with the Obligee, dated _____ to perform, as Subcontractor, certain portions of the work in connection with said Prime Contract, consisting of _____

_____ which Subcontract is hereby referred to and made a part hereof.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal shall well and truly perform all the undertakings, covenants, terms, conditions, and agreements of said Subcontract within the time provided therein and any extensions thereof that may be granted by the Obligee, and during the life of any guaranty required under said Subcontract, and shall also well and truly perform all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said Subcontract that may hereafter be made, and shall indemnify and save harmless said Obligee of and from any and all loss, damage, and expense, including costs and attorney's fees, which the said Obligee may sustain by reason of failure so to do, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

The said Surety agrees that no change, extension of time, alteration, addition, omission, or other modification of the terms of either the said Subcontract or the said Prime Contract, or both, or in the said work to be performed, or in the specifications, or in the plans, shall in anywise affect its obligation on this Bond, and it does hereby waive notice of any such changes, extensions of time, alterations, additions, omissions, and other modifications.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their several seals this day of _____, 20____, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

_____(Seal)
(Principal)

Witness:

(Business Address)

or Secretary's Attest

By:_____
(Signature & Title)

_____(Seal)
(Surety)

Witness:

(Business Address)

or Secretary's Attest

By:_____
(Signature & Title)

EXHIBIT H
CONTRACT NO. C0980
REGIONAL CONNECTOR TRANSIT CORRIDOR PROJECT
CERTIFICATION FOR REQUEST FOR PAYMENT

I hereby certify under penalty of perjury as follows:

That the claim for payment is in all respects true, correct; that the services mentioned herein were actually rendered and/or supplies delivered to LACMTA in accordance with the contract.

I understand that it is a violation of both the federal and California False Claims Acts to knowingly present or cause to be presented to LACMTA a false claim for payment or approval. A claim includes a demand or request for money. It is also a violation of the False Claims Acts to knowingly make use of a false record or statement to get a false claim paid. The term "knowingly" includes either actual knowledge of the information, deliberate ignorance of the truth or falsity of the information, or reckless disregard for the truth or falsity of the information. Proof of specific intent to defraud is not necessary under the False Claims Acts.

I understand that the penalties under the Federal False Claims Act and State of California False Claims Act are non-exclusive, and are in addition to any other remedies which LACMTA may have either under contract or law.

I hereby further certify, to the best of my knowledge and belief, that:

- (1) The amounts requested are only for performance in accordance with the specifications, terms, and conditions of the contract;
- (2) Payments to subcontractors and suppliers have been made from previous payments received under the contract, and timely payments will be made from the proceeds of the payment covered by this certification;
- (3) This request for progress payments does not include any amounts which the prime contractor intends to withhold or retain from a subcontractor or supplier in accordance with the terms and conditions of the subcontract; and
- (4) This certification is not to be construed as final acceptance of a subcontractor's performance.
- (5) The Contractor and its principals, are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency; have not within a three year period had one or more public transactions (federal, state or local) terminated for cause or default; and have not within a three year period been convicted of or had a civil judgment rendered against them; and are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.

(Name)

(Title)

(Date)

EXHIBIT I

SUBCONTRACTOR QUALITY CONTROL

SUBCONTRACTOR shall comply with the CONTRACTOR's Quality Program and sign a commitment letter prior to performing any work, agreeing to such.

Note: CONTRACTOR's Quality Plan shall be followed by each SUBCONTRACTOR for the elements listed below, as applicable to SUBCONTRACTOR'S scope of Work. SUBCONTRACTOR shall impose quality requirements upon his lower tier vendors and SUBCONTRACTORS, sufficient to assure that the overall quality objectives of the project are met. SUBCONTRACTOR shall be responsible for the quality of all work within the scope of this contract, whether self-performed or performed by a lower tier vendor or SUBCONTRACTOR.

The SUBCONTRACTOR shall be responsible for the following elements, as indicated, as a minimum:

Required:

Design Control: Comply with the CONTRACTOR'S approved Project Design Quality Program.

Document Control: Systems shall be established and implemented which assure that design documents and construction submittals in the possession of end users are properly authorized (approved), are the latest approved revision, and that obsolete documents are controlled to prevent their use. Construction "as-built" design documents, work and shop drawings for all Work performed by the SUBCONTRACTOR shall be maintained current as the Work progresses and subject to be verified monthly.

Procurement Control: Procedures shall be implemented which assure that purchased materials, equipment, and services conform to the contract and design documents. Only qualified lower tier vendors and SUBCONTRACTORS shall be used. Purchasing documents shall clearly specify the technical and quality characteristics required for the material, equipment, or service being purchased.

Material Control: Systems shall be established and implemented which assure that materials and equipment specified in the contract and design documents are receipt inspected, stored, maintained, handled, and issued such that quality is maintained and the items are incorporated into the work where, and as specified.

Inspection, Material Testing, and Verification: Provide all support necessary for CONTRACTOR'S forces to perform Inspection, Material Testing and Verification of the Work.

Process Control: Fabrication and installation processes shall be controlled to assure contract and design document requirements are met. Consideration shall be given to special processes such as welding, postweld heat treatment, and coatings, to any required identification and traceability, and any desired sequencing of work operations. Process control measures shall also address required Quality Records and turnover of systems and facilities. SUBCONTRACTOR shall develop Construction Quality Work Plans for each work activity and participate in pre-activity meetings (Readiness Review Meetings) with the CONTRACTOR, Owner and other affected 3rd party agencies.

Nonconformance Control/Corrective Action: Respond to Owner and CONTRACTOR issued Nonconformance Reports and other documented reports of nonconforming or indeterminate conditions within time period specified in the document. Include in response, description of investigative actions, statement of root cause of problem, action to correct the problem and to prevent recurrence to the satisfaction of originating organization. Any SUBCONTRACTOR initiated Nonconformance Report shall be process through the CONTRACTOR'S nonconformance program.

Control of Inspection Measuring/Test Equipment: Procedures shall be in effect which control calibration, issue and use of IM & TE. Measures to be taken when returned IM & TE is found to be out of calibration shall be addressed. Appropriate Quality Records, including Calibration Records and Logs, shall be generated and maintained. IM and TE includes, but is not limited to, hydrostatic/pneumatic test gauges, survey equipments, calipers/gauges used for final inspection/alignment, etc. This does not include tools such as measuring tapes, fillet weld gauges, six inches scales, etc.

Training: All SUBCONTRACTOR project personnel shall receive Quality Orientation Training.

In summary, the SUBCONTRACTOR shall be responsible for the items identified above and all specified quality requirements stated in the Division 2 through 34 Technical Specifications. The CONTRACTOR will be responsible for QA/QC Inspection, Materials Testing and Verification.