

SUBCONTRACT AGREEMENT

This Subcontract is executed on **12/21/2023** by and between COLARELLI CONSTRUCTION and:

Systec101 LLC
11871 E 33rd Ave.
Unit B
Aurora, CO 80010
(970) 646-2706

(hereinafter referred to as "Subcontractor," which includes all agents, employees, representatives, subcontractors and suppliers of Subcontractor).

WHEREAS, CCI and
Rangely Hospital District
225 Eagle Crest St Drive
Rangely, CO 81648

(hereinafter referred to as "Owner", which term includes all of the Owner's agents and representatives, including as appropriate the Architect and their sub-consultants, and any other person or entity to the extent the Contract Documents expressly give duties and/or responsibilities to such person or entity) have entered into a contract dated **2/20/2023** for the construction of **Rangely Dist Hospital Surgery** (hereinafter referred to as the "Project") located at

225 Eagle Crest St Drive
Rangely, CO 81648;

according to the Contract Documents listed in **Exhibit A** attached hereto and incorporated by reference (hereinafter referred to as the "Contract Documents") and available for Subcontractor's review, and; WHEREAS, CCI desires to subcontract certain work specified in the Contract Documents, and Subcontractor desires to perform said work at the prices and upon the terms and conditions hereinafter expressed;

NOW, THEREFORE, in consideration of the mutual agreements herein expressed, the parties do contract as follows:

1. Subcontractor's Work –
 - a) Subcontractor shall perform all work and shall furnish all supervision, labor, materials, plant, scaffolding, tools, equipment, trade expertise, supplies and all other things necessary for the construction and completion of the **Low Volt** Scope of Work described herein including Exhibit B attached hereto and made a part thereof, and work incidental thereto, in strict accordance and full compliance with the terms of the Contract Documents, this Subcontract and to the entire satisfaction of CCI and the Owner. Subcontractor further agrees to be bound to CCI by the same terms as CCI is bound to the Owner, and assume toward CCI all obligations and responsibilities which CCI assumes toward the Owner. Subcontractor shall, except as otherwise provided herein, have all rights which CCI has under the Contract Documents towards the Owner. Subcontractor shall have the right to enforce its right and remedies and to defend against claims against it by the Owner as provided in Article 11.
 - b) Subcontractor, by execution of this Subcontract, acknowledges that it has fully examined these documents and has had all questions answered to its satisfaction by the Owner or CCI. Further, Subcontractor acknowledges its responsibility, prior to entering into this Subcontract, to investigate and familiarize itself, without limitation, with all applicable laws, ordinances, and regulations and all working conditions, situations and factors which may affect Subcontractor's work under this Subcontract. Subcontractor warrants that CCI shall not be liable to Subcontractor on any claim whatsoever if such claim directly or indirectly results from Subcontractor's failure to investigate and familiarize itself sufficiently with the conditions under which this Subcontract is to be performed.
2. Complete Agreement - This Subcontract contains the entire agreement between the parties hereto with respect to the matters covered herein. No other agreements, representations, warranties, or other matters, oral or written, shall be deemed to bind the parties hereto..
3. Payment -
 - a) CCI shall pay Subcontractor for performance of the work, subject to additions and deductions by change order or other subcontract provisions, the total sum of **SIX THOUSAND THREE HUNDRED FIFTEEN DOLLARS AND 86 CENTS (\$6,315.86)**.
 - b) Partial payments shall be due Subcontractor in the total amount of 95% of the work in place, which work has been approved by CCI and the Owner, and for which payment has been made to CCI by the Owner. If the Contract documents allow CCI partial payments for on-site materials, partial payments shall also be due Subcontractor in the amount of 95% of materials stored on-site which have been approved by CCI and the Owner and for which payment has been made to CCI by the Owner. If the Contract Documents allow partial payments for

materials stored off-site, such payments shall be made to Subcontractor in the amounts and under the standard as set forth in the Contract Document for off-site stored materials which have been approved by CCI and the Owner but only after CCI's receipt of payment hereto from the Owner for such off-site stored materials. For the purpose of determined partial payments, Subcontractor shall submit a breakdown of the total Subcontract price (showing the amount included therein in each principal category of work) to CCI for approval within ten (10) days of the execution of this Subcontract. In the event CCI disapproves said breakdown, CCI shall establish a reasonable breakdown which shall serve as the basis for partial payments.

- c) CCI shall make payment to Subcontractor after receipt of payment for Subcontractor's work from Owner. CCI and Subcontractor intend that the Subcontractor is to be paid only if the Owner first pays CCI and the Subcontractor agrees that the risk of Owner's non-payment is Subcontractor's risk and Subcontractor accepts that risk. The acceptance of any such work and payment therefore shall not relieve Subcontractor from liability for defects in such work which may thereafter be discovered. Applications for monthly progress payments shall be in writing in a form acceptable to CCI and to the Owner, and in accordance with this Agreement, shall account accurately for the value of the work put in place as of the date of the Application, and shall include supporting documentation as deemed necessary by CCI to demonstrate the actual value of the work completed.
- d) Each Application shall be submitted complete to CCI on or before the 22nd day of each month or the Application will be deferred for inclusion in the following month's pay request.
- e) Each Application shall include; i) a summary of the status of payment of the subcontract as of each Application, ii) an executed Partial Release of Lien and Application for Payment, in the form attached hereto as Exhibit F, iii) a current schedule of values breakdown of the cost of the work, including all executed change orders, and, if requested by CCI, a receipts or other vouchers showing payment of labor and materials to the previous month's date of Application for partial payments, iv.) Subcontractor Sub-Tier Supplier List (Exhibit I).
- f) Subcontractor shall timely pay all lower-tier subcontractors, suppliers and employees, in connection with the performance of this Subcontract. CCI shall have the right to withhold payments until Subcontractor submits evidence, satisfactory to CCI that all amounts owed in connection with performance of this Subcontract have been paid. Further, Subcontractor agrees that CCI, after giving written notice to Subcontractor, may pay all persons who have not been paid the monies due them in connection with this Subcontract, unless Subcontractor within ten (10) days of receipt of notice or such shorter period as CCI finds necessary to meet its obligations to the Owner; i) demonstrates that such sums are not due; and, ii) provides CCI security deemed adequate by CCI.
- g) In the event CCI pays or indemnifies any person in accordance with this Subcontract, Subcontractor shall immediately reimburse CCI for the full cost thereof and any amounts paid by CCI under its payment bond.
- h) All material and work incorporated into the Project or for which partial payment has been made shall become the property of CCI, or the Owner; however, this provision shall not relieve Subcontractor from the sole responsibility and liability for all work and materials upon which payments have been made until final acceptance thereof by the Owner.
- i) CCI may withhold amounts otherwise due under this Subcontract or any other agreement between the parties to cover CCI's reasonable estimate of any costs or liability CCI has incurred or may incur for which Subcontractor may be responsible under this Subcontract or any other agreement between the parties.
- j) Final payment, subject to withholding permitted hereunder, shall not be due until Subcontractor's work has been completed and approved by the Owner, the Project has been completed, the Owner has issued a certificate of Substantial Completion pursuant to the provisions of the Contract Documents, satisfactory proof of Payment of all amounts owed by Subcontractor in connection with this Subcontract has been provided, Subcontractor provides a full release in the form attached as Exhibit F for itself and all others performing work under this Subcontract, and CCI has been paid by the Owner.
- k) Final payment shall constitute a waiver of all claims by the Subcontractor except those previously made as set forth elsewhere herein and identified by the Subcontractor as unsettled at the time of its final application for payment.
- l) Subcontractor shall cooperate fully with CCI in securing payment to CCI by the Owner including but not limited to providing such supporting documentation as the Owner or CCI may require.
- m) At any time all monies due CCI from the Owner are not paid, CCI shall, in its sole discretion, apportion the nonpayment and reduce payments otherwise due Subcontractor accordingly. Such reduction shall continue until CCI is paid all monies due it, provided however, if the withholdings do not relate to Subcontractor's work, Subcontractor shall be paid in full when CCI is paid by Owner.
- n) In the event of conflicts between the Bid Documents and this Subcontract, the provisions of this Subcontract shall take precedence.
- 4. Subcontractor's Investigations and Representations - Subcontractor represents that it is fully qualified to perform this Subcontract, and acknowledges that prior to the execution of this Subcontract it has verified all information furnished by the Contract Documents, CCI or

others satisfying itself as to the correctness and accuracy of that information. Any failure by Subcontractor to investigate independently and become fully informed will not relieve Subcontractor from its responsibilities hereunder.

5. Performance and Payment Bond – If the Scope of Work included within this Subcontract Agreement includes providing performance and payment bond(s);
 - a) Immediately upon receipt of this Subcontract, Subcontractor shall furnish to CCI performance and payment bonds in the form attached hereto as [Exhibit C](#), from a surety acceptable to CCI, each in the full amount of this Subcontract.
 - b) If Subcontractor has not been required to furnish bonds or if CCI desires Subcontractor to provide additional bond coverage, CCI may, at any time upon written request, instruct Subcontractor to provide within ten (10) days performance and payment bonds, in a form and from a surety acceptable to CCI, in an amount up to the then current full value of this Subcontract. In this event, CCI will reimburse Subcontractor for reasonable bond premiums.
 - c) The payment of any incremental increase in the cost of bonds arising as a result of changes in the work shall be the responsibility of Subcontractor and may be included as a part of Subcontractor's price quotation for proposed changes pursuant to Article 9.
6. Subcontractor's Liability -
 - a) Subcontractor hereby assumes the entire responsibility and liability for all work, supervision, labor and materials provided hereunder, whether or not erected in place, and for all plant, scaffolding, temporary construction and protection, tools, equipment, expertise, supplies and other appurtenances provided by Subcontractor until final acceptance of work by the Owner and after final acceptance as set forth herein. In the event of any loss, damage or destruction thereof from any cause, Subcontractor shall be liable therefore, and shall repair, rebuild and make good said loss, damage or destruction at Subcontractor's cost.
 - b) In the event that Subcontractor or any of its agents, employees, suppliers, or lower-tier subcontractors utilize any machinery, equipment, tools, scaffolding, hoists, lifts or similar items belonging to or under the control of CCI, Subcontractor shall be liable to CCI for any loss or damage (including personal injury or death) which may arise from such use, except where such loss or damage shall be due solely to the gross negligence of CCI employees operating CCI owned or CCI leased equipment.
 - c) Subcontractor's assumption of liability is independent from, and not limited in any manner by, the Subcontractor's insurance coverage obtained pursuant to Article 7, or otherwise. All amounts owed by Subcontractor to CCI as a result of the liability provisions of this Subcontract shall be paid upon demand.
 - d) The Subcontract price includes one hundred dollars (\$100.00) as specific consideration for indemnifications under this Subcontract..
7. Subcontractor's Insurance -
 - a) Prior to commencing the work, Subcontractor shall procure, with CCI, the Owner and such other parties as are required by CCI and/or the Contract Documents as additional insured parties on a primary basis and thereafter maintain, at its own expense, until expiration of Subcontractor's obligations under the Subcontract, insurance coverage from insurers acceptance to CCI in such amounts and in such form as required by [Exhibit D](#). Within 10 days of the execution of this Subcontract, Subcontractor shall furnish CCI satisfactory evidence in the form of Certificates of Insurance issued by a duly authorized representative of the insurance carriers, that all required insurance is in force.
 - b) Subcontractor waives all rights of recovery against CCI, the Owner and such other parties as are required by CCI and/or the Contract Documents, for losses within the scope of Subcontractor's insurance.
 - c) Subcontractor's insurance policy shall include endorsements providing CCI and Owner with at least thirty (30) days written notice prior to cancellation or renewal.
8. Time of Performance -
 - a) Subcontractor will proceed with the work in a prompt and diligent manner, in accordance with CCI's schedule, attached hereto as [Exhibit E](#) and as reasonably amended from time to time. Subcontractor shall be liable to CCI for failure to adhere to CCI's schedules including amendments even if such schedules differ from schedules set forth in the Contract Documents or the time of completion called for by the Contract Documents. Time is of the essence with respect to this Subcontractor's work under this Agreement.
 - b) Subcontractor therefore agrees to keep himself thoroughly informed as to the overall progress of the Project and agrees to complete the work hereunder as specifically required. Subcontractor shall commence and prosecute the work in a prompt and diligent manner whenever such work, or any part of it, becomes available, or at such time or times as CCI may direct, so as to promote the general progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work or progress of CCI or other subcontractor(s) and shall proceed to execute the work in such order as may be directed by CCI and CCI's schedule and any revisions or changes thereto. Failure to strictly comply with all Project time requirements and schedules shall be deemed a material breach of this Subcontract.
 - c) As requested by CCI, Subcontractor shall submit detailed schedules for performance of the Subcontract, including at times, manpower projections, in a form acceptable to CCI, which shall comply with all scheduling requirements of the Contract Documents and of paragraph

- a) above. CCI may from time to time, at its sole discretion, direct Subcontractor to make necessary modifications and revisions in such schedules.
- d) Subcontractor shall be entitled to additional compensation for compliance with schedule amendments or damages for delay only to the extent CCI receives such additional compensation.
- e) Subcontractor agrees to reimburse CCI for any and all liquidated or actual damages that may be assessed against, collected from or sustained by CCI by Owner which are directly or indirectly attributable to or caused by Subcontractor's failure to perform the work required by this Subcontract within the time fixed or in the manner provided herein and for all other breaches of this Subcontract. Subcontractor also agrees to pay to CCI such other or additional damages as CCI may sustain by reason of any such delay directly or indirectly attributable to or caused by the Subcontractor, including but not limited to, recovery of CCI's overhead and expense related to managing and supervising the project work during or equal to any period of time resulting from such delay caused by Subcontractor; Subcontractor further agrees that neither the payment of such damages or any liability incurred for the payment of such damages shall release Subcontractor from his obligation to otherwise fully perform this Subcontract.
- f) No overtime will be paid by CCI unless specifically agreed to by CCI in advance and in writing.
- 9) Changes -
- a) CCI may, at any time, either unilaterally or by agreement with Subcontractor, without notice to the sureties, make any changes in the work covered by this Subcontract. Any change order amending this Agreement under this Article 9.a. shall be in writing, prepared by CCI. Subcontractor shall perform the work as changed without delay.
- b) Subcontractor shall submit to CCI any requests or claims for adjustment in the price, schedule or other provisions of the Subcontract for changes directed by the Owner, or for circumstances otherwise permitted by the Contract Documents in accordance with the terms set forth in Exhibit K. Said requests or claims shall be submitted in writing to CCI by Subcontractor within three (3) days of such occurrence. Failure to provide timely notice as provided herein shall constitute a waiver of the right to compensation for the change. CCI shall process said requests or claims in the manner provided by and according to the provision of the Contract Documents. Subcontract adjustments shall be made only to the extent that CCI is entitled to relief from or must grant relief in CCI's contract with the Owner. Subcontractor's allocable share shall be determined by CCI, after allowance of CCI's normal overhead and profit on any recovery and CCI's expense of recovery, by making a reasonable apportionment, if applicable, between Subcontractor, CCI and other subcontractors and persons with interest in the adjustment. This paragraph shall also cover other equitable adjustments or other relief allowed by the Contract Documents.
- c) Payment on account of pending changes made by the Owner shall be made only if CCI receives such payment from the Owner for Subcontractor's changed work. Each payment to Subcontractor on account of pending change orders shall be equal to Subcontractor's allocable share of CCI's payment from the Owner for the pending change as determined by CCI. Amounts paid on account of pending changes are provisional and not an admission of liability and shall be repaid to CCI on demand whenever CCI determines there has been an overpayment.
- d) For changes ordered by CCI independent of the Owner or the Contract Documents, Subcontractor shall be entitled to equitable adjustment in the Subcontract price. If Subcontractor considers any action or inaction by CCI other than a formal change order to be a change, it shall so notify CCI in writing within three (3) days of said action or inaction and seek a confirmation from CCI. Failure to comply with said confirmation procedure shall constitute a waiver of the right to compensation for the action or inaction.
- e) Subcontractor shall, within five (5) days of a CCI request, submit a reasonable price quotation for proposed changes. If Subcontractor does not and CCI is required to submit a price quotation to the Owner which includes a proposed change to Subcontractor's work, CCI shall use its best estimate of the proposed change as it affects the Subcontract in its quotation to the Owner, which estimate shall be the maximum equitable adjustment due to Subcontractor, and shall be binding on Subcontractor if accepted by Owner.
10. Subcontractor's Failure to Perform -
- a) If, in the opinion of CCI, Subcontractor shall at any time: i) refuse or fail to provide sufficient properly skilled workers, adequate supervision or materials of the proper quality, and/or equipment; ii) fail in any material respect to prosecute the work according to CCI's current schedule, iii) cause, by any action or omission, the stoppage or delay of or interference with the work of CCI or of any other contractor or subcontractor, iv) fail to comply with any provision of this Subcontract or the Contract Documents, v) make a general assignment for the benefit of its creditors; vi) have a receiver appointed, and/or ix) become insolvent, then, after serving three (3) days written notice to Subcontractor, unless the condition(s) specified in such notice shall have been eliminated within such three (3) days, CCI, at its option, without voiding the other provision of this Subcontract and without notice to the sureties, may: i) withhold payments on account of labor and material already furnished until such time as satisfactory progress is resumed and maintained; ii) upon two (2) days written notice given to the Subcontractor at his last known address, hire additional workmen, purchase materials, rent equipment, or employ others to perform such portions of the work under this Agreement and for the account of the Subcontractor, without terminating this Agreement; iii) terminate this Contract in accordance with applicable provisions of this Agreement under the following terms and conditions: 1) Prior to termination of the Contract, CCI shall give written notice to the Subcontractor by certified mail at his last known address of the nature and extent of the breach or corrective measurements required of the Subcontractor and shall allow for five (5) days from the date of mailing notice to correct such

breach. In the event that Subcontractor has not corrected such breach within the allowed period, CCI shall have right to declare this Contract terminated. 2) In the event that the Contract is terminated in accordance with the provisions above, Subcontractor shall be liable for damages including but not limited to the cost of completion of the work under this Subcontract, delay damages, extended overhead, reasonable attorney's fees, and any and all other reasonable costs incurred by CCI as a result of the breach. 3) In addition, it is agreed that Subcontractor's inability to perform administratively shall be grounds for termination upon two (2) days written notice. 4) In the event Owner, for any cause, suspends work under the Contract, CCI may order Subcontractor to suspend work under this Subcontract. Subcontractor shall not be entitled to any additional compensation or damage for such suspensions, except and only to the extent CCI receives additional compensation from Owner under the provisions of the Contract for work covered by this Subcontract.

- b) In the event of termination for default, CCI may, at its option; i) enter on the premises and take possession, for the purpose of completion the work, or all materials and equipment of Subcontractor; ii) take assignment of any or all Subcontractor's subcontracts, and/or iii) either itself or through others complete the work, by whatever method CCI may deem expedient. In case of termination for default, Subcontractor shall not be entitled to receive any further payment until the work shall be fully completed and accepted by the Owner and payment in full made by the Owner. At such time, if the unpaid balance of the price to be paid to Subcontractor for satisfactory work performed prior to termination shall exceed the expense incurred by CCI including overhead and profit, such excess shall be paid by CCI to Subcontractor. If such amount shall exceed such unpaid balance, the Subcontractor shall pay CCI the difference on demand.
- c) If CCI wrongfully exercise its option under Article 10.a), that termination for default shall be considered a termination for CCI's convenience and Subcontractor shall be entitled to the applicable compensation provided in Article 16. Subcontractor's remedies under this Article 10.b shall be exclusive. Nothing herein shall bar withholdings by CCI permitted by other provision of this Subcontract.

11. Settlement of Disputes -

- a) In the event of any dispute involving work to be performed, CCI shall issue a decision which shall be followed immediately by Subcontractor. If Subcontractor does not agree with such decision Subcontractor may dispute the matter in the manner set forth below by filing a claim within ten (10) days after Subcontractor receives notice of such decision. In the event of any claim or dispute between Subcontractor and any party, Subcontractor shall continue to perform its work in accordance with the Contract Documents, this Agreement and the Project Schedule. It is specifically agreed by the parties hereto that no claim, dispute or controversy shall interfere with the progress or performance of the work required to be performed under this Agreement and that the Subcontractor shall proceed as directed by CCI in all instances with its work under the Subcontract. Any failure of Subcontractor to comply herewith and to proceed with the work shall automatically be deemed a material breach of this Subcontract entitling CCI to all remedies available in the event of a breach as set forth herein and, further, shall automatically disqualify Subcontractor from the right to arbitrate or continue arbitration or pursuit of any claim or dispute.
- b) In the event of any dispute between CCI and Subcontractor which is in any way relating to or arising from any act or omission of the Owner or involving the Contract Documents, Subcontractor agrees to be bound to CCI to the same extent that CCI is bound to the Owner by the terms of the Contract Documents, and by any and all preliminary and final decisions or determinations made thereunder by the party, board or court so authorized in the Contract Documents or by law, whether or not Subcontractor is a party to such proceedings. It is agreed that in the event the Contract Documents contain a dispute resolution section, such section is incorporated herein by reference as though fully set forth herein and Subcontractor agrees to be bound by and follow the procedures set forth in such section. (i) In case of such dispute, Subcontractor will comply with all provisions of the Contract Documents and allow a reasonable time for CCI to analyze and forward to the Owner any required communications or documentation. CCI will, at its option: (a) present to the Owner, in CCI's name; or (b) authorize Subcontractor to present to the Owner, in CCI's name, all of Subcontractor's claims and answer the Owner's claims involving Subcontractor's work, whenever CCI is permitted to do so by the terms of the Contract Documents. Nothing herein shall require CCI to certify a claim under a government contract when it cannot do so in good faith. (ii) In the event of a claim made by Owner for which Subcontractor is alleged to be responsible, Subcontractor shall prosecute or defend such claims in CCI's name. CCI and Subcontractor shall cooperate in prosecuting or defending all claims relating to Owner. Subcontractor shall have full responsibility for preparation and presentation of such claims and shall bear all expenses thereof, including attorney's and consultant's fees and other associated costs. In such claims against the Owner, the Subcontractor shall include and account for CCI's administrative overhead within the total amount of the claim, which CCI shall be entitled to receive from any amounts awarded to Subcontractor for such claim. (iii) In the event that CCI decides to prosecute or defend any Subcontractor claims relating to the act or omission of the Owner or relating to the Contract Documents, Subcontractor, at its own expense, agrees to furnish all documents, statements, witnesses, and other information required by CCI and to pay or reimburse CCI for all costs incurred by CCI in connection with the dispute including attorney's fees and costs. Subcontractor shall not be entitled to receive any greater amount from CCI than CCI receives from the Owner on account of Subcontractor's claims, less any mark-ups or costs incurred by CCI, and Subcontractor shall accept such amount, if any, received by CCI from Owner as a full accord and satisfaction of all such claims for or on account of acts or omissions of Owner or relating to the Contract Documents. In the event that CCI does not receive the full amount sought in a claim against Owner, CCI shall determine whether or not Subcontractor is entitled to receive any of the award to CCI from Owner. (iv) If CCI has to pay money to Owner or reduce its compensation due from Owner as a result of Subcontractor's work, CCI shall reduce the compensation due to Subcontractor under this Agreement in the same amount plus all costs, attorney's fees and expenses incurred by CCI in defending against Owner's claim relating to Subcontractor's work. (v) If Subcontractor fails to prosecute claims relating to acts or omissions of Owner through the dispute resolution section in the Contract Documents, it shall be barred from asserting such claims against CCI in any proceeding. If Subcontractor fails to prosecute claims resulting from acts or omissions of Owner or relating to the Contract Documents or fails to defend claims by Owner relating to Subcontractor's work, CCI shall have the right to prosecute or defend such claims at Subcontractor's sole expense. (vi) Five (5) days prior to the time required by the Contract Documents

for asserting a claim as set forth in the dispute resolution section of the Contract Documents, Subcontractor shall provide CCI with a detailed statement of its claims ("Statement"). This Statement shall include: (a) a specific detailed identification of all factual information upon which Subcontractor's claim entitlement is based; (b) the Contract Document provisions and legal authorities upon which Subcontractor's claim entitlement is based; (c) all calculations upon which Subcontractor's claim quantum is based; (d) all documents pertinent to both entitlement and quantum of Subcontractor's claim; (e) identification of all persons having knowledge of facts upon which Subcontractor's claim entitlements are based and the method and manner by which the claim of quantum is calculated; and (f) certification under oath by an officer or principal of Subcontractor, as follows: "This claim is made in good faith, the supporting data are accurate and complete to the best of my knowledge and belief and the amount requested accurately reflects the Subcontract adjustment for which Subcontractor believes CCI or Owner is liable." Submission of this Statement containing all of the foregoing elements shall be a condition precedent to Subcontractor's right to prosecute any claim. If the Statement is not timely provided by Subcontractor, Subcontractor's claim against Owner and CCI shall be deemed to have been waived. Upon submission of the Statement, CCI and/or any designated representatives of CCI shall have full access to all of Subcontractor's books and records pertaining to the Project.

- c) In the case of any dispute between CCI and Subcontractor or between Subcontractor and any other party, not relating to or arising from any act or omission of the Owner or involving the Contract Documents, the following procedures shall apply: (i) Subcontractor shall give CCI written notice of its intent to make a claim within ten (10) calendar days of the occurrence upon which Subcontractor's claim is based ("Statement"). The Statement must include the following: (a) a specific detailed identification of all factual information upon which Subcontractor's claim entitlement is based; (b) the Contract Document or Subcontract provisions and legal authorities upon which Subcontractor's claim entitlement is based; (c) all calculations upon which Subcontractor's claim quantum is based; (d) all documents pertinent to both entitlement and quantum of Subcontractor's claim; (e) identification of all persons having knowledge of facts upon which Subcontractor's claim entitlements are based and the method and manner by which the claim of quantum is calculated; and (f) certification under oath by an officer or principal of Subcontractor as follows: "This claim is made in good faith, the supporting data are accurate and complete to the best of my knowledge and belief and the amount requested accurately reflects the Subcontract adjustment for which Subcontractor believes CCI or Owner is liable." (ii) Within fifteen (15) calendar days of the occurrence upon which Subcontractor's claim is based, Subcontractor shall give CCI written notice of the recovery plan which Subcontractor believes will mitigate and/or eliminate the impact of the occurrence on Subcontractor's work. The giving of this notice and the Statement shall be a condition precedent to Subcontractor's right to make a claim and the failure to provide either the notice or the Statement shall constitute a waiver of the right to pursue any such claim. (iii) Within five (5) days of CCI's receipt of the Statement, CCI and Subcontractor shall schedule a meeting between CCI and Subcontractor to attempt to resolve the claim, such meeting to occur within thirty (30) days of CCI's receipt of the Statement. In the event that (a) the parties are unable to reach agreement after such meeting, (b) the parties are unable to schedule such a meeting within the time specified above, or (c) the parties mutually agree to waive the necessity of such meeting, the parties shall proceed to mediation and, if the mediation is unsuccessful, to arbitration or litigation as set forth below. (iv) Mediation shall be conducted within ninety (90) days of CCI's receipt of the Statement. The mediator shall be a mutually agreed upon member of Judicial Arbitrator Group, Inc. In the event that the parties are unable to agree upon a mediator of Judicial Arbitrator Group, Inc. within forty (40) days from CCI's receipt of the Statement, Judicial Arbitrator Group, Inc. shall appoint a mediator. The mediation shall be held at a mutually agreed upon location and on a mutually agreed upon date and time provided that such date and time is within ninety (90) days of CCI's receipt of the Statement. In the event that the parties are unable to agree upon a date, time or location, the mediator shall select the date, time and location provided that the date is within ninety (90) days from CCI's receipt of the Statement unless the parties mutually agree otherwise. Failure of the Subcontractor to attend the mediation or participate meaningful in the mediation as determined by the mediator will result in a waiver of the Subcontractor's claim. Mediation shall continue until the parties mutually agree or the mediator determines that further mediation efforts are unlikely to be productive at which point the parties will then proceed to arbitration or litigation as determined by CCI in its sole discretion. (v) If CCI selects arbitration, it shall be conducted within one-hundred eighty (180) days after the date of the mediation meeting or a written determination from the mediator that further mediation efforts are unlikely to be successful. The mediator utilized for the mediation shall be the arbitrator. In the event that the parties are unable to agree upon a date, time and location for the arbitration, the arbitrator shall select the date, time and location for the arbitration. Failure of Subcontractor to attend the arbitration will result in a waiver of Subcontractor's claim. Discovery, rules of evidence and rules of procedure shall be as agreed upon by the parties or as ordered by the arbitrator. The provisions of the Colorado Arbitration Act, C.R.S. § 13-22-201 *et seq.*, shall govern the arbitration unless mutually agreed by the parties. The decision of the arbitrator will be final and binding upon the parties.
- d) In the event that arbitration and/or litigation is instituted to enforce or contest the provisions of this Subcontract or adjudicate any question arising under this Subcontract or the Contract Documents, CCI, if it is the prevailing party, shall be entitled to recover its attorney's fees and costs of such arbitration and/or litigation, including, without limitation, consultant and expert witness fees and expenses, in addition to other costs otherwise allowed by law.
12. Warranty - Subcontractor warrants its work hereunder to CCI on the same terms, and for the same period, as CCI warrants the work to the Owner under the Contract Documents, and, with respect to Subcontractor's work, Subcontractor shall assume all warranty obligations and responsibilities of CCI under the Contractor Documents and in accordance with the Subcontractor's Warranty attached as Exhibit J.
13. Liens -

- a) In the event that liens are filed by anyone in relation to the labor and/or material furnished pursuant to this Subcontract, Subcontractor agrees to have the same discharged within three (3) days of notice to Subcontractor by CCI. In the event such lien is not so discharged, CCI may discharge the lien itself holding Subcontractor responsible for all costs and obligations incurred.
- b) Subcontractor shall, as part of each request for partial payment other than the initial request, furnish claim release and lien waivers with respect to all work performed and materials supplied through the date of the immediately preceding request for partial payment in the form of release included herein as [Exhibit F](#).
- 14. Inspections and Acceptance -
 - a) Subcontractor shall provide appropriate facilities at all reasonable times for inspection by CCI or the Owner of the work and materials provided under this Subcontract, whether at the Project site or at any place where such work or materials may be in preparation, manufacture, storage or installation. Subcontractor shall promptly replace or correct any work or materials which CCI or the Owner shall reject as failing to conform to the requirements of this Subcontract. If Subcontractor does not do so within a reasonable time, CCI shall have the right to do so and Subcontractor shall be liable to CCI for the cost thereof. If, in the opinion of CCI, it is not expedient to correct or replace all or any part of rejected work or materials, then CCI, at its opinion, may deduct from the payments due, or to become due, to Subcontractor, such amount as, in CCI's reasonable judgment, will represent: i) the difference between the fair value of the rejected work and materials and the value thereof if it complied with this Subcontract, or ii) the cost of correction, whichever CCI determines is more appropriate.
 - b) Subcontractor's remedy for wrongful rejection of work pursuant to Article 14.a) shall be limited to CCI's remedy under the Contract Documents if rejection is by the Owner or by CCI at request of the Owner.
- 15. Inconsistencies and Omissions - Should inconsistencies or omissions appear in the Contract Documents, it shall be the duty of Subcontractor to timely notify CCI in writing. Upon receipt of said notice, CCI shall instruct Subcontractor as to the measures to be taken, and Subcontractor shall comply with CCI's instructions. Nothing herein shall bar Subcontractor's right to seek adjustment under Article 9.b) if allowable under the Contract documents.
- 16. Termination for Convenience - CCI shall have the right to terminate for convenience Subcontractor's performance of all or a part of the Subcontract work by providing Subcontractor with a written notice of termination for convenience, to be effective upon receipt by Subcontractor. If there has been a termination of CCI's contract with the Owner, the Subcontractor shall be paid the amount due from the Owner for its work, as provided in the Contract Documents, after payment therefor by the Owner to CCI less any appropriate deductions, withholdings or adjustments. If CCI's contract has not been terminated, Subcontractor shall be paid the reasonable value of work performed by Subcontractor prior to termination plus reasonable direct close-out costs, but in no event shall Subcontractor be entitled to unabsorbed overhead or anticipatory profit. If no work has been performed by Subcontractor at the time of termination, Subcontractor shall be paid the sum of one hundred and no/100 dollars (\$100.00) for its undertaking an obligation to perform.
- 17. Approvals -
 - a) Subcontractor shall deliver to CCI copies of shop drawings, cuts, samples, material lists and other submissions required by CCI or the Contract Documents within sufficient time so as not to delay performance of the Project or within sufficient time for CCI to submit the same within the time stated in the Contract Document whichever is earlier. Submission shall be in strict accordance with the Contract Documents, provided however, if Subcontractor wishes to propose a deviation from the Contract Documents, such deviation shall be clearly identified on the submissions and accompanied by a letter describing such deviation in detail and the effect, if any, on Subcontractor's work and time of performance. Requested deviations will be allowed only when specific written approval referencing the deviation is given to Subcontractor. No general approval granted by CCI or the Owner shall relieve Subcontractor from complying with the Contract Documents.
 - b) CCI's review of shop drawings, cuts, samples, materials lists and other submissions shall not be construed as a complete check or approval, nor shall it relieve the Subcontractor from responsibility for errors of any sort therein, or from the necessity of furnishing any work required by the Contract Documents which may have been omitted from the shop drawings, cuts, samples, material lists or other submissions.
- 18. Cleanup - Subcontractor shall clean its work and remove all debris resulting from its work in a manner that will not impede either the progress of the Project or of other trades. CCI shall have the right to perform cleanup itself and charge Subcontractor the reasonable cost thereof including an allocation of the cost of cleanup not identifiable to any source.
- 19. Assignment and Subcontracting -
 - a) Subcontractor shall not assign or transfer this Subcontract, or funds due hereunder, without the prior written consent of Subcontractor's surety and CCI. CCI shall not unreasonably withhold its consent to the assignment of funds due hereunder. Provided that CCI consents to assignment of proceeds, Subcontractor shall require Assignee to accept, acknowledge and be bound by all of the terms and conditions of the Subcontract documents. Lower-tier subcontracts are subject to the provisions of this Subcontract, and Subcontractor shall insert in Subcontractor's subcontracts all provisions required by this Agreement and the Contract Documents as necessary to enable Subcontractor to comply with the terms hereof. Subcontracting by Subcontractor shall not abrogate any obligation of Subcontractor under this Subcontract.

- b) Subcontractor, by execution of this Subcontract, contingently assigns to CCI all Subcontractor's subcontracts. The assignment of each of Subcontractor's subcontracts shall take effect only upon Subcontractor's termination for default under Article 10.a) and CCI's affirmative acceptance of the assignment of the specific subcontract by written notice to Subcontractor and Subcontractor's subcontractor. CCI shall have no liability to any of Subcontractor's subcontractors unless and until CCI affirmatively accepts the assignment as provided above.
20. Patents and Royalties - Except as otherwise provided by the Contract Documents, Subcontractor shall pay all royalties and license fees which may be due with respect to its work. Subcontractor shall defend all suits or claims for infringement of any patent rights that may be brought against CCI or the Owner arising out of its work, and shall be liable to CCI and the Owner for all loss, including all costs and expenses, on account thereof.
21. Taxes and Permits -
- a) Except as otherwise provided by the Contract Documents, Subcontractor agrees to pay and comply with and hold CCI harmless against the payment of all Federal, state and local contributions, taxes, duties or premiums arising out of the performance of this Subcontract, and all sales, use or other duties or taxes of whatever nature or any increase in the aforementioned duties, taxes and/or premiums unless payment therefore is specifically provided for in the Contract Documents.
- b) Subcontractor shall obtain and pay for all permits, licenses, fees and certificates of inspection necessary for the prosecution and completion of its work. Subcontractor shall arrange for all necessary inspections and approvals by public officials.
22. Laws, Regulations and Ordinances
- a) Subcontractor shall be bound by, and, at its own cost, shall comply with all Federal, state and local laws, codes, ordinances and regulations applicable to this Subcontract and the performance of the work hereunder.
- b) Unless otherwise provided in the Contract documents, the terms and conditions of this Subcontract shall be interpreted in accordance with the laws of the jurisdiction where the Project is located.
23. Construction Management Plan - Subcontractor shall be obligated to follow the policies and procedures of the Construction Management Plan and/or Work rules governing this project attached as [Exhibit G](#)..
24. Safety - In addition to safety requirements imposed by law, Subcontractor shall comply with all safety requirements imposed by CCI or the Owner, will conduct operations in a safe manner, and shall comply with the provisions of CCI's jobsite safety program as defined in [Exhibit H](#). CCI may conduct safety inspections which shall not relieve Subcontractor from its obligation to adhere to safety requirements nor shall such inspections create any CCI liability.
25. Labor - Subcontractor and its lower-tier subcontractors shall not employ anyone to perform Subcontract work whose employment may be objected to by CCI or the Owner and will agree to remove anyone objectionable to CCI and Owner within two (2) days notice.
26. Equal Opportunity
- a) In connection with the performance of work under this Subcontract, Subcontractor agrees not to discriminate against any employee or applicant for employment because of race, religion, sex, color or national origin. The aforesaid provision shall include, but not be limited to, the following; 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. Subcontractor agrees to post hereafter, in conspicuous places, available for employees and applicants for employment, notices, prepared by Subcontractor, and approved by the government when required, setting forth the provision of this [Article 26](#).
- b) Subcontractor shall permit access to its books, records and accounts by representatives of CCI or the Owner for purposes of investigation to ascertain compliance with the provisions of this [Article 26](#).
- c) In the event of Subcontractor's noncompliance with the equal opportunity provisions of this Subcontract, this Subcontractor may be terminated for default.
- d) Subcontractor shall include the provisions of this [Article 26](#), in Subcontractor's subcontracts. The requirements of this [Article 26](#), shall be in addition to any Equal Opportunity provisions of the Contract Documents.
27. Information Required by Owner - Subcontractor hereby agrees to provide, promptly and at no additional cost to CCI and the Owner, any and all additional information relating to this Subcontract which is required either by Contract Documents, by law, by Owner and/or by CCI.
28. Interpretation of Contract Documents
- a) It is the intention of the parties that all terms of this Subcontract are to be considered as complimentary. However, in the event that such an interpretation is not possible, the order of precedence of the documents forming this Subcontract shall be: i) modifications of any documents forming part of this Subcontract, ii) this Subcontract, unless the Contract Documents impose a higher standard or greater requirement on

Subcontractor, in which case the Contract Documents, and iii) the Contract Documents, unless the provision of ii apply. In the event of a conflict between or among modifications, the later in date shall prevail; in the event of a conflict between or among the terms of this Subcontract, the higher standard or greater requirement for Subcontractor shall prevail; and in the event of a conflict between or among the terms of the Contract Documents, the higher standard or greater requirement for Subcontractor shall prevail.

- b) Except as otherwise provided, all references herein to days shall be to calendar days.
- c) The term "Subcontractor's subcontractor" shall mean any subcontractor, vendor or material man who is supplying material or performing work in connection with the Subcontract and who has a direct contractual relationship with Subcontractor. The term "lower-tier subcontractor" shall mean any subcontractor, vendor or material man at any tier supplying material or performing work in connection with the Subcontract. The term "subcontract" when referencing contractual arrangements between Subcontractor and Subcontractor's subcontractor shall include purchase orders and contracts for construction, materials and/or services relating to the Project.
- d) Termination under [Articles 10 or 16](#) shall not relieve Subcontractor from obligations in connection with work performed prior to termination or abrogate any provisions herein dealing with resolution of disputes
- 29. Advertising Signs - Subcontractor, lower-tier subcontractors, and their employees shall not take photographs of the work on site, publish or display advertising matter of any description relating to the Project, or display signs at or near the Project without first obtaining the written consent of CCI and the Owner.
- 30. Personnel - Before the start of the project, the Subcontractor shall designate an employee or employees responsible for the performance of this Subcontract and shall not change this employee or employees without the approval of CCI. In addition, CCI may request that Subcontractor change personnel on their designated staff, at which time, Subcontractor will provide an alternative employee or employees satisfactory to CCI.
- 31. Indemnification - Subcontractor agrees to defend, indemnify and hold CCI harmless from any and all claims, demands, losses and liability to or by third parties arising from or connected with actions or inactions related to this Subcontract by Subcontractor, its agents, subcontractors, suppliers or employees to the fullest extent permitted by law and subject to the limitations provided below. With respect to any action involving Subcontractor's acts or omissions; i) Subcontractor shall at its own expense defend CCI and all other indemnified parties to the extent of liability set forth herein, and ii) Subcontractor shall pay all costs and expenses, including attorney's fees, of and satisfy all judgments entered against, CCI and all other indemnified parties to the extent of liability set forth herein. Nothing herein shall preclude CCI from participating in any such defense. Subcontractor's assumption of liability herein includes but is not limited to assumption of all liabilities on account of, or in any way related to, Subcontractor's work which CCI has assumed under the Contract Documents or under agreements with third parties who may be affected by construction of the Project.
- 32. Backcharges - Backcharges for work beyond the requirements of this Subcontract, performed by either party for the benefit of the other party, shall be paid for on the basis of direct job cost plus a ten percent (10%) fee for combined overhead and profit. Such backcharges shall be resolved on a monthly basis. All time and materials work performed by Subcontractor must be agreed to in writing and substantiated by written authorization by CCI. Labor time (including supervision) shall be submitted to CCI the day the labor is performed. The signature of the Project Superintendent acknowledges labor performed and not necessarily agreement that the work is beyond the requirements of this Subcontract.
- 33. Privity - Until Subcontractor's obligation under this Subcontract are completely fulfilled, Subcontractor agrees not to perform any work directly for the Owner or any of its tenants or deal directly with the Owner's representatives in connection with the Project, unless otherwise directed in writing by CCI. All work for this Project performed by Subcontractor shall be processed and handled exclusively by CCI.
- 34. Notice - All notices shall be addressed to the parties at the addresses set out herein, and shall be considered as delivered when postmarked if dispatched by registered or certified mail, when confirmed if sent by telegram or telecopy, when signed for when delivered by hand, and when received in all other cases.
- 35. Severability and Waiver - The partial or complete invalidity of any one or more provisions of this Subcontract shall not affect the validity or continuing force and effect of any other provision. If any provision is invalid, in whole or in part, the provision shall be considered reformed to reflect the intent thereof to the greatest extent possible consistent with law. The failure of either party to insist, in any one or more instances, upon the performance of any of the terms, covenants, or conditions of this Subcontract, or to exercise any right herein, shall not be construed as a waiver or relinquishment of such term, covenant, condition or right as respect further performance.

36. Additional Provisions – The following Exhibits are attached hereto, and made part of this agreement:

- a) Exhibit A – Contract Documents
- b) Exhibit B – Scope of Work Description (if not included herein)
- ~~c) Exhibit C – Performance and Payment Bond Form~~
- d) Exhibit D – Insurance Requirements
- e) Exhibit E – Proposed Initial Schedule
- f) Exhibit F – Release of Lien and Application for Payment Form
- g) Exhibit G – Construction Management Plan / Work Rules
- h) Exhibit H – Safety Requirements
- i) Exhibit I – Subcontractor Sub-tier Supplier List
- j) Exhibit J – Subcontractor's Warranty
- k) Exhibit K – Change Order Terms

IN WITNESS WHEREOF, the parties, by their duly authorized representatives, have hereunto executed this Subcontract, on the day and year above written.

SUBCONTRACTOR

On behalf of:
Systec101 LLC
11871 E 33rd Ave.
Unit B
Aurora, CO 80010

By Authorized Representative:

Authorized Name and Title

Murat Yildirim/Owner


Signature

12/22/2022


Date

CONTRACTOR

On behalf of:
Colarelli Construction, Incorporated
111 South Tejon, North Tower, Plaza of the Rockies, Suite 112

Colorado Springs, Colorado 80903

By Authorized Representative:


Signature

12/23/23

Date

Exhibit A – Contract Documents

- See Attached

EXHIBIT B –DESCRIPTION OF THE WORK

Subcontractor shall perform all work and shall furnish all management, supervision, labor, administrative support, materials, labor, scaffolding, equipment, systems, machinery, tools, supplies, apparatus, hoisting, loading, unloading, stocking, transportation, supplemental design / engineering, shop drawings, samples, submittals, layout (taken from benchmarks provided by Colarelli), trade expertise, fees, taxes, insurance, and all other things necessary for the construction and completion of all work described in each work category and subcontractor divisions of work contained in this subcontract agreement. All work to be in strict accordance with the Contract Documents which are listed in EXHIBIT A, and local building codes.

A. General Requirements for ALL Work Categories and Subcontractor Divisions of Work

Below is a list of summary items that are included as a part of the Work of ALL subcontracts. They are as follows:

1. Substitution of materials, products, and equipment will be outlined in the Specifications or specifically indicated in this agreement. No other exceptions will be made. Submittals & Shop drawings will be strictly adhered to in the performance of the contract.
2. A clean and organized jobsite is a priority to Colarelli Construction. Subcontractors will collect and deposit their own rubbish, debris, packing cartons, crates, etc., in a central location to be determined by Colarelli Construction daily. All debris is to be broken down prior to putting it into dumpsters. The Subcontractor will maintain their work and storage areas in a broom clean condition at all times. Failure to keep work storage areas clean will result in Colarelli Construction providing labor to do the cleaning for the non-performing party at a rate of labor costs plus 56% burden.
3. Strict compliance with OSHA regulations will be required of each Subcontractor. Safety will be enforced through back charges and fines if subcontractor fails to comply. All Subcontractors will be required to identify and maintain a competent person as defined by OSHA on site at all times.
4. All roadways shall be kept clean as per local authorities. Subcontractor shall clean up any and all debris that is in the roadway as a result of their work and/or clean all trucks leaving the site.
5. All barricades, traffic control, signage, sidewalk protection and other safety measures necessary to ensure public safety during completion of the Work. If existing safety and traffic control measures are in place, Subcontractor is responsible for the re-establishment of safety and traffic control measures moved in order to complete work.
6. All sheets of drawings and all sections of the specifications associated with the project are considered to be included. No consideration will be given to a Subcontractor's claim that the subcontractor's work was not included on specific sheets of drawings or in specific sections of the specifications.
7. All cutting and patching associated with Subcontractor's work is required to be included in Subcontractor's scope of work. All cutting and coring locations need to be approved by Colarelli Construction prior to performing the work. All patching material needs to be submitted on for approval.
8. Any field engineering and layout required to complete the Work is included. This does not, however, include the establishment of building corners, bench marks, or control lines, which will be done by the Colarelli Construction.
9. All bad weather protection as required to perform subcontractor work is provided and installed by Subcontractor.
10. Subcontractor will provide all temporary bracing, shoring, dewatering, underpinning or protection reasonably required for the completion of their work.

11. Subcontractor includes all re-handling of on-site materials that interfere with the work of other subcontractors.
12. Subcontractor will provide all protection of all openings or unsafe conditions created by this Subcontractor.
13. Coordination of the work to ensure proper fit, finish and sequence in accordance with the project schedule.
14. All Subcontractors are hereby advised that Colarelli Construction has implemented the OSHA protection standards. All Subcontractors performing work on projects will be required to meet the new standard without exception. Please understand this requirement is mandatory and applies to all trades. In addition, when subcontractor is working from heights that require to be tied off, they need to turn in daily fall rescue plans to Colarelli Construction.
15. Subcontractors are required to attend weekly safety meetings as coordinated by Colarelli Construction. This does not relieve the individual subcontractor of the responsibility of having its own meeting. Failure to attend these meetings will result in a back charge to the Subcontractor's contract.
16. Weekly Coordination Meetings: Subcontractors are required to attend Weekly Coordination Meetings, regardless if the subcontractor has mobilized onsite. Each Subcontractor field superintendent will be required to attend each meeting. Project managers for each subcontractor will be required to attend one (1) meeting a month, exact time will be determined by Colarelli Construction's project manager. Failure to attend these meetings will result in a back charge to the Subcontractor's contract.
17. Notification of Deliveries: Colarelli Construction to be notified no less than 48 hours in advance of any deliveries to the site. Failure to notify project superintendent will result in refusal of delivery. Subcontractors are required to provide their own safety traffic control flaggers when their materials are being delivered to the site. Colarelli Construction will NOT perform this flagging activity if required.
18. Inspect subgrades, substrates and elevations to confirm that they are acceptable prior to beginning your work. Once the Subcontractor starts work, they have accepted the subgrade and/or substrate.
19. This work includes all permits and fees relating to your work.
20. Subcontractor acknowledges that the drawings and specifications are not graphically 100% complete. Subcontractor agrees that the Contract Documents and/or other project documents are suitable to complete his Work.
21. It is understood that Subcontractor has included a complete system. If there was any ambiguity in the Contract Documents the subcontractor has made the more stringent assumptions or received the proper clarifications as required to provide a complete system.
22. Subcontractor acknowledges that it's commitment toward quality is one of the criteria for award. Ten (10) days following execution of this agreement the Subcontractor shall submit to the project superintendent, a project specific quality control program or check point milestones that will be implemented for quality control. Work that is deemed deficient, in the sole opinion of the Colarelli Construction project superintendent, will be replaced without delay and without additional cost, at any time during the project.
23. All taxes, including, but not limited to, sales, use, transportation, federal, state, county, local, payroll and all other applicable taxes. Also, all material is FOB jobsite.
24. Subcontractor includes multiple mobilizations, as required to complete the work, unless specified otherwise below.
25. It is the Subcontractor's responsibility to contact local utility locator and notify the project superintendent prior to starting any excavation work, maintain current call log and authorization number. All existing utilities to remain protected.
26. Subcontractors responsible for the construction of a component listed in the quality assurance plan or otherwise required shall submit a written statement of responsibility to Colarelli Construction prior to the

commencement of work on the system or component. The contractor's statement of responsibility shall contain the following (Reference IBC Chapter 17):

- a. Acknowledgment of awareness of the special requirements contained in the quality assurance plan;
 - b. Acknowledgment that control will be exercised to obtain conformance with the construction documents approved by the building official;
 - c. Procedures for exercising control within the subcontractor's organization, the method and frequency of reporting and the distribution of the reports; and
 - d. Identification and qualifications of the person(s) exercising such control and their position(s) in the organization.
27. It is the Subcontractor's responsibility to provide parking for ALL their field personnel. All costs associated with parking for field staff is the Subcontractor's responsibility. NO onsite parking will be provided.
 28. All material unloading, stocking, and hoisting is the responsibility of the Subcontractor.
 29. Time is of the essence in the performance of the contract; therefore, all subcontractors must strictly adhere to the project schedule as presented by Colarelli Construction. Subcontractor agrees to provide sufficient manpower, materials, equipment, etc. to adhere to, maintain, and support the project schedule.
 30. Any second tier Subcontract awards will be subject to written approval by Colarelli Construction. Lien waivers will be required from second tier vendors and subs.
 31. Subcontractor will adhere to all local, state and federal regulations.
 32. Subcontractor acknowledges that they have completed following prior to submission of their bid proposal and again prior to mobilizing onsite: (a) Inspection of site and existing conditions (b) Reviewed access to the site (c) Reviewed all project specific requirements
 33. Subcontractor is responsible for providing and installing all fire caulking, fire putty packs, fire penetration boots, etc. of all their penetrations through fire rated assemblies. All fire caulking needs to be backed up with a UL rating that needs to be submitted on by the Subcontractor for approval.
 34. Subcontract is responsible to have a JHA and a silica plan in place when drilling or saw cutting concrete.
 35. If Subcontractor is operating a crane, all rigging certs and a copy of operator's license will need to be provided.
 36. Subcontractor is responsible for all temporary protection of their work during and after installation.
 37. Subcontractor is responsible to coordinate of their work with other trades, with regards to schedule, before installation and prevent interference.
 38. Subcontractor work must comply with Colarelli safety standards.
 39. Subcontract must provide a printed copy of their company and site specific safety policy before coming onsite.
 40. Subcontractor is responsible for storm water management practices related to their own operations while on site and subcontractor must be in compliance with Colarelli storm water management program and requirements.
 41. In compliance with Colarelli schedule or within two (2) weeks from award (whatever is more stringent), Subcontractor will submit all submittals, shop drawings, cut sheets, samples, materials, etc. for review and approval.
 42. At completion of the project, subcontractor shall submit O&M manuals within two (2) weeks from request.
 43. Subcontractor is responsible for their own field measurements required for fabrication and installation of their work.

44. Subcontractor shall supply drinking water for all their field personnel. Colarelli Construction will NOT provide drinking water for Subcontractor.
45. Colarelli Construction will provide standard temporary power at a location on the site and on each floor. Subcontractor is responsible for supplying their own specialized power, if required, to perform their work. Subcontractor is also responsible for supplying their own properly gauged and OSHA approved extension cords from the central power locations.
46. Subcontractor is responsible for learning and using the Colarelli Construction Procore software on the project.
47. Subcontractor is required to turn in their daily reports to the Colarelli Construction superintendent by 9:00 a.m. the next working day.

EXHIBIT B— Detailed Scope of Work

Work to include but not limited to complete Section **Low Volt** per plans and specifications.

INCLUDING (BUT NOT LIMITED TO):

Install

6 dual data/voice drops

10 single data drops

2 wireless access point drops

Provide all equipment for fully functioning network rooms. (patch panels, network switches, patch cords, labeling)

Provide any lifts, ladders, and equipment required to perform the work in a safe and responsible manner.

Provide designs and specifications for any system proposed to meet any requirements by any regulatory bodies.

Provide any permits that may be required for satisfactory completion of the project.

Provide any firestopping for the low voltage as required by code.

Structured Cabling installation \$4,800.00

Materials \$1,365.71

Tax \$150.15

Total \$6,315.86

EXCLUDING:

Any High Voltage work to be done by others.

Main Fiber line to be provided by the service provider.

Conduit work to be done by electricians.

EXHIBIT C– Subcontractor Bond

Bond No. _____

Premium: \$ _____

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 COLARELLI CONSTRUCTION, 111 South Tejon,
 Suite 112, Colorado Springs, CO 80903, (hereinafter called the “Obligee”), in the sum of
 _____ (\$ _____) 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 by these presents.

WHEREAS, the Obligee has been awarded a contract (hereinafter called the “Prime
 Contract”) _____ 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 the said
 Prime Contract, consisting generally 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
 bounded Principal shall promptly pay all persons having just claims for (a) labor, materials, services,
 insurance, supplies, machinery, equipment, rentals, fuels, oils implements, tools and/or appliances and any
 other items of whatever nature, furnished for, used or consumed in the prosecution of the work called for
 by said Subcontract and any and all modifications thereof, whether lienable or nonlienable and whether or
 not permanently incorporated in said work. (b) pension, welfare, vacation and/or other supplemental
 employee benefit contributions payable under collective bargaining agreements with respect to persons
 employed upon said work and (c) federal, state and local taxes and/or contributions required by law to be
 withheld and/or paid with respect to the employment of persons upon said work, then this obligation shall
 be null and void; otherwise it shall remain in full force and effect.

In the event the Principal and the Obligee shall arbitrate any disputes, claims or other matters, the
 Surety shall be bound by the decision or ruling in such arbitration proceedings.

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 Contractor, or both, or in the
 said work to be performed, or in the specifications, 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 materials 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 bonded parties have executed this instrument under their several seals this _____ day of _____, 20____, the name and corporate seal of each corporate party being affixed and these presents duly signed by its undersigned representative pursuant to authority of its governing body.

ATTEST:

By: _____ (Seal)
Principal

Address

By: _____

WITNESS: _____ (Seal)
Surety

By: _____
Address

By: _____
Attorney-in-fact

EXHIBIT D - Subcontractor Insurance Requirements

1. To the fullest extent permitted by law, Subcontractor shall defend, indemnify and hold harmless Colarelli Construction and the Owner, and agents, representatives and employees of each and any of them from and against claims, damages, penalties, fines, liabilities, losses and expenses, including, but not limited to, attorney's fees and costs, arising out of or resulting from, whether directly or indirectly, the performance of Subcontractor's Work or services under this agreement, or any breach of Subcontractor's obligations under this agreement, but only to the extent caused in whole or in part by negligent acts or omissions of Subcontractor or anyone directly or indirectly employed by them or anyone for whose acts they may be liable. Such obligation shall not be construed to negate, abridge, or otherwise reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this Exhibit. Subcontractor's obligation to indemnify shall not include an obligation to indemnify which is prohibited by applicable law. In the event an arbitration panel or court of competent jurisdiction determines any of the indemnification obligations of this Subcontract are unenforceable, in whole or in part, Subcontractor's obligation to indemnify shall be replaced with the strictest enforceable indemnification provision in the governing jurisdiction. Subcontractor's obligations of defense and indemnifications under this Subcontract are severable from the Subcontractor's obligations set forth in the Insurance Requirements.

2. In claims against any person or entity indemnified under this Exhibit by an employee of Subcontractor, or anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under this Paragraph shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for Subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts.

3. The obligations of Subcontractor under this Exhibit shall not extend to the liability of the Architect, the Architect's consultants, and agents and employees of any of them arising out of: i) the preparation or approval of maps, drawings, opinions, reports, surveys, Change Orders, designs or specifications; or, ii) the giving of or the failure to give directions or instructions by the Architect, the Architect's consultants, and agents and employees of any of them, provided such giving or failure to give is the primary cause of the injury or damage.

4. Prior to the commencement of any work, Subcontractor shall secure, purchase and maintain, at its own expense, insurance of the following types of coverage and with the following MINIMUM limits of liability, unless higher limits are required by the Contract Documents. These insurance requirements and the obligations of the indemnification agreement stated above shall also apply to anyone hired by the Subcontractor for Work under this agreement. The provided insurance certificate must be job specific by identifying the project for which the subcontract is providing work.

A. Workers' Compensation Insurance and Employer's Liability Insurance (including occupational disease) to cover statutory benefits and limits under the Worker's Compensation laws of any applicable jurisdiction in which the scope is to be performed:

- i) State: Statutory coverage as required by the State in (Coverage A) which the Work is located.

- i i) Employers Liability \$ 1,000,000 Each Accident
 \$ 1,000,000 Disease, Policy Limit
 \$ 1,000,000 Disease, Each Employee

A waiver of subrogation in favor of Colarelli Construction and Owner shall be attached to the policy.

iii)_ Policy coverage terms and conditions to include:

- USL&H – where applicable.
- Jones Act – where applicable.
- All states endorsement – where applicable.
- Employers Liability/Stop Gap Liability if work is performed in the State of Washington, Wyoming, Ohio, North Dakota or the Commonwealth of Puerto Rico.
- Certificate must clearly identify that coverage applies in the State in which the Project is located.

B. Commercial General Liability (Occurrence Form):

- i) Commercial General Liability Insurance ("CGL") written on ISO form CG 00 01 occurrence form or equivalent for hazards of: (a) Construction Operation, (b) Subcontractors and Independent Contractors, (c) Products and Completed Operations
- ii) Combined Bodily Injury and Property Damage
 \$ 1,000,000 Each Occurrence
 \$ 1,000,000 Personal and Advertising Injury
 \$ 2,000,000 General Aggregate
 \$ 2,000,000 Products/Completed Operations Aggregate
 \$ 50,000 Fire Damage Legal Liability
 \$ 5,000 Medical Expense

The general aggregate coverage limits shall be per project general aggregate and shall be evidenced on Subcontractor's Certificate of Insurance.

iii) The following coverages must be included:

1. Premises Operations
2. Independent Contractor's Protective
3. Contractual liability coverage sufficient to meet the requirements of this Subcontract Agreement (including defense costs and attorney's fees assumed under the contract, which shall be payable in addition to the limit of liability)
 - To the extent aligned with and permissible applicable law, no Contractual Liability Coverage Exclusion modifying or deleting the definition of "insured contract" from the unaltered ISO 00 01 Edition date 10/1 (CG 24 26 or similar)
4. Personal Injury Liability (with contractual exclusions deleted)
5. Perils of Explosion, Collapse & Underground (XCU)
6. Coverage must be primary and non-contributory with any insurance maintained by additional insured party
7. No separation of insured exclusion
8. No exclusions for the following:

- No exclusion for “third-party action over suits” or any similar restriction of coverage applicable to claims brought against others by an employee of Subcontractor or its subcontractors.
 - “Residential” Exclusion that would void or restrict coverage due to the nature of the Work.
 - Subsidence or other earth movement exclusions, which is specifically prohibited for any work involving excavation, soil stabilization, earth retention, concrete, structural steel, landscaping, waterproofing, fire protection, and plumbing.
 - Exterior Insulation and Finish Systems (EIFS).
 - Damage to work performed by subcontractors exclusion (CG 22 94 or similar).
 - No exclusions for care, custody, and control.
9. General Aggregate Limit (applies to each project).
10. Colarelli Construction and Owner, its subsidiaries, directors, officers, employees and agents shall be included as Additional Insureds for both ongoing (written on ISO CG Form 20 10 04 13 or its functional equivalent) and completed operations (written on ISO CG Form 20 37 04 13 or its functional equivalent). The policy shall be endorsed to be primary and non-contributory with any insurance maintained by Colarelli Construction and Owner, its subsidiaries, directors, officers, employees and agents. (Attach endorsement to the Insurance Certificate).
11. Subcontractor shall maintain general liability coverage for both products and completed operations coverage required herein, including additional insured status, in full force and effect for the statute of repose following completion of the project and acceptance by Owner. Subcontractor shall continue to provide evidence of such coverage to Contractor on an annual basis during the aforementioned period including all of the terms of the insurance and indemnification requirements of this agreement.

C. Pollution Liability Policy — (Occurrence Form):

This section is applicable to Subcontractor and any sub-subcontractor of any tier that are providing work related to environmental services, building enclosure systems, plumbing, heating, ventilation, air conditioning, drywall, insulation, building foundations, or any work which includes Microbial Matter, Mold, Fungi, or Bacteria and any work which will involve the use of hazardous materials.

The policy limits shall be in the amount of \$1,000,000 each occurrence and aggregate with maximum deductible of \$25,000 to be paid by the Subcontractor, or higher as determined by Colarelli Construction. Colarelli Construction and all other parties as required by contract (including but not limited to the Prime Contract between Colarelli and Owner) shall be named as an additional insured including completed operations and contractual coverage to cover the contractual liability obligations specified in the Indemnification Paragraph. Subcontractor and all applicable sub-subcontractors must provide and maintain a separate Pollution Liability Insurance policy including coverage for but not limited to claims arising out of all hazardous material and hazardous waste remediation, storage, transportation, clean-up and disposal.

Coverage on a claims made basis is not acceptable unless approved by Colarelli Construction.

The Subcontractor and Sub-Subcontractor shall maintain pollution liability coverage for the statute of repose following completion of the project. Should mold coverage be required and be provided by a claims made form, the coverage shall be maintained annually, following completion, for the statute of repose.

D. Commercial Automobile Liability Policy:

- i) Combined Bodily Injury, death and Property Damage arising out of ownership, maintenance or use of any motorized vehicle on or off the site of the Project, and Contractual Liability coverage, with limits of: \$1,000,000 combined single limit. Colarelli Construction and Owner, shall be included as an additional insured (and any other parties as required by contract).
- ii) The following coverages must be included:
 - a) Owned Automobiles
 - b) Non-Owned, Leased and Hired Automobiles
- iii) If hauling of hazardous waste is part of the Scope, Automobile Liability Insurance with a \$1,000,000 combined single limit per occurrence for bodily injury and property damage applicable to all hazardous waste hauling vehicles, and include MCS 90 endorsement and the ISO Form CA 9948 (Pollution Liability Broadened Coverage for Business Automobile). If CGL 12/04 or later edition is provided, the CA0051 1204: Mobile Equipment Subject to Motor Vehicles Laws shall also be provided. This additional endorsement is not required if the 2006 ISO Auto form is provided.

E. Commercial Umbrella/Excess Liability Policy:

Commercial Umbrella/Excess Liability Insurance for bodily injury and property damage liability must sit over Subcontractor's primary Employer's Liability, Commercial General Liability and Commercial Automobile Liability with limits of \$1,000,000 each occurrence and aggregate.

All coverages and terms required under the Commercial General Liability, Automobile Liability and Employer's Liability must be included on the Excess/Umbrella Liability policy.

Higher limits may be required by Contractor or Owner on a project by project basis.

Subcontractor's Excess/Umbrella Liability Policy shall provide liability coverage, subject to the terms and conditions of the policy, in excess of all available underlying coverage before any primary or excess coverage held by any Additional Insured.

F. Leased Employee Liability.

If Subcontractor leases one or more employees through the use of a payroll, employee management or other company, and workers compensation/employer's liability coverage is not provided by the payroll, employee, management or other company, then the Subcontractor must directly procure workers compensation/employer's liability insurance.

The workers' compensation and employer's liability coverage provided to and for the leased employees by the payroll, employee management or other company shall be evidenced and include an Alternate Employer/Leased Employee Endorsement, naming Subcontractor as the alternate employer. The employer's liability must be scheduled under applicable umbrella (except in state where employer's liability is unlimited).

The insurance shall be written on a "minimum premium" or "if any" policy form.

G. Professional Liability

This Section is applicable to Subcontractor and any sub-subcontractor of any tier that is providing any professional services, including but not limited to: design, architecture, engineering, testing, surveying, or design/build services, temporary engineering, engineered excavations and shoring systems, post-tension supply, structured steel, specialized millwork that is performance specified, roofing or waterproofing systems, curtainwall, mechanical, fire protection systems, electrical, fire alarm systems.

Subcontractor and all Sub-contractors providing professional services shall provide and maintain Professional Liability Insurance coverage. The policy coverage shall be effective (retroactively, if applicable) from the date of commencement of all professional activities in connection with the Scope.

Both Subcontractor and listed Sub-Subcontractors shall have proof of professional liability coverage in the amount of \$1,000,000 per claim with a maximum deductible of \$25,000 to be paid by Subcontractor.

The Subcontractor and Sub-consultants shall maintain for the statute of repose, following completion of the project.

Any erosion of insurance limits required will be reinstated to the required amounts prior to commencing the contracted work and if during the contracted period claims are made against the design professional's policy the necessary reduction of available limits will be repurchased to the contractually required amounts.

H. Unmanned Aerial Systems Liability Insurance ("Drone" Insurance)

If, as part of the performance of the Work, Subcontractor operates any "Unmanned Aerial System" or "UAS", or hires any such operations through a vendor or sub-subcontractor, Subcontractor shall provide and maintain liability insurance for operations of the UAS. This liability insurance shall be provided by either a separate aviation policy or an endorsement to the general liability policy required hereunder, provided that the limit of liability shall be no less than \$1,000,000 per occurrence.

Regardless of the form of insurance provided, Contractor, Owner, and any other party as required by

Contractor shall be included as additional insureds and a waiver of subrogation apply in favor of all additional insured parties. Subcontractor shall require compliance with these same terms and conditions of any subcontractor or vendor whom it engages in the use or operation of a UAS.

Subcontractor further acknowledges and agrees that it is solely responsible for the airworthiness of any such aircraft. Subcontractor also warrants, that at a minimum, all aircraft will be registered, maintained and operated in accordance with: (a) All applicable manuals inclusive but not limited to the manufacturers and operators maintenance and operations manuals; (b) Federal Aviation Regulations, Mandatory Advisory Circulars or other Airworthiness Directives issued by the FAA; (c) The manufacturer's airworthiness limitations; (d) Manufacturer or FAA mandated inspection schedules, overhaul schedules, and calendar retirement dates; and (e) Service Bulletins.

For the purposes of this Section H, "UAS" includes all elements required for flight including but not limited to ground control stations, data links, dashboards, applications, survey equipment and the unmanned aerial vehicle ("UAV" or "Drone") of the subject unmanned system. UAS, UAV, and Drone are used interchangeably in this agreement.

I. Project Property Coverage:

Unless otherwise provided, Subcontractor shall purchase and maintain in a company lawfully authorized to do business in the jurisdiction in which the project is located, property insurance written on a builder's risk "all risk" or equivalent policy form. The limit of insurance shall be in the amount of the initial Contract Sum, plus the value of subsequent Contract modification and cost of materials supplied or installed.

J. Installation Floater

Subcontractor shall obtain an Installation Floater to cover that portion of the work to be constructed, installed, altered, or repaired by Subcontractor. If Contractor or Owner, or other party as required by the Prime Contract, have a financial interest, those parties shall be listed as a loss payee.

K. Equipment Floater

Subcontractor shall maintain at its sole cost and expense insurance to protect its own equipment, tools and materials against risk of loss with sufficient limits to cover the value of all of the equipment, tools and materials Subcontractor may use in performance of the Work. Subcontractor is solely responsible for any deductibles, self insured retentions or uninsured losses for any reason arising out of Subcontractor's obligations of this Section. Coverage shall include equipment leased/borrowed/rented by Subcontractor.

L. Rigger's Liability

If the scope involves the rigging, hoisting, lowering, raising or moving of property or equipment belonging to others and Riggers Liability Insurance is required to insure against physical loss or damage to the property or equipment.

M. Waiver of Subrogation

All insurance coverages maintained by Subcontractor shall include a waiver of any right of subrogation of the insurers thereunder in favor of Additional Insureds and all of their respective assigns, subsidiaries, affiliates, employees, insurers and underwriters, and of any right of the insurers

to any set-off or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of any person insured under any such policy (Workers Compensation – where permitted). Subcontractor further waives all claims and all rights of subrogation against Additional Insureds' other contractors and all of their respective assigns, subsidiaries, affiliates, employees, insurers and underwriters for loss of, or damage to, Subcontractor's Scope, tools, machinery, equipment, material, supplies, or any other losses within the scope of any insurance maintained by Subcontractor. If any of the Additional Insureds is partially or wholly self insured, then the waiver of subrogation shall apply as if they were in fact covered by their own insurance.

N. Additional Insureds:

The following insurance policies shall name: 1) Contractor, or 2) Any other person or organization as required by the Prime Contract or this Agreement as Additional Insured:

- Commercial General Liability
- Commercial Auto Liability
- Commercial Umbrella Liability
- Pollution Liability

Coverage shall be primary and non-contributory to any insurance maintained by Additional Insured and any other parties as required by Owner Contract, all of which shall be stated on the Certificate of Insurance provided by the Subcontractor.

The General Liability Additional Insured endorsement(s) shall provide that any person or organization that Subcontractor is required to add as an Additional Insured under the contract or agreement shall be included as an Additional Insured (CG 20 38 04 13 or its equivalent). The additional insured endorsement shall not limit the exception to the exclusion for "damage to your work" – coverage shall include coverage for damage to the work itself for completed operations performed by Sub-Subcontractor.

The General Liability Additional Insured Endorsement must provide status in favor of required parties including both ONGOING Operations AND COMPLETED Operations. Vicarious forms of additional insured endorsements will not be accepted. Evidence, by endorsement or policy language, of additional insured and primary and non-contributory coverage must be provided with the certificate of insurance for General Liability.

5. Coverages shall be maintained without interruption from date of commencement of Subcontractor's Work until the date of any coverage required to be maintained after final payment as set out in paragraph B. (11) above.

6. Certificates of insurance acceptable to Colarelli Construction shall be filed with Colarelli Construction prior to commencement of the Subcontractor's Work. These certificates and the insurance policies required by this agreement shall contain a provision that coverages afforded under the policies will not be canceled or allowed to expire until at least 30 days' prior written notice has been given to Colarelli Construction, except for 10 days' notice of cancellation for non-payment of premium. If any of the foregoing insurance coverages are required to remain in force after final payment, an additional certificate evidencing continuation of such coverage shall be submitted with the final application for payment. If any information concerning reduction of coverage is not furnished by the insurer, it shall be furnished by Subcontractor with reasonable promptness according to Colarelli Construction information and belief.

7. Colarelli Construction shall furnish to Subcontractor, when requested, satisfactory evidence of insurance required of Colarelli Construction under the Prime Contract.

8. It is the responsibility of the Subcontractor to inquire about Builders' risk coverage. If required per Contractor contract with Owner, Colarelli Construction and Subcontractor waive all rights against (1) each other and any of their Vendors, agents and employees, each of the other, and (2) the Owner, the Architect, the Architect's consultants, separate contractors, and any of their subcontractors, sub-subcontractors, agents and employees for damages caused by fire or other perils to the extent covered by property insurance provided under the Prime Contract or other property insurance applicable to the Work, except such rights as they may have to proceeds of such insurance held by the Owner as fiduciary. Subcontractor shall require of Subcontractor's agents and employees, by appropriate agreements, written where legally required for validity, similar waivers in favor of other parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

9. All policies shall be written through companies duly entered and authorized to transact that class of insurance in the state in which the project is located. The Insurance Companies must have an A.M. Best rating of A- or better in the most recent Best's Key Rating Guide.

10. Approval, disapproval or failure to act by the Contractor regarding any insurance supplied by the Subcontractor shall not relieve the Subcontractor of full responsibility or liability for damages and accidents. Neither shall the bankruptcy, insolvency or denial of liability by the insurance company exonerate the Subcontractor from liability.

11. Deductible. Subcontractor shall be responsible, at no additional cost to Contractor for the payment of any associated deductibles or self insured retention in connection with the coverages required by the Attachment. Any self-insured retentions or deductible in excess of \$25,000 must be declared at the time Subcontractor submits its bid and must be specifically approved by Contractor prior to execution of the Subcontract

12. Required Insurance, including Additional Insured status for Completed operations under the General Liability Policy, shall be maintained for the statute of repose following completion of the project and acceptance by the Owner

13. Contractor shall make no special payments for any insurance that the Subcontractor may be required to carry; all are included in the contract price and in the contract unit prices. The Subcontractor shall require all Sub-subcontractors to procure and maintain all insurance as set forth in this contract.

Exhibit E – Proposed Schedule

See attached.

Exhibit F – Release of Lien and Application for Payment Form

See attached.

EXHIBIT G– Construction Management Plan / Work Rules

Construction Management Plan

- All work will take place between the hours of 6:00am and 5:00pm unless after hours work is arranged with the jobsite superintendent and cleared by Project Manager / Owner.

Work Rules

- Subcontractors are expected to be considerate, polite and professional in their actions at all times.
- No radios or sound systems will be allowed.
- Subcontractors are responsible for protection of all floors in the common areas as well as when working in tenant occupied spaces, with plastic or masonite sheets. Please do not use duct tape on the floors. To secure the floor coverings. When moving materials, door jambs and entry walls should be protected with furniture padding or cardboard.
- Be certain that your feet are clean from debris such as paint and drywall dust before entering any part of the building other than the construction area.
- Subcontractors are not to use restroom sinks or toilets to dispose of any chemicals, paint, drywall or other debris. Janitor sinks may be used to obtain water: however the sink is to be left spotless after use.
- Subcontractors are to provide their own cleaning equipment and materials. The vacuums and cleaning materials in the janitor's closet are not for contractor use.
- Common areas of the building are to be free of tools, debris and material during normal business hours.
- No core drilling is allowed during business hours. Any core drill work requires x-ray prior to drilling. Any other work that creates excessive noise shall be done after hours. Use of harsh chemicals, stains or other products creating obnoxious fumes must be done after hours.
- Subcontractors shall be responsible for the covering of all smoke detectors and advise Colarelli Construction before commencing with work that may activate the building fire alarm system.
- Subcontractors are responsible for removing all of their trash from the building to a dumpster provided by Colarelli Construction.
- Foul or suggestive language will not be tolerated anywhere on the premises. Subcontractors are expected to be courteous to tenants and visitors to the building. Any subcontractor found acting in an unacceptable manner anywhere on the premises will be asked to leave the premise.
- Smoking, vaping, or tobacco use of any kind anywhere but the designated area is prohibited.

EXHIBIT H - Jobsite Safety Program

Program Overview - This Jobsite Safety Program has been established by Colarelli Construction in order to: i) eliminate personal injuries; ii) eliminate property damage; iii) achieve greater efficiency; and iv) eliminate direct and indirect costs from injuries and property damage.

Each Subcontractor is responsible for administering this Job Safety Program.

Should Colarelli Construction, OSHA, and/or other governing authorities find Subcontractors, areas of work, or individuals being or acting in noncompliance with a Federal, Local, and/or Job Site Safety Program requirement, they shall have the authority to order immediate correction and cessation of the noncompliance.

Before starting the work at the project site, all Subcontractors will be required to attend the project pre-construction meeting designed to orient Subcontractors to the site, the project and the policies and procedures in place for construction. Weekly safety meetings will be held and directed by the Colarelli Construction Manager. All Subcontractors normally working on this project will delegate one representative to attend each meeting. This representative shall have the responsibility and authority to make decisions, corrections, and maintain all safety requirements for the Subcontractor and their Subcontractor(s).

In the event that the Subcontractor fails to correct within 24 hours any unsafe condition(s)/act(s) existing on the project, the unsafe condition(s)/act(s) shall be corrected by Colarelli Construction in accordance with Federal, State, and/or Local regulations and this Job Site Safety Program, at the violating Subcontractor's expense. The Subcontractor shall be responsible for all liability created from unsafe condition(s)/act(s) and delay to the project or other Subcontractor's performance.

Before starting work each day, all personnel on site will be required to participate in a morning planning session designed to communicate the potential hazards on site, the anticipated changes to the jobsite throughout the day and the expectations for maintaining a safe work environment. This meeting is daily, and is mandatory for all personnel on site. In addition, Subcontractors are encouraged to participate in pre-task planning sessions with Colarelli Construction, and are expected to provide Colarelli Construction with a Job Hazard Analysis (JHA) for each potentially hazardous task.

Duties of Colarelli Construction – Representatives of Colarelli Construction will: i) monitor a comprehensive Job Site Safety Program and require the full compliance of all Subcontractors, and visitors on this project; ii) issue a copy of the Job Site Safety Program to each Subcontractor; iii) appoint a Safety Coordinator to coordinate and monitor all safety activities on the site; iv) Conduct daily safety reviews of the job site; v) provide for accident investigations and reporting, as required; vi) provide statistics and information regarding incident and severity rates, problems, etc.; and vii) facilitate a weekly safety audit requiring participation from each Subcontractor.

Duties of Subcontractor – Representatives of the Subcontractor will: i) assume direct responsibility of not less than the minimum level of performance set forth in this Exhibit, which means full compliance with the Federal Occupational Safety and Health Act, and all applicable Federal, State and Local regulations and the Project Safety Program; ii) give consideration to all safety factors during the planning and scheduling of work operations to control potential injury and property damage hazards; iii) make his/her position in the Project Safety Program clear to his/her supervisory personnel, representatives and employees by stressing the importance top management attaches to safety and loss control; iv) provide and enforce the use of all necessary personal protective equipment, which includes proper footwear and clothing. Hard hats and safety glasses are required at all times; v) provide properly guarded and maintained tools, electrical cords, power tools, machinery and equipment, vi) ensure that ground circuit interrupters protect electrical power, or, in the alternative, have an

assured equipment grounding program that meets OSHA requirements; vii) immediately notify the Colarelli Construction Project Superintendent of any incident, which causes injury or damage to property, and conduct an immediate investigation. Submit a written report to the Project Superintendent within 24 hours of the incident, viii) provide and maintain good housekeeping conditions and fire protection plan, ix) provide proper and adequate training for employees regarding the hazards of their jobs and how to work safely, x) correct unsafe work habits of employees as soon as they are observed, xi) eliminate unsafe conditions under your control and promptly report, in writing and verbally, those conditions you cannot eliminate to Colarelli Construction's Project Superintendent, xii) attend all scheduled safety meetings, xiii) furnish all reasonable information as may be required by the Colarelli Construction Field Staff concerning the safety of Subcontractor's operations, xiv) cooperate fully with all Subcontractors in their respective safety programs, xv) ensure employees who receive medical attention obtain a medical work release form from the attending physician and present it to the Colarelli Construction Project Superintendent before they return to work, xvi) provide copies of all OSHA inspection reports to the Colarelli Construction Field Staff, with corrective action taken, xvii) provide and properly maintain warning signs and lights, barricades, railings and other safeguards for the protection of workmen and others on, about, or adjacent to the work, as required by the conditions and progress of the work and as directed by the Colarelli Construction Field Staff, xviii) gasoline operated equipment shall not be allowed to operate inside enclosed buildings. The Subcontractor shall locate gasoline-operated equipment outside enclosed buildings or provide propane or electric power equipment for operation inside enclosed buildings, xix) no fighting will be allowed and will result in the removal of all personnel involved from the project site, xx) appoint an employee as a Safety Representative who will be the Subcontractor's Safety Program Administrator. An alternative representative will also be made available, and is to have the same authority. The Safety Representative will also promote total job safety among employees and visitors, represent the Subcontractor, when necessary, in matters concerning safety, personally investigate all accidents involving this Subcontractor and their subcontractor(s) to determine causes and action necessary to prevent reoccurrence, initiate, monitor, and/or conduct weekly safety meetings with all employees and employees of Subcontractor's subcontractor(s), and submit a copy of written minutes with signatures of attending employees to the Colarelli Construction Field Staff, and follow-up on all recommendations submitted by Colarelli Construction, OSHA, etc.

Daily Jobsite Review Meetings – Every morning, all personnel will gather on site, before work begins, for the purpose of reviewing the conditions and potential hazards on site that day. This meeting is mandatory for all personnel. Colarelli Construction will endeavor to expedite the communication of information at these meetings in order to limit their duration.

Pre- Task Planning – Subcontractors are encouraged to participate in pre-task planning sessions with their crews prior to beginning work each day. The purpose of these sessions is to outline the procedures to be used, the potential hazards facing the crews, and identify the necessary resources required to complete the task. Colarelli Construction can provide Subcontractor with a pre-task planning form for their use.

Job Hazard Analysis – Every task deemed potentially hazardous by Colarelli Construction or Subcontractor will require a Job Hazard Analysis. The development of this analysis will be the responsibility of the crew performing the task and will be required to be submitted for approval to Colarelli Construction prior to beginning work. Sample forms for JHA's can be provided by Colarelli Construction.

Clothing and Equipment - HARD HATS AND SAFETY GLASSES WILL BE WORN AT ALL TIMES or will result in immediate removal from the jobsite. This includes Management, Venders, Visitors, etc. The proper work attire must be worn at all times. Tennis shoes, sandals, sweat suits, and/or shorts are not appropriate for construction work. Proper clothing must be worn and includes: i) leather work boots, ii) long pants, iii) long or short length sleeved shirt, and iv) gloves, when required.

Duties of the Project Manager, Superintendent or Area Supervisor - The Colarelli Construction Project Manager, Project

Superintendent or Area Supervisor has the full authority to implement and direct the Safety Program on their project. The execution of such programs will be in keeping with the explicit and implied statements of OSHA. In the performance of their responsibilities, they shall: i) actively support the Safety Program as an example to subordinates, with the decisions and directives it may require, ii) enforce the observance of safety rules and regulations in connection with this project, iii) delegate authority to others under their supervision to expedite and facilitate the application of the Safety Program. However, they still retain the authority for the Safety Program's implementations, iv) meet with the Colarelli Construction field staff once per week to discuss safety concerns, v) coordinate and monitor the Safety Program under the direction of the Colarelli Construction, vi) assist the Colarelli Construction Field Staff, as needed, in the implementation of the Job Safety Program, vii) conduct daily reviews of the work site with a written safety report submitted to the Colarelli Construction Project Manager(s) or Project Superintendent(s). As part of the safety inspections of Colarelli Construction, Subcontractors may be subjected to gang box inspections. The purpose is to identify unsafe, damaged power tools and extension cords provided to the employees by their Subcontractor. In the event that unsafe or damaged power tools and extension cords are discovered, the Colarelli Construction Field Staff will require that "Danger Do Not Use" tags be secured to the power tools or extension cords. The Subcontractor is to promptly remove the unsafe power tool or extension cord from service immediately and promptly repair or replace at the end of the workday. This procedure does not relieve the Subcontractor of their responsibility to provide safe work tools and equipment on this project, viii) conduct weekly safety meetings with all Subcontractors safety representatives, ix) conduct pre-construction meeting with the supervisors of the new Subcontractors mobilizing on site, explaining the safety goals, contents of this manual, site orientation, etc., and x) conduct a jobsite safety orientation with all employees, including the employees of the Subcontractors.

Occupational Safety & Health Administration (OSHA) - The Contractor will provide results of any OSHA inspections to Colarelli Construction. In the event an OSHA Compliance Officer visits the site, he/ she should be directed to the Colarelli Construction Field Staff. The appropriate Subcontractors will then be notified so that an opening conference may be conducted.

Safety Responsibilities - Subcontractors shall be responsible for the provision of a competent On-Site Safety Person who shall be responsible for ensuring that all Subcontractor's employees and Subcontractors comply with Site Safety Rules and Regulations.

Incident Reporting - All accidents, injuries and injury-free incidents must be reported orally and in writing immediately to your supervisor and the Colarelli Construction field staff. A copy of the incident report shall be completed and submitted to the Colarelli Construction field staff within 24 hours of the incident.

Disciplinary Procedures - Safety violations will result in disciplinary action, up to and including immediate dismissal and termination at the sole discretion of Colarelli Construction.

Compressed Gas Cylinders - Caps must be on cylinders when being stored. Oxygen cylinders in storage shall be separated from fuel gas cylinders by a minimum of 25 feet or by a non-combustible barrier at least 5 feet high and a fire rating of at least one hour. Cylinders must be secured by chain, wire or suitable rack. Empty cylinders shall not accumulate in work areas.

Confined Space Procedures - Prior to ANY confined space entry, the Subcontractor shall provide a copy of their Confined Space Entry Procedures to Colarelli Construction. The Subcontractor shall also provide a copy of current safety training records for all employees to be involved with the entry. The Subcontractor shall then complete the Confined Space Entry Checklist provided by Colarelli Construction. The Colarelli Construction Field Staff must sign this form before Subcontractor proceeds with entry.

Housekeeping - Good housekeeping practices shall be maintained in all work areas at all times. Subcontractors shall provide trash receptacles for personal and construction trash accumulating in a work area.

Potable Water - The Subcontractor shall provide an adequate supply of potable water in all work areas throughout the work day.

Signs, Signals and Barricades - Barricades, or guardrails, are required around excavations, openings in floors or roof areas, edges of platforms or roofs and overhead work.

- Yellow Caution Tape — Workers may not cross-areas surrounded by yellow tape.
- Red Tape — Workers not directly involved with the work in progress inside the area shall not enter under any circumstances.

Cranes - Prior to any crane being placed into service, a copy of the current annual inspection shall be given to the Colarelli Construction field staff. Radio communication will be used to communicate with the crane operator. Accessible areas within the swing radius of the rear of the rotating superstructure of the crane shall be barricaded in such a manner as to prevent any person from being struck or crushed.

Electrical Safety - A minimum of 10 feet shall be maintained from power lines of 50 kV or below. The Subcontractor shall use ground fault circuit interrupters on all 120 volt, single phase 15 and 20- ampere outlets, devices and tools used on site. Extension cords shall be of three-wire type and shall be designed for hard or extra-hard usage. No flat cords shall be allowed on site.

Excavations and Trenching - Excavations greater than 5 feet in depth shall have sides at the proper angle or shored depending on soil conditions. A ladder or other means of exiting the excavation shall be placed within 25 feet of the work area. All excavations shall be barricaded for personnel and vehicle traffic.

Fall Protection - All workers shall be protected from falling more than 6 feet by guardrails or personal fall arrest systems. Full body harnesses, shock absorbing lanyards and a proper attachment point are the minimum requirements for personal fall arrest system. Personal fall arrest systems must be rigged to prevent falling more than 6 feet or contacting the lower level.

Fire Protection and Prevention - All employees shall be trained in the potential fire hazards in their jobs. In case of a fire, employees may try to extinguish incipient fires with a portable fire extinguisher only if they have been properly trained to do so. An audible fire alarm will consist of short repetitive bells. UPON HEARING THIS SIGNAL, ALL INDIVIDUALS SHALL EVACUATE THE BUILDING IMMEDIATELY.

Hand and Power Tools - The Subcontractor shall be responsible for ensuring that the tools and equipment are maintained in safe working order, used for their intended purpose, and have positive grounding.

Hazard Communication - Each Subcontractor is responsible for maintaining a SDS file in their office and field trailer, for all hazardous chemicals used and documentation of employee training in the hazards and use of these chemicals. All hazardous materials shall be properly labeled and stored in accordance with OSHA regulations. The Subcontractor shall furnish all PPE as required for safe handling of chemicals used by their employees.

Lockout/ Tagout Policy - Only trained and authorized personnel shall initiate Lockout. Each person working under a lockout shall apply his/her personal lock and tag. Locks used for lockout shall have one key only. The key shall remain under the exclusive control of the authorized person installing the lock.

Material Storage & Handling - All material stored in tiers shall be stacked, racked, blocked, interlocked, or otherwise secured to prevent sliding, falling or collapse. Materials shall not be stored on scaffolds or runways in excess of supplies needed for immediate operations.

Motor Vehicle - Riders are not permitted on industrial vehicles except when there is an approved passenger seat belt provided.

Personal Protective Equipment - Hard hats and safety glasses are required at all times while working on the project. Hard hats with the welding shield attached shall be required when welding. There is no soft cap welding. Provisions of all personal protective equipment are the responsibility of the Subcontractor. Shirts shall be worn at all times. The minimal is a T-shirt with sleeves, no tank tops or cut off shirts. No alcohol or drugs are permitted in the parking area of the jobsite or on jobsite.

Manlifts - A full body harness shall be worn and a shock-absorbing lanyard attached to the boom or basket when working from an aerial lift. Only authorized persons shall operate an aerial lift. Employees shall always stand on the floor of the basket, and shall not sit or climb on the edge of the basket or use planks, ladders, or other devices for a work position. Daily inspection reports of the manlift are required to be performed by Subcontractor and submitted to Colarelli Construction.

Powder Actuated Tools Only Subcontractor employees trained in the operation and who hold a current permit or card of a particular tool shall be permitted to use it. Copies of these cards are to be submitted to Colarelli Construction before use.

Scaffolding - Scaffolding must be erected and maintained in accordance with OSHA regulations. Proper guardrails, toe boards, and completely planked and secured work surfaces are required. Competent persons, as defined by OSHA, on site are required to submit daily insurance reports to Colarelli Construction.

Stairway/ Ladder Safety - Portable ladders shall be constructed of fiberglass or other approved non-conductive materials. All ladders should be tied, blocked, or otherwise secured to prevent movement. For a stepladder, be sure it is fully open and the spreaders locked. Never work from the top two steps of a stepladder.

Steel Erection - Any work over 6 feet in elevation shall require the use of OSHA approved fall protection. A positive means of access (i.e. scaffolding, ladders, etc.) to the work elevation is required.

Walking and Working Surfaces - Covers and/or guardrails must be provided to protect personnel from the hazards of open pits, tanks, vats, ditches, or any other surface hazards. When a cover is removed, the opening should be attended by someone or protected on all sides by removable standard railings.

Welding/ Cutting/Brazing - Torch sets shall be equipped with flashback arrestors on both oxygen and fuel regulators. Cable with splices within 10 feet of the holder shall not be used. Welding sheds in areas of fabrication with positive ventilation is required.

Vehicle Control - Vehicles shall not block any emergency exit, passageway, pedestrian aisles, safety equipment, fire hydrant and/or other safety/security equipment. Company vehicles will be allowed on site only with approval from the Colarelli Construction Project Superintendent. No personal vehicles will be allowed on site.

Fire Prevention/Reporting - Flammable liquids brought on site shall be in approved safety type can or original container. A safety can has a spring-closing lid, flashback arrestor screen, spout cover and is so designed that it will safely relieve internal pressure. Do not smoke around flammable or combustible materials. Do not put such materials near open flames, sparks, or other heat sources. Smoking shall be terminated on site as directed by the Colarelli Construction Project

Superintendent.

Procedures for Obtaining Medical Treatment -

1. First Aid for minor injuries can be obtained at the Contractors Job Site First Aid Kit Station.
2. In medical emergencies where an ambulance is needed, call the Colarelli Construction field office or Project Superintendent to request ambulance service. At that time, give the location of the injured party and the nature of the injury. The Colarelli Construction Field Staff must be notified immediately after the call is made.
3. The Colarelli Construction field staff must be notified immediately of all serious accidents, injuries and incidents with a written accident, injury or incident investigation report provided by Colarelli Construction. The report must be completely filled out. The report shall be submitted to the Colarelli Construction Field Staff within 24 hours of the accident, injury or incident.

Emergency Response Plan - The first priority in any emergency (i.e. medical, fire, or security) is to immediately notify the Colarelli Construction Manager of the nature and location of the emergency. Any person reporting an emergency must radio to the Colarelli Construction field office.

When an employee radios the Colarelli Construction field office, the employee must be sure to give clear, concise information. The Colarelli Construction Project Superintendent, and/or Project Manager will, to the extent possible perform the following:

1. Assign an individual to meet the emergency personnel at the site entrance and guide them to the emergency location.
2. Assign an individual to secure the area from any existing hazards and preserve evidence from the incident.
3. Ensure that security or assigned personnel limits access to the area by giving a list of names that are approved for entry. The Colarelli Construction Manager, Project Superintendent and/or Field Staff before entering, must approve all others attempting to enter. In no case shall security or assigned personnel prohibit entry to any emergency or official (state or local) vehicle. Normal traffic through entry points will not be affected unless so directed by the Project Manager and/or Project Superintendent.

The Colarelli Construction Home Office will investigate the emergency/ accident location and coordinate notification and follow-up measures to be taken.

All onsite workers shall fully comply with whatever Covid-19 restrictions are currently being enforced under federal, state and local authority during the duration of this work. Anyone who refuses to comply shall immediately leave the jobsite.

COLARELLI CONSTRUCTION RECEIPT ACKNOWLEDGEMENT

I acknowledge having received copy of the Colarelli Construction Jobsite Safety Program and fully understand that these procedures must be complied with while employed on site during the term of this project. Any future changes or amendments will be given to the Subcontractors' Safety Representative.

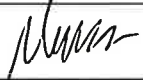
Employee Signature	
Printed Name	Murat Yildirim
Company Name	Systec101
Date	12/22/2022

EXHIBIT I – Subcontractor Sub-Tier Supplier List

Subcontractor: Systec101
 Job Name: 22-059 Rangely District Hospital Surgery
 Job Number _____
 Subcontractors Job #: 1398

Provide Name of all: Material Suppliers Equipment Rental Companies Subcontractors (sub tier)	Provide Address of all: Material Suppliers Equipment Rental Companies Subcontractors (sub tier)	Phone# & Fax #	Email Address (If Known)	Cost of Material/Service to be Supplied	Description of Material/Service to be Supplied
Systec101	11871 E 33rd Ave Suite B Aurora CO, 80010	303-537-7575	info@systec101.com	\$6,315.86	Network cabling

The undersigned acknowledges the above information is warranted to be true. I/We hereby authorize COLARELLI CONSTRUCTION to contact the above listed companies periodically during the course of this project.

Signature: _____

Date: _____

EXHIBIT J - Subcontractor's Warranty

YOUR LOGO HERE

(Date)

(GC, Address, Phone)

REFERENCE: LETTER OF WARRANTY
 (Project Name)
 (Project Address)

To Whom It May Concern:

This letter is to formally verify our portion of the _____ work that was done by our firm on the above referenced project. We specifically guarantee our work for a standard of one year beginning, _____ and ending _____, covering defects in materials and workmanship (and/or labor).

Firm Name: _____

Signature: _____

Print Name: _____

Title: _____

EXHIBIT K - Change Order Terms

All requests for additional compensation by Subcontractor, whether through a Change Order, Equitable Adjustment, Directive or otherwise, shall be subject to the following terms, in addition to the terms contained in the Subcontract. In the event of a conflict between the terms of the Subcontract and this Exhibit K, the terms of this Exhibit K shall control.

All claims or requests for additional compensation for any work performed by Subcontractor outside the scope of Subcontractor's Work as defined in paragraph 1 of the Subcontract ("Additional Work") shall not exceed the Direct Costs of the Additional Work plus a Fee equal to 10% of the Direct Costs. For these purposes only, Direct Costs shall mean the following:

- a. Wages of construction workers directly employed by the Subcontractor or other vendors used to perform the Additional Work, including welfare, unemployment compensation, Social Security and other benefits;
- b. Costs, including transportation, shipping, and/or delivery of materials and equipment incorporated or to be incorporated in the Additional Work;
- c. Payments made by Subcontractor to Sub-Subcontractors or suppliers for the Additional Work;
- d. Cost of debris removal from the Additional Work and its legal disposal;
- e. Costs incurred in taking action to prevent threatened damage, injury or loss in case of an emergency affecting the safety of persons and property related to the Additional Work;
- f. Rental costs of machinery and equipment used in performing the Additional Work;
- g. Cost of design, drafting and/or documentation of the Additional Work as required by the Contract Documents;
- h. Other costs incurred in the performance of the Additional Work if and to the extent approved in advance in writing by CCI;
- i. Sales, use and other taxes related only to the Additional Work, if required;
- j. Additional costs for insurance necessitated by performing Additional Work, if required;
- k. Additional costs for permits necessitated by the Additional Work;
- l. Additional costs for subcontractor bonds necessitated by the Additional Work;
- m. Additional costs for inspections, testing and other similar costs necessitated by the Additional Work.

Direct Costs shall not include:

- a. Salaries and other compensation of the Subcontractor's personnel stationed at the Subcontractor's principal office or offices other than the site office;
- b. Expenses of the Subcontractor's principal office and offices;
- c. Overhead and general expenses;
- d. Costs due to the fault or negligence of the Subcontractor or anyone directly or indirectly working for or employed by Subcontractor;
- e. Any other costs not specifically and expressly described as a Direct Cost.

All requests for additional compensation for Additional Work must include copies of all invoices for the Direct Costs and must be submitted to CCI no later than three (3) days after the Subcontractor completes the Additional Work or the Subcontractor waves all rights to compensation for the Additional Work.

