



Arizona License
ROC070961 A GEN ENG
ROC067542 B GEN ENG
ROC075851 B-01 GEN COM
ROC023057 B-04 GEN RES ENG

MASTER SUBCONTRACT AGREEMENT

The purpose of the Master Subcontract Agreement is to pre-establish a working relationship and an agreed upon understanding between the Subcontractor and Hunter Contracting Co of contractual expectations. This Master Subcontract Agreement will be in effect until revoked. A **Master Subcontract Addendum A**, hereinafter called the "Addendum or Addenda", will be created to outline job specific details and requirements.

SUBCONTRACTOR: ,
VENDOR CODE:
LICENSE TYPE:
LICENSE NUMBER:
AZ TPT NUMBER:
ADDRESS:

CONTRACTOR: HUNTER CONTRACTING CO
ADDRESS: 701 N COOPER ROAD
 GILBERT, AZ 85233
TELEPHONE: (480) 892-0521
FAX: (480) 892-4932

TELEPHONE:
FAX:

THIS AGREEMENT, made this 19th day of July, 2018, between , hereinafter called the Subcontractor, **and HUNTER CONTRACTING CO**, hereinafter called the Contractor, WITNESSETH that the Subcontractor and Contractor, in consideration of mutual covenants contained herein, agree as follows:

SECTION 1: STATEMENT OF WORK: The Subcontractor agrees to furnish all labor, supervision, materials, tools, equipment and supplies necessary to perform, and to perform all work set forth in Section 2 of the Master Subcontract Agreement and Section 2 of the related Addenda in the construction of all projects that work is performed and as described in the related Addenda for the provisions of the Prime Contract between the Owner and the Contractor, including all the General and Special Conditions, Provisions, Drawings, Specifications, Addenda Number, and all other Documents and Revisions to date, forming or by reference made a part of the Prime Contract between the Contractor and Owner, and with particular reference to the below listed Technical and/or other Sections or parts of the Contract Documents, all of which shall be considered part of this Master Subcontract Agreement and the related Addenda by reference thereto and they are as fully a part of this Master Subcontract Agreement and the related Addenda as if hereto attached or herein repeated, and the Subcontractor agrees to bind and obligate himself, in the performance of this Master Subcontract Agreement and the related Addenda, to the Contractor by the same terms, conditions, undertakings and obligations that the Contractor is bound and obligated to the Owner by the Prime Contract insofar as the terms thereof shall not be in conflict with the terms hereof and as stated in the related Addenda. Copies of said Prime Contract as outlined in the related Addenda are on file in the office of the Contractor.

SECTION 2: SCOPE OF WORK: (See also related Addenda)

ALL SPECIFIC JOB RELATED DETAILS WILL BE OUTLINED IN THE ADDENDA

Inclusions/Clarifications to the Scope of Work are as follows:

- Clean up any and all subcontractor generated waste materials.
- Maintain, clean and or replace all traffic control devices as required.
- Restoration of all areas disturbed during subcontractor construction activities.
- Submittal of daily subcontractor's report. One for each day, to the project representative for Hunter Contracting Co., weekly, as required.
- Contractor will not recognize back charges unless they are agreed to in writing by an authorized representative of the Contractor. Written authorization shall not be unreasonably withheld.
- Comply with all Affirmative Action requirements to Ensure Equal Employment Opportunity (Executive Order 11246, as amended).
- Comply with all Standard Federal Equal Employment Opportunity Construction Contract Specifications (Executive Order 11246, as amended).
- Complete EEO Compliance Reports (Non-Federal Aid): Monthly Highway Project Report (ADOT 10-9405) Total Work Force Form 257 (OFCCP), as required.
- Comply with all requirements under the Federal Immigration and Nationality Act (Executive Order 2005-30), Legal Arizona Workers Act (HB2779), and all other Federal and State Immigration laws and regulations related to the immigration status of employees (as amended).
- The work includes any and all labor, equipment and materials required to complete subcontractor's scope of work per the contract documents, plans and special provisions unless specifically stated in the related Addenda as Subcontract Exclusions.
- Unit prices will prevail for as-built quantities to determine total subcontract amount.

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- 12. Furnish Certificates of Insurance: Liability, Automobile and Workman’s Compensation in the amounts stipulated by the Project Specifications and Section 16 of the Master Subcontract Agreement. Hunter Contracting must be listed as “Additional Insured” in the description section of the Certification. Subcontractor shall also provide an additional insured endorsement or equivalent. No work shall be performed or payments issued until our office has these certificates of insurance and a copy of your Contractor’s license.
- 13. The Federal Health and Safety Regulations set forth in Public Law 91-54, "Construction Health and Safety Standards", dated 9 August 1969, and Public Law 91-596, "Occupational Safety and Health Act of 1970", are a part of this Master Subcontract Agreement and the related Addenda.
- 14. Furnish a copy of company EEO policy & statements including name and phone number of designated EEO officer, as required.
- 15. Furnish a complete list of subcontractors and suppliers to Hunter Contracting Co. prior to work.
- 16. Any material furnished under the related Addenda but not installed by Subcontractor shall be delivered F.O.B. and unloaded by Subcontractor at jobsite.

SECTION 3: SUBMITTALS: All required copies of complete drawings, detailed shop drawings, lists and brochures for Architect and/or Engineer approval and the time period when these copies will be submitted through Contractor's office as well as required material samples and color selections shall be outlined in the related Addenda.

SECTION 4: TIME OF PERFORMANCE: The Subcontractor agrees to keep himself informed as to the progress of the project as outlined in the related Addenda and to faithfully prosecute his work, and the several parts thereof, at such times and in such order as the Contractor considers necessary to keep the same sufficiently in advance of the other parts of the project and to avoid any delay in the completion of the construction as a whole. The scheduled TIME OF PERFORMANCE of the work under the related Addenda is as and when directed by Contractor as modified in writing from time to time.

SECTION 5: PAYMENTS: The Contractor agrees to pay the Subcontractor for the materials furnished and/or the work to be performed as outlined in the related Addenda subject to additions and deductions for changes as may be agreed upon, or determined, and adjustments for quantity of work performed at Unit Prices set forth under Section 2 of the related Addenda. The sum as set forth in the related Addenda shall include all applicable taxes of any nature whatsoever that may be assessed against or incurred by the Subcontractor in performance of this work.

Partial Payments less a retained percentage as outlined in the related Addenda will be made to the Subcontractor, provided the Subcontractor has submitted his Payment Request to the Contractor's office as specified in the related Addenda, at the unit prices set forth in Section 2 of the related Addenda for work and materials incorporated into the construction and/or materials delivered to the site of the work as estimated by the Owner's Architect or Engineer, less the aggregate of previous payments, providing payment for such work and materials has been approved by the Owner and received from the Owner by the Contractor; and upon complete performance of the agreement outlined in the related Addenda and approval and acceptance of the Subcontractor's materials and work by the Architect or Engineer, the Contractor shall make final payment to the Subcontractor of the balance due him, within 7 days after final payment has been received by the Contractor. No payment on account shall be considered as an approval and/or acceptance of work done or materials furnished, or any part thereof. Regardless of the reason for any delay in the receipt by Contractor of payment from Owner for the work and materials furnished by Subcontractor, receipt by Contractor of payment from Owner for such work and materials is an express condition precedent to the obligation of the Contractor to make the payments to Subcontractor specified above and in the related Addenda.

Regardless of the reason for any non-payment from Owner for the work and materials furnished by Subcontractor, receipt by Contractor of payment from Owner for such work and materials is an express condition precedent to the obligation of the Contractor to make the payments to Subcontractor specified above. Subcontractor understands that the only source of payment for Subcontractor's work and materials are the payments Contractor is to receive from Owner, and Subcontractor specifically assumes the risk of non-payment for its work and materials associated with any delay, failure or refusal of Owner to pay Contractor for Subcontractor's work.

The Subcontractor agrees the monies received for the performance of this subcontract shall be used to pay the cost of labor, material and equipment expenses incurred by Subcontractor performing this work and said monies shall not be diverted to satisfy obligations of the Subcontractor on other contracts and the Subcontractor agrees to furnish proof of same upon written request of the Contractor. Any payment may be made, at Contractor’s sole discretion, in the form of a check made jointly to Subcontractor and any subcontractor, supplier or material men of Subcontractor in connection with Subcontractor’s work hereunder as outlined in the related Addenda.

SECTION 6: LIQUIDATED DAMAGES: The Prime Contract contains a liquidated damages clause in the amount as outlined in the related Addenda. Should the Subcontractor default in the proper performance of his work, thereby causing a delay to the Prime Contract, he shall be liable for any and all loss and damages including liquidated damages sustained by the Contractor. The Subcontractor shall not be

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liable under this paragraph if such delays are caused by strikes, lockouts, acts of God, or other reasons beyond the control of Subcontractor, however, notice of occurrence of same shall be given in writing within forty-eight (48) hours by Subcontractor to Contractor pursuant to Section 8 of this agreement.

SECTION 7: SCHEDULES: In the event that the Job Progress Schedule is a Critical Path Method or similar type Schedule the Subcontractor agrees to fully cooperate with the Contractor in the preparation of and maintenance of said Schedule.

Upon request by the Contractor, the Subcontractor shall furnish the Contractor in writing a progress schedule covering the work to be performed under the related Addenda. This schedule will show in detail the procurement, shop drawing, fabrication, delivery and installation activities of all the major components of work and the Subcontractor agrees to meet and keep this schedule and to apprise the Contractor monthly of his progress.

SECTION 8: EXTENSION OF TIME: No allowance of an extension of time, for any cause whatsoever, shall be claimed by the Subcontractor or be made to him unless the Subcontractor shall have made a written request upon the Contractor for such extension, within forty-eight (48) hours after the cause for such extension occurred, and unless the Contractor and Subcontractor have agreed in writing upon the allowance of additional time to be made. If such extension of time is requested as aforesaid and the Contractor and Subcontractor cannot agree thereupon, the Architect or Engineer shall determine by certificate in writing what, if any, extension of time shall be allowed. No allowance of an extension of time shall, in any event, be made to the Subcontractor for delay by the Subcontractor in preparing submittals, or in securing approval of the Architect or Engineer thereto, when such submittals are not properly prepared, or when the Subcontractor by the exercise of reasonable diligence and judgment could have anticipated and avoided the delay.

SECTION 9: CLEANUP: Cleanup and removal from the site of Subcontractor's waste materials and refuse will be the full responsibility of Subcontractor. If said Subcontractor fails to assume this responsibility and after having received twenty-four (24) hours' notice from the Contractor that his cleanup work is not being properly prosecuted, continues to neglect this work, then said cleanup work will be performed by the Contractor's own personnel and Subcontractor will be back charged 250% the cost to the Contractor for such cleanup.

SECTION 10: CHANGES: The Contractor reserves the right to make changes in materials to be furnished or work to be performed under this Master Subcontract Agreement and the related Addenda, or additions thereto or omissions therefrom, upon written order to the Subcontractor. Any additions or reductions to be made to or from the amount of the related Addenda price resulting from changes in work or materials furnished shall be agreed upon in writing by the parties hereto, such agreement not being valid unless signed by an Officer or Division Manager of the Contractor. In case of disagreement between the parties hereto as to additions or reductions the same shall be determined by the Architect or Engineer by certificate in writing. No addition or reduction in contract price shall be binding upon the Contractor unless agreed upon in writing or determined by the Architect or Engineer. No change, alteration or modification in the terms and conditions of this Master Subcontract Agreement and the related Addenda or in the term or manner of payment shall in any way exonerate or release, in whole or in part, any surety on any bond furnished by or on behalf of the Subcontractor.

SECTION 11: WITHHOLDING OF FUNDS: The Contractor may deduct from any amounts due or to become due to the Subcontractor any sum or sums owing by the Subcontractor to the Contractor; and also the Contractor, in the event it deems itself insecure, including under any payment bond furnished by the Subcontractor as hereinafter provided and as outlined in the related Addenda may reserve from any amounts due or to become due to the Subcontractor the amount necessary to protect the Contractor for any sum or sums owing by the Subcontractor for labor or material or equipment for which debt or debts the laborer, material man, or seller, or lesser has a lien or a claim against the Contractor or the work or the premises under any statute for the statutory period before which the claimant or lien holder is required to notify the Contractor of such lien or claim; and in the event of any breach by the Subcontractor of any provision or obligation of this Agreement and the related Addenda, or in the event of the assertion by other parties of any claim or lien against the Contractor or the Contractor's Bond or the premises arising out of the Subcontractor's performance of the contract and the related Addenda, the Contractor shall have the right to retain out of any payments due or to become due to the Subcontractor an amount sufficient to completely protect the Contractor from any and all loss, damage or expense therefrom, until the situation has been satisfactorily remedied or adjusted by the Subcontractor.

SECTION 12: TERMINATION OF WORK: If Owner, with or without cause, shall terminate the Prime Contract, or shall stop or suspend work under the Prime Contract, or if Owner shall fail to pay when due any sum payable under the Prime Contract, Contractor may order Subcontractor to stop or suspend work hereunder and as stated in the related Addenda, and Contractor shall be liable to Subcontractor for any such stoppage or suspension only if and to the extent that Owner shall be liable to Contractor therefore. Contractor will pay to Subcontractor

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the value of work that Subcontractor has completed before the work was stopped or suspended but only if and to the extent that Owner shall have paid Contractor for such work of Subcontractor, in accordance with Section 5 of the Master Subcontract Agreement and the related Addenda.

SECTION 13: TERMINATION FOR CONVENIENCE BY CONTRACTOR: Contractor may, at any time or for any reason, terminate Subcontractor’s work, in whole or in part, at Contractor’s convenience. Upon receipt of notice of termination for convenience, Subcontractor shall, unless the notice directs otherwise, immediately discontinue the work and the placing of orders and subcontracts concerning the performance of this Subcontract. If requested, Subcontractor shall also make every reasonable effort to procure cancellation of all existing orders and subcontracts, upon terms satisfactory to Contractor, or at the option of Contractor, give Contractor the right to assume those obligations directly, including all benefits derived therefrom. Subcontractor shall thereafter do only such work as may be necessary to preserve and protect the work and to protect material and equipment on the Jobsite or in transit thereto.

SECTION 14: FAILURE TO PERFORM: The Subcontractor shall furnish all materials, labor, tools, equipment, supervision and supplies necessary for the performance of the related Addenda, as herein provided and in a proper, efficient and workmanlike manner. The Subcontractor shall furnish materials and prosecute the work undertaken at the times, as outlined in the related Addenda, and otherwise in a prompt, diligent and expeditious manner and so as to promote the general progress of the entire construction and shall not, by delay or otherwise, interfere with or hinder the work of the Contractor or any other Subcontractor.

In the event the Subcontractor fails to comply with the provisions herein or as stated in the related Addenda as to character of work and time of performances, or refuses to proceed with the work as directed by the Contractor or fails to perform said work in accordance with the Master Subcontract Agreement or the related Addenda, in whole or in part, or fails to perform any term, covenant or condition contained in the Master Subcontract Agreement or the related Addenda the Contractor may, at the Contractor's option and upon two (2) days written notice to the Subcontractor's last known address and without prejudice to any other right or remedy, take any steps the Contractor deems advisable or necessary to secure any labor and/or materials equipment, services, etc. necessary to the prosecution of the work contained herein and the Contractor may take over all of the Subcontractor's equipment, materials, etc. and prosecute the work to completion and for that purpose the Subcontractor hereby assigns said equipment, materials, etc. to the Contractor or the Contractor may, without taking over the work, furnish the necessary materials, equipment, etc. and/or employ the workmen necessary to remedy the situation. In case the Contractor deems the foregoing procedure necessary, all monies expended and all of the losses, damages and extra expenses shall be deducted from the Subcontractor's price as stated in the related Addenda and if such expenditures together with said losses, damages and extra expenses exceed the amount otherwise due to the Subcontractor as stated in the related Addenda the Subcontractor agrees to pay to the Contractor on demand the full amount of such excess together with interest thereon at the rate of 18% per annum from the original billing date until paid. The Subcontractor shall reimburse the Contractor for any loss or damage, including but not restricted to any liquidated damages which may become due the Owner by the Contractor under the Prime Contract, and extra expenses paid or incurred by the Contractor which are due to: (a) Subcontractor's failure to deliver any and all materials and/or supply labor, furnish equipment, or services, etc. as required by the related Addenda and/or (b) Subcontractor's failure to properly perform any and all work in keeping with the progress of the general construction work, and/or (c) Subcontractor's failure to properly perform any term, covenant or condition contained in the Master Subcontract Agreement or the related Addenda.

SECTION 15: CROSS-DEFAULT AND OFFSET: Subcontractor and Contractor acknowledge and agree that Contractor’s continued confidence in the ability of Subcontractor to properly and expeditiously perform the Work is a substantial and material concern to Contractor. Consequently, if Contractor (and/or any affiliate of Contractor) and Subcontractor (and/or any affiliate of Subcontractor) enter into or have entered into any other agreements and Subcontractor (and/or any affiliate of Subcontractor) defaults under this Agreement or under any other agreement, Contractor (and/or any affiliate of Contractor) may, at Contractor’s election, treat that default as a default of all agreements between Contractor (and/or any affiliate of Contractor) and Subcontractor (and/or any affiliate of Subcontractor) and may terminate any or all such agreements and/or Change Order entered into in connection therewith for cause pursuant to Section 14 above. In the event of any such default, Contractor (and/or any affiliate of Contractor) may offset from amounts owing to Subcontractor (and/or any affiliate of Subcontractor) under this Agreement and/or any other agreement between Contractor (and/or any affiliate of Contractor) and Subcontractor (and/or any affiliate of Subcontractor) any losses, damages, costs and expenses incurred by Contractor arising from such default.

SECTION 16: INSURANCE: Prior to commencing work as outlined in this Addendum, Subcontractor shall provide and maintain, with companies licensed to do business in the State of the project, insurance of the following types of coverage's and limits of liability:

- 1. **Commercial General Liability:**
 - i. 2,000,000 Products/Completed Operations Aggregate

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- iii. 1,000,000 Per Project Aggregate
iv. 1,000,000 Any One Occurrence

2. Automobile Liability (Comprehensive Coverage):

- i. 1,000,000 Each Accident

3. Commercial Excess Liability ("Umbrella"):

- i. 1,000,000 General Aggregate
ii. 1,000,000 Any One Occurrence

4. Employers Liability (Coverage "B" on the Workers Compensation Policy):

- i. 500,000 Each Accident
ii. 500,000 Each Employee for Injury by Disease
iii. 500,000 Aggregate for Injury by Disease

All Professionals must carry at a minimum at least \$2,000,000.00 in Professional liability insurance.

Coverage's shall be written on an occurrence basis and shall be maintained without interruption from the commencement of the Subcontractor's work until the completion of the project including any applicable warranty work. Subcontractor shall furnish to Contractor, at least five (5) days prior to scheduled commencement of the work, satisfactory certificates of insurance which shall certify that such policies are then in full force and effect, the expiration date thereof and that such policies shall not be canceled without thirty (30) days prior written notice to Contractor. In the event such cancellation and/or lapse is threatened by reason of Subcontractor's nonpayment of premiums, Contactor may pay the same on Subcontractor's behalf and charge Subcontractor accordingly, including charge by offset against any monies due to Subcontractor. All policies shall name the Contractor and Owner and any lender providing financing for the project as additional insured. Coverage's of the Subcontractor shall be primary and any insurance coverage provided by an additional insured shall be treated as excess or non-contributory for claims arising out of Subcontractor's work. Subcontractor's policy shall use the ISO Form CG 2010 (07/04) and CG 2037 (07/04) or their equivalent, and Subcontractor's umbrella policy shall be primary to Contractor's general liability policy. Policies provided hereunder shall in no way limit Subcontractor's liability for claims or damages which exceed the amount of insurance. Subcontractor and Contractor waive all rights of subrogation against the other and any of their sub-subcontractors, their agents, employees and the Owner and any lender providing funding for the project, their agents and employees, under each and every insurance policy required to be maintained hereunder, but only to the extent that Subcontractor's insurance policies permit such waiver and only to the extent of the coverage provided by such policies.

Subcontractor represents and warrants that the insurance policies provided hereunder permit such waiver and that it has given notice to its carrier(s) of the foregoing waiver of subrogation and has obtained any special endorsement if required by its insurer to evidence compliance with the waiver.

SECTION 17: INDEMNITIES: To the fullest extent permitted by law, Subcontractor shall defend, indemnify, and hold harmless, Owner, Contractor and their agents and employees from and against claims, demands, causes of actions and liabilities of every kind and nature whatsoever, including but not limited to attorneys' fees, arising out of or in connection with Subcontractor's work performed under the Master Subcontract Agreement and the related Addenda and caused or alleged to be caused, in whole or in part, by any act or omission of Subcontractor, anyone employed directly or indirectly by Subcontractor, or anyone for whose acts Subcontractor may be liable. This indemnification shall extend to claims occurring after the Master Subcontract Agreement and/or the related Addenda is terminated as well as while it is in force. The indemnity shall apply regardless of any active and/or passive negligent act or omission of Owner or Contractor, or their agents or employees, but Subcontractor shall not be obligated to indemnify any party for claims arising from the sole negligence or willful misconduct of Owner or Contractor or their agents or employees, or arising solely by the designs provided by such parties. The indemnity set forth in this Section shall not be limited by insurance requirements or by any other provision of the Master Subcontract Agreement and the related Addenda. To the extent that any part of this indemnity obligation is determined to be against the public policy, this provision shall be interpreted to require Subcontractor to indemnify the parties indemnified hereunder to the greatest and fullest extent permitted under the law.

SECTION 18: COMPENSATION AND TAXES: The Subcontractor specifically agrees that he is, or prior to the start of work as specified in the related Addenda will become, an independent Contractor and an employing unit subject as an employer, to all applicable Unemployment Compensation Statues so as to relieve the Contractor of any responsibility or liability for treating Subcontractor's employees

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as employees of the Contractor for the purpose of keeping records, making reports and payment of Unemployment Compensation taxes or contributions; and the Subcontractor agrees to indemnify and hold the Contractor harmless and reimburse it for any expense or liability incurred under said statutes in connection with employees of the Subcontractor, including a sum equal to benefits paid to those who were Subcontractor's employees, where such benefit payments are charged to the Contractor under any Merit Plan or to his individual Reserve Account pursuant to any State Unemployment Compensation Statute or to his self-insured policy.

The Subcontractor further agrees as regards (a) the production, purchase and sale, furnishing and delivering, pricing, and use or consumption of materials, supplies and equipment, (b) the hire, tenure or conditions of employment of employees and their hours of work and rates of and the payment of their wages, and (c) keeping of records, making of reports, and the payment, collection and/or deduction of Federal, State and Municipal taxes and contributions, that the Subcontractor will keep and have available all necessary records and make all payments, reports, collections and deductions, and otherwise do any and all things so as to fully comply with all Federal, State, and Municipal laws, ordinances and regulations in regard to any and all said matters insofar as they affect or involve the Subcontractor's performance of this Master Subcontract agreement and related Addenda, all so as to fully relieve Contractor from and protect it against any and all responsibility or liability therefore or in regard thereto.

Subcontractor acknowledges that he is duly licensed as a construction contractor for the type of work agreed to be performed by him hereunder and as specified in the related Addenda, having all appropriate licenses, both regulatory and revenue, required by all governmental bodies having jurisdiction. In the event Subcontractor, at any time, shall fail to be so licensed resulting in any loss, cost, damage or expense to Contractor, or so as to make the amount of any part thereof of the related Addenda sum to be nondeductible for transaction, privilege or other like taxes, the additional loss, cost, damage or expense or tax occasioned thereby shall be deducted from the contract sum or, on demand, shall be promptly paid to Contractor by Subcontractor.

SECTION 19: WARRANTIES: Subcontractor warrants as follows: (a) that it shall pay for all materials furnished and work and labor performed under the Master Subcontract Agreement and the related Addenda, and to satisfy the Contractor thereupon whenever demand is made, and defend, indemnify and hold the Contractor and Owner harmless against any and all claims, suits or liens asserted against the Contractor, Owner or the Project relating to Subcontractor's failure, or alleged failure, to pay its subcontractors, material suppliers or laborers; (b) that it shall obtain and pay for all permits, licenses and official inspections made necessary by its work performed hereunder and as specified in the related Addenda, and to comply with all laws, ordinances and regulations bearing on its work and the conduct thereof; (c) that it shall warrant and guarantee the work and materials covered by the related Addenda, and agrees to make good, at its expense, any defect in materials and workmanship which may occur or develop prior to the Contractor's release from responsibility to the Owner; (d) that all materials used in the performance of the work shall be new unless otherwise specified in the contract documents; and (e) that it shall assume toward the Contractor all the obligations and responsibilities that the Contractor assumes toward the Owner, as set forth in the Prime Contract, General and Special Conditions, Drawings, Specifications and other documents hereinabove referred to, insofar as applicable, generally or specifically, to the materials to be furnished, the work to be performed and the responsibilities to be assumed under the Master Subcontract Agreement and related Addenda.

SECTION 20: ASSIGNMENTS: The Subcontractor shall not assign or sublet this Agreement or related Addenda or any part thereof without the written consent of the Contractor.

SECTION 21: ASSIGNMENT OF FUNDS: The Subcontractor shall not assign, or attempt to assign, in any manner, at any time, funds accrued or to accrue under the Master Subcontract Agreement and/or related Addenda, without written consent of the Contractor. And, no such assignment shall be binding on the Contractor unless and until accepted in writing by the Contractor.

SECTION 22: RULINGS: It is agreed that the Subcontractor shall be bound by the rulings and decision of the Contracting Authority of the Prime Contract to the same extent and degree that the Contractor is bound by said ruling and decision insofar as they may pertain to the work included within the Master Subcontract Agreement and related Addenda.

SECTION 23: BOND: If so stated in the related Addenda; the Subcontractor further agrees to provide the Contractor with 100% performance and payment bond within ten (10) days from date of the applicable related Addenda. This bond shall be executed in form and contents acceptable to the Contractor.

SECTION 24: WAGE DETERMINATION AGREEMENT: When the work covered by the related Addenda occurs in any state in which Contractor is bound to the terms of any Wage Determination Agreement, the Subcontractor agrees to pay wages and fringe benefits provided for and to comply with all other provisions of said Wage Determination Agreement in the employment of classifications of labor covered by

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SECTION 25: EQUAL EMPLOYMENT OPPORTUNITY: The Subcontractor will comply with all provisions of Title VII of the Civil Rights Act of 1964 and all other Federal and State Executive Orders and Regulations issued in connection with Equal Employment Opportunity as required by such orders or regulation.

SECTION 26: RESPONSIBILITY FOR WORK: Subcontractor shall be responsible for all portions of the work, and its property and/or materials until completion of the Work. The Subcontractor shall be responsible for any loss or damage, or destruction it causes to any portion of the Work, whether installed or not. In the event of such loss or damage, Subcontractor shall proceed promptly to make repairs or effect replacement of the damaged Work, property and/or materials at its sole cost and expense, as directed by the Contractor. Additionally, the Subcontractor will take all necessary and reasonable precautions to protect the work of other trades from damage caused by its activities at the Project and will be liable to the Contractor for such damages that it may cause.

SECTION 27: OPERATING INSTRUCTIONS AND WORK GUARANTEE: The Subcontractor shall furnish all operating instructions, parts lists, and manuals pertinent to requirements of the Prime Contract, and shall guarantee all work performed herein and in the related Addenda against defective material and/or workmanship for a period of one year from date of acceptance by the Owner of the completed contract, unless a longer period of guarantee is called for in the Prime Contract documents.

SECTION 28: HOISTING: Should the Subcontractor make use of the Contractor's hoisting facilities, the Subcontractor shall pay for this service unless otherwise stated herein or in related Addenda. Hoisting where requested and provided shall be maintained only on a scheduled basis at the convenience of the Contractor.

SECTION 29: SAFETY: Compliance with Hunter Contracting Co.'s Safety Policy and Program must be maintained at all times. Included in our Safety Program is our program for compliance with the OSHA Hazard Communications Standard for Construction. Safety Data Sheets (SDS) for every project listed under related Addenda are available for you and your employees to review at our Gilbert, Arizona office. You must provide us with SDS on any products you will use or store on projects listed on related Addenda. In the event that Subcontractor fails to comply with any OSHA, Arizona, County, Local City or Town ordinance and/or United States requirements, and such, results in a fine to Contractor, Subcontractor agrees to pay the amount of such fine to Contractor immediately upon notification that such fine has been charged. Subcontractor further agrees that, should it fail to comply with any safety requirements after notification of such failure to Subcontractor, its agents, employees, or subcontractors, and then Subcontractor shall pay to Contractor the sum of \$250.00 for each failure. Subcontractor authorizes Contractor to back charge Subcontractor, and deduct from any sums due to Subcontractor from Contractor hereunder and in the related Addenda, the amount of any charges due hereunder and in the related Addenda. Subcontractor further agrees that, should the amount due Contractor by Subcontractor under this provision exceed the funds due from Contractor to Subcontractor, Subcontractor shall immediately pay such difference, which shall bear interest at the rate of eighteen percent (18%) per annum from the date due until paid. Subcontractor further agrees to have a representative, superintendent or higher level present at all weekly job meetings called by Contractor. Subcontractor agrees to pay Contractor a \$250.00 fine for each meeting missed and/or such violation of Contractor's Safety Program.

Subcontractor shall: (a) comply fully with all laws, citations, rules, regulations, standards and other statues with respect to occupational health and safety, accident prevention, safety equipment and practices prescribed by Owner, Contractor, Federal, County, City and any other agency or body having jurisdiction or cognizance over the work being performed; (b) indemnify, defend and save harmless Contractor, its officers, agents and employees from claims, penalties, damages, liability, loss, costs, and expenses, including attorney's fees, arising from any alleged violation or infraction of the foregoing by Subcontractor, its agents, employees or third parties.

Subcontractor agrees to furnish all required personal protective equipment (PPE) necessary to satisfy any pertinent policies for Subcontractor's employees. Any employee of Subcontractor not in possession of the required PPE shall be provided such equipment by the Contractor and subcontractor shall be back charged 250% of the cost to the Contractor for such equipment.

- 1. The subcontractor is required to maintain a safety policy, which includes applicable safety requirements as required by OSHA for the scope of work they are performing.
2. The subcontractor is to maintain documentation of training provided to its employees for tasks they will be required to perform. This documentation will be made available to Contractor upon request.
3. The subcontractor must have and enforce a pre-employment and post incident drug testing policy.
4. The subcontractor must perform and document a minimum of one safety inspection each month. This documentation will be made available to Contractor upon request.
5. The subcontractor will conduct or participate in a daily stretch and flex warm up and safety huddle.

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- 6. The subcontractor will conduct or participate in a weekly tool box talk.
7. All employees of the subcontractor or second tier contractors must participate in the job site safety orientation conducted by a member of the Contractor's staff.
8. All incidents, injuries or illness, auto accidents, property damage, utility damage, thefts, vandalism or equipment damage, must be reported to the Contractor as soon as possible and within 24 hours a copy of the incident report submitted.
9. The subcontractor will complete a task hazard analysis (THA) for each work activity. The THA shall be read and signed by all employees working on the activity, prior to the start of the work. The THA shall remain accessible on the project site for viewing by all site personnel and will be included as part of training and new hires orientation during the phases of work.
10. The subcontractor must complete or update their Pre-qualification Safety Questionnaire annually.

SECTION 30: WAIVERS: Waivers of any breach hereof or as stated in the related Addenda shall not constitute a waiver of any subsequent breach of the same or any other provision hereof.

SECTION 31: LAYOUT RESPONSIBILITY: The Contractor shall establish Prime axis lines and levels whereupon the Subcontractor shall lay out and shall be strictly responsible for the accuracy of his work and for any loss or damage to the Contractor or to other subcontractors engaged in work on the site by reason of failure of the undersigned Subcontractor to set out or perform his work correctly. The Subcontractor shall exercise prudence so that actual final conditions and details shall result in perfect alignment of finish surfaces.

SECTION 32: HEADING: The section headings appearing in the Master Subcontract Agreement and related Addenda are inserted as a matter of convenience only, and for reference purposes only, and are not intended to be a part of the Master Subcontract Agreement or related Addenda, or in any way define, limit, or describe the scope and intent of the particular section to which they refer.

SECTION 33: INTERPRETATION: The Master Subcontract Agreement and related Addenda, as related to the Subcontractor, shall be interpreted in accordance with the laws of the State of Arizona. If any provision hereof, or the application thereof to any person or circumstance is invalid, the invalidity shall not affect other provisions or applications of the Master Subcontract Agreement or related Addenda which can be given effect without the invalid provisions or applications, and to this end, the provision of the Master Subcontract Agreement and related Addenda are severable.

SECTION 34: ATTACHMENTS:

- 1. Compliance with HCC Safety Policy (SIGN AND RETURN WITH SIGNED MASTER SUBCONTRACT AGREEMENT).
2. Safety Performance Questionnaire (COMPLETE AND RETURN WITH SIGNED MASTER SUBCONTRACT AGREEMENT).
3. W-9 Form (COMPLETE AND RETURN WITH SIGNED MASTER SUBCONTRACT AGREEMENT).

SECTION 35: ATTORNEY FEES: The prevailing party in any arbitration or litigation that should arise out of the Master Subcontract Agreement or related Addenda shall be entitled to recover its reasonable attorney fees, expert witness fees, and costs incurred in such matters.

SECTION 36: BINDING EFFECT: Each and every provision, term, condition, and covenant herein contained or contained in the related Addenda shall exceed to and be binding upon the successors, heirs, personal representatives, and assigns of the respective parties hereto.

SECTION 37: DISPUTE RESOLUTION: If a dispute arises out of or relates to this agreement or related Addendum, the parties shall endeavor to settle the dispute first through direct discussion between corporation officers of the contractor and subcontractor. If the dispute cannot be resolved through direct discussion, the parties agree to participate in binding arbitration. By mutual agreement, all claims, disputes, controversy or other matters in question between the parties to this Agreement arising out of or relating to this Agreement or breach thereof shall be subject to and decided by binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association currently in effect unless the parties mutually agree otherwise. Judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The Arbitrator has the authority to award the prevailing party attorney fees, costs, and arbitration fees. Demand for arbitration shall be filed in writing with other party to this agreement and parties to be joined and with the American Arbitration Association. A demand for arbitration shall be made within a reasonable time after the claim; dispute or other matter in question has arisen. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statutes of limitations. Arbitration arising out of

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or relating to this Agreement shall include by consolidation, joinder, or otherwise any additional person or entity not a party to this agreement to the extent necessary to the final resolution of the matter in controversy between the parties. If this Agreement or any term or provision hereof becomes the subject of litigation, the prevailing party in such litigation shall be entitled to recover from the non-prevailing part court costs and reasonable attorney’s fee.

SECTION 38: GOVERNMENTAL AND CONTRACTOR REQUIREMENTS, REGULATIONS, ACTS AND STATUES:

The following FAR and DFAR provisions apply when applicable:

Subcontractor shall, at its own expense, comply with all requirements, regulations statues, acts and policies promulgated by federal, state, local or other governmental authority and applicable to the work of the prime contract and Subcontractor’s work, including all successors and amendments thereto which may be promulgated during performance of the work. Particular attention is called, but not limited to those requirements, regulations, and statues acts and policies related to safety, equal employment opportunity, wage and hours, environmental and hazardous/toxic material and ethics.

Subcontract will make himself aware of and comply with:

- a. If this Subcontract Agreement is in support of a U.S. Government contract or subcontract, then Subcontractor agree to comply with all of the following Federal Acquisition Regulations (FAR) provisions (see <http://www.arnet.gov/far> for full text of references), as applicable to this agreement:

- 52.203-13 Contractor Code of Business Ethics and Conduct
- 502.219-8 Utilization of Small Business Concerns (May 2004)
- 52.222-21 Prohibition of Segregated Facilities (Feb 1999)
- 52.222-26 Equal Opportunity (Mar 2007)
- 52.222-35 Equal Opportunity for Disabled Veterans and Veterans of the Vietnam Era (Sept 2006)
- 52.222-36 Affirmative Action for Workers with Disabilities (June 1998)
- 52.222-39 Notification of Employee Rights Concerning Payment of Union dues or Fees (Dec. 2004)
- 52.222-42 Service Contract act of 1965 (Nov. 2007)
- 52.222-50 Combating trafficking in Person (Feb 2009)
- 52.222-54 Employment Eligibility Verification (Jan 2009)
- 52.247-64 Preference for Privately Owner U.S. - Flag Commercial Vessels (Feb 2006)

- b. If this Subcontract Agreement is in support of a U. S. Government Defense contract or subcontract, in addition to compliance with the above reference FAR provisions, Subcontractor agrees to comply with all of the following Defense Federal Acquisition Regulations (DFAR) provisions (see [http:// acq.osd.mil/dpap/dar/dfarspgi/current/index.html](http://acq.osd.mil/dpap/dar/dfarspgi/current/index.html) for full text of references), as applicable to this agreement:

- 252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals
- 252.246-7003 Notification of Potential Safety Issues (Note: See DFAR 246.371 (a) for applicability)
- 252.247-7023 Transportation of Supplies by Sea

Where necessary to make the language of the above reference FAR/DFAR provisions applicable to the Subcontract Agreement, as used in the FAR clauses “Contractor” shall mean Subcontractor, “contract” shall mean this Subcontract Agreement, and “government”, “contracting office”, and equivalent terms shall mean Owner or Contractor. In no event, will the aforementioned equivalent phrases for Government or Contracting Officer references apply to clauses such as “examination of Records by the Comptroller General,” Audit by Department of Defense,” or “Rights in Technical Data.”

Subcontractor shall also comply with any other FAR or DFAR provisions expressly made applicable to this Subcontract Agreement by Contractor or Owner.

In the event any cost negotiated in connection with the contract between the Owner and the Contractor, or any cost that is reimbursable under such contract is reduced as a result of a formal demand by the Owner Contracting Officer because cost or pricing data furnished and certified to by the Subcontractor were not current, complete or accurate, the Subcontractor shall reimburse the Contractor for such

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costs. However, the Subcontractor shall not be liable for the Contractor's profit and/or markup on the Subcontractor's cost or pricing data.

For the purposes of administering this clause and interpreting the rights and obligations of the parties the various rules and guidelines provided for in FAR 44.204 (a) (1) and 52.244-2 shall govern. The flow down provisions shall be read so that the obligations of the "Contractor" to the "Government" contained in the prime contract shall be deemed to be the obligations of the Subcontractor to us too. When necessary to make the context of these clauses reflect the contractual relationship established herein, the terms "Government" and "Contracting Officer" do not change (1) with respect to "Government Property", or (2) when a right, act, authorization or obligation can be granted or performed only by the Government or its duly authorized representative. Whenever the Prime Contract requires Prime Contractor to take an action, provide a notice or engage in other acts which incorporate a time limitation, the period of time for Subcontractor to do the act shall be reduced from the time limitations contained in the Prime Contract by a sufficient and reasonable amount to enable Subcontractor to comply with the Prime Contract provision in a timely and adequate manner; provided, however, that any such reduction shall not reduce the time for performance by Subcontractor to less than a reasonable amount of time. The Contractor agrees that the Subcontractor shall have the right in accordance with the intent set forth in FAR 44.203 to proceed under the Contractor's name (by asserting the Contractor's right to appeal from any decision of the Contracting Office concerning the alleged submission of defective cost or pricing data by the Subcontractor under the contract or this Subcontract) and the Prime shall give the Subcontractor prompt notice of such decision in order that any appeal may be perfected.

Subcontractor shall ensure and be responsible for similar compliance by all those working under Subcontractor in performance of the work called for under this agreement. Subcontractor shall promptly cure, pay, remedy or otherwise cause to be removed any violation citation, fine, penalty or claim by any government entity due to the failure of Subcontractor and/or anyone working under it to so comply.

FAILURE TO COMPLY: Failure to Subcontract, and/or anyone working under it, to comply with the requirements, regulations, statutes or policies as described in this subsection, shall constitute a material breach of this Agreement by Subcontractor, and Contractor may in its discretion exercise all of the rights and remedies provided by law or under the terms of this Agreement, including but not limited to, withholding of a sum equal to 150% of the amount Contractor reasonably believes it may be damaged by reason of such breach.

SECTION 39: SUPPORT FOR TAX EXEMPT SERVICES. THE FOLLOWING APPLIES WHEN APPLICABLE: Subcontractor acknowledges that there are portions of the job that are tax exempt as identified by the Contractor. Subcontractor agrees to supply appropriate documentation to support work being performed that is tax exempt. The documentation includes billings segregated into tax exempt work and nontax exempt work. Tax exempt work will be billed showing Exempt Labor and Exempt Material on two separate lines at Subcontractor's cost. Material will be billed at acquisition costs only - without markup. The acquisition cost of the Exempt Material will be supported by copies of supplier invoices.

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IN WITNESS WHEREOF, the parties hereto have executed this Master Subcontract Agreement by their proper officers duly authorized herein.

HUNTER CONTRACTING CO.

Signature

Signature

Chuck English

Print Name

Print Name

Vice President

Title

Title

Date

Date

License Number and Type