Terms & Conditions

- 1. Should the Owner, or any of his agents, his architect or construction lender, or any public agency direct or request additional work not shown on the plans and specifications for said Project be done by Contractor, the cost of such additional work shall be added to the contract price and paid by the Owner on completion of such additional work. The term 'cost' shall mean the actual cost to the contractor of labor and materials increased by an amount to cover reasonable cost of overhead and profit. Contractor is entitled to be paid for all such additional work whether requested or directed in writing or orally. Any expenses incurred by Contractor because of unusual ground conditions such as unforeseen boulders & rocks which are not able to be excavated with a conventional tractor, shall be paid for by Owner as additional work done by Contractor. Contractor will advise the owner immediately of such conditions. The Owner may choose to stop work if cost is prohibitive to complete excavation.
- 2. Contractor will obtain and pay for all construction permits required and Owner will pay assessments and charges required by public bodies and utilities for financing and repaying the cost of sewers, storm drains, water service, and other utilities, including sewer and storm drain reimbursement charges, revolving fund charges, hookup charges and the like.
- 3. Contractor shall be excused for any delays or defaults in the performance of this Agreement caused by acts of the Owner or Owner's agents, acts of government authorities, acts of God, the elements, war, war defense conditions, litigation, strikes, walkouts, extra work, failure of the Owner to make payments when due promptly, or other contingencies unforeseeable by or beyond the control of Contractor.
- 4. This Agreement, the plans for the Project, and the specifications for the Project, are intended to supplement each other so that any work mentioned in one such instrument but not the others, shall be performed in the same manner as if mentioned in all such instruments. If a conflict arises between such instruments, the specifications shall control the plans, and this Agreement shall control both the plans and the specifications.
- 5. The Contractor shall pay all charges incurred by him for labor and materials used in the Project, as they become due, but may delay any such payments during any period in which the Owner is in arrears in making progress payments to the Contractor. If the Contractor fails to pay any such charge, the Owner may pay the same on behalf of the Contractor, and shall be reimbursed by the Contractor for such payments on request. The Owner shall not be entitled by

means of assignment or otherwise, to collect from Contractor any greater amount under this Paragraph than the amount actually paid by the Owner in settlement or discharge of any such charge for labor or materials actually utilized by the Contractor with respect to this Project.

- 6. If the Project or any part thereof is destroyed by fire, theft, vandalism, accident or act of God, or in any other way damaged through no fault of the Contractor, any work done or materials furnished by Contractor in restoring or rebuilding the Project shall be paid for by Owner, it Owner elects to rebuild. If Owner elects not to rebuild, Contractor shall be paid for all work done and materials used, prior to the event causing the damage, as well as for any materials not yet used but at the site of the project and damaged or destroyed. Owner must elect to rebuild or not within five days of damage or destruction of the Project. If Owner fails to make such election, Contractor may terminate this Agreement, and shall be paid in the same manner as if Owner elected not to rebuild.
- 7. Contractor shall procure and maintain during the continuance of this Agreement, a policy of workmer's compensation or employer's liability insurance for the protection of his employees. Owner shall obtain and pay for insurance against injury to his own employees and persons under Owner's direction and persons on the site of the Project at Owner's invitation. (Contractor shall not be liable for any injuries to said persons.)
- 8. Contractor shall not be liable for any taxes or assessments of any kind, and the same will be paid promptly by Owner when due.
- 9. If Owner fails to pay Contractor within five days after it becomes due, any amount payable by Owner to Contractor pursuant to this Agreement, Contractor may terminate their services, stop work on the Project, and use all lawful means to prevent further work being done on the Project, until all past due payments have been received by them, and Owner has posted a bond satisfactory to contractor for the payment of all amounts that will thereafter become due to Contractor. Payments are due within fifteen days of the date of invoice. If payment is not made by that date interest will accrue at 1.5% per month until paid.
- 10. On completion of the Project, the Contractor shall remove all debris and surplus materials from the site of the project, and leave such site in "broom clean" condition.
- 11. This instrument constitutes the sole and only agreement of the parties hereto relating to the Project, and correctly sets forth the rights, duties and obligations of each to the other, as of its

date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. There are no other agreements, representations, or warranties between the parties other than those provided herein.

- 12. This Agreement may not be assigned without the prior written consent of the other party.
- 13. The parties agree that should any dispute arise regarding this agreement that it will be submitted to binding arbitration with a venue located in Orange County, California. Should the parties undertake any dispute resolution as to this agreement, the prevailing party will be entitled to reasonable attorney fees.
- 14. Contractor shall not be liable for any costs or damages other than those specifically set forth in this agreement.