

SUBCONTRACT COVER LETTER

DATE: <insert date>

TO:

Company

Via Email: <insert email address>

REFERENCE: <insert master contract if applicable> <insert location> Contract No. <insert contract no> | Task Order No. <insert TO> <insert Task Order Description> TST Project No. <insert job no>

Congratulations on your successful bid and welcome to the Project team! We are very excited about starting this project, and we are looking forward to working with you. Our expectations are that all of the work will be of the highest quality and that it will be completed in a very timely manner. We will do everything possible to keep the job running smoothly and efficiently in order that all the work meets expectations. Enclosed you will find the following subcontract documents and attachments that will need your immediate attention. Feel free to use this Subcontract Cover Letter as your checklist when preparing your package to return to us.

ITEMS REQUIRED TO BE RETURNED TO TST WITHIN FIVE (5) DAYS:

SUBCONTRACT AGREEMENT

Please sign, date and return two (2) original partially-executed Subcontract Agreements (including Schedule Three – E-Verify Form) to our office. One (1) fully-executed copy will be returned to you.

EXHIBIT B – REPS AND CERTS

Please complete, sign and return one (1) original copy of the Small Business Plan Representations Form, as required by the government.

EXHIBIT C – W9

Our Accounts Payable Department requires current information for tax filing purposes. No payments will be issued until we have a current, original document on file. Please be aware that no payments can be made under this contract until the completed Original Form W-9 is on file in our office.

EXHIBIT D – NEW VENDOR INFORMATION PACKAGE

A New Vendor Information Package is required for ALL NEW VENDORS. If you have not done business with TST in the past, then you are required to complete this and return one (1) signed Original to our office. If you have done business with TST in the past, but your corporate information has changed in any way, then please update us with this and return (1) one signed Original to our office.

EXHIBIT E – SCHEDULE OF PRICES & PROGRESS SCHEDULE

In order for us to provide you with progress payments you are required to provide to us with a breakdown of your total subcontract amount by material, labor cost and equipment. Your initial Schedule of Prices (Exhibit E) and your Construction Schedule must align in order to be accepted by TST. These two (2) schedules will be attached to, and become part of the enclosed Subcontract.

EXHIBIT F – ACTIVITY HAZARD ANALYSIS

Please complete and submit one (1) Activity Hazard Analysis (AHA) for each feature of work included in your scope of work covered within this Subcontract. No work can begin until the AHA has been reviewed and approved.

EXHIBIT G – SF1413 STATEMENT & ACKNOWLEDGEMENT FORM

Please complete, sign and return one (1) original copy of Standard Form 1413, Statement & Acknowledgment, as required by the government.

EXHIBIT L – REPORTING EXECUTIVE COMPENSATION

If your subcontract is \$25,000 or more, complete, sign and return one (1) original copy of Reporting Executive Compensation and First-Tier Subcontract Awards as required by the government.

CERTIFICATE OF INSURANCE

PRIOR TO ACCESSING A TST PROJECT JOBSITE and within five (5) days of receipt of this letter, provide one (1) Certificate of Insurance sent directly from your insurance agent or company to us stating the minimum coverage limits and endorsements as indicated in the contract documents and below. Certificate of Insurance must be on an ACORD 25 Certificate of Liability Insurance. Turner Strategic Technologies is to be named as the Certificate Holder for the certificates. Turner Strategic Technologies and Project Owner must be listed as Additional Insured. The Certificate must also include the applicable contract name and number and the Government Cancellation Clause in accordance with FAR 52.228-5. Waiver of Subrogation against TST and the Owner must also be included. Companies providing professional services must provide evidence of Professional Liability coverage. Please have your insurance agent email/fax us advance copies of the Certificates. Please be aware that the Certificate of Insurance must be on file prior to commencing work on site and that no payments can be made under this contract until the Certificate of Insurance is on file in our office.

Worker's Compensation as required by Federal and State workers' compensation and occupational disease statutes	\$1,000,000.00 per occurrence
General Liability	\$1,000,000.00 per occurrence \$2,000,000.00 aggregate
Vehicle Insurance	\$1,000,000.00 per occurrence
Excess Liability Insurance	\$2,000,000.00 per occurrence

REQUIREMENTS FOR INVOICE SUBMISSION & PAYMENT:

► EXHIBIT I - SUBCONTRACTOR'S INVOICE

Your original invoice and the SUBCONTRACTOR APPLICATION OF PAYMENT (EXHIBIT I): Must be filled out and submitted with every invoice. Subcontractor's payment application must be received by Turner Strategic Technologies, LLC by the 15th day of each month and be projected through the 20th day of that month.

PLEASE NOTE: The initial Schedule of Prices (Exhibit E) must already be on file prior to work on job site. With each invoice submitted, the Contractor's Monthly Estimate (Exhibit I) OR Schedule of Prices (Exhibit E) must be updated as follows: Schedule Quantity, Previously Reported, Total Amount This Month, and Total Amount Due to Date. The Contractor's Monthly Estimate (Exhibit I) OR Schedule of Prices (Exhibit E) and your Construction Schedule must align in order to be accepted by TST.

► EXHIBIT'S C & D - W9 AND NEW VENDOR INFORMATION PACKAGE

As stated above, an original W9 and Vendor Information Package must already be on file prior to work on job site and prior to payment from TST.

► EXHIBIT H - CERTIFIED PAYROLLS

This contract does require Certified Payrolls. Enclosed is an addendum, which will become a part of your subcontract that addresses the preparation of your payroll, the applicable wage scales, and sample forms for your use. Prior experience in this area has shown us that inaccurate, incorrect, missing information, or late/delayed submission can seriously affect progress payments so please be very attentive to your submission of these payroll documents. One (1) Original Certified Payroll PLUS one (1) copy MUST be mailed to our office weekly and for the period of time represented on each invoice, whether work was performed or not to the attention of the Contract Administrator.

► EXHIBIT J – PARTIAL LIEN WAIVER and FINAL PAYMENT RELEASE

The Partial Lien Waiver must be filled out, notarized and an original submitted with every progress invoice for the specific amount of the invoice. The Final Payment Release must be submitted with the final invoice.

PLEASE BE AWARE THAT NO PAYMENTS CAN BE MADE UNDER THIS CONTRACT UNTIL ALL COMPLETED ORIGINAL DOCUMENTS ARE ON FILE IN OUR OFFICE

ADDITIONAL INFORMATION:

SAFETY

TST is very strict regarding their adherence to all applicable safety laws and regulations. Construction delays due to any company or individuals actions cannot be tolerated. The safe way to do any task is the right way to do it. In addition, delays due to injury of key personnel or job shutdown cost everyone money. Work delays caused by safety violations will be at the expense of the subcontractor.

- A. PRE-CONSTRUCTION CQC AND SAFETY MEETINGS: TST will schedule and conduct these meetings. Every individual you anticipate being at this project site must attend their required meeting prior to their first visit to the project site.
- **B. PERSONAL ATTIRE:** All of your employees and/or subcontractors at this project site will be properly and safely attired. The minimum acceptable attire will include sleeved shirts; long pants; hard-soled, leather, work boots; work gloves, and safety glasses.
- C. EQUIPMENT SAFETY: All vehicles and equipment on the project site must be properly registered, licensed, and inspected if so required. All other equipment must be in good working order and free of all safety hazards. If you are using gas powered equipment, you will be required to provide the proper fire safety equipment. Additional information regarding safety will be provided at the Safety meeting. Safety Shoes/Boots, Safety Glasses and Hard Hats are required on all jobs.

Please read all of the enclosed documents carefully. If you have any questions, please do not hesitate to contact us immediately. Again, congratulations on your successful bid and we look forward to working with you on this project.

Sincerely, TURNER STRATEGIC TECHNOLOGIES

ATTACHMENT LISTING:

Subcontract Agreement with Exhibits:

- Exhibit A) Health and Safety Requirements
- Exhibit B) Representations, Certifications and Other Statements
- Exhibit C) IRS Form W-9, Request for Taxpayer ID Number & Certification
- Exhibit D) Vendor Information Package (only required for new vendors or updates)
- Exhibit E) Schedule of Prices & Duration Schedule
- Exhibit F) Activity Hazard Analysis (AHA) Form
- Exhibit G) SF1413 Statement & Acknowledgment Form
- Exhibit H) Labor Standards, Wage Rates, And Certified Payroll Procedures Certified Payroll Forms Davis Bacon Wage Determination
- Exhibit I) Subcontractor Application for Payment Contractor's Monthly Estimate
- **Exhibit J)** Subcontractor Partial Lien Waiver & Release (Schedule Two) Final Payment Release
- Exhibit K) Defense Priorities and Allocations System
- **Exhibit L)** Reporting Executive Compensation and First-Tier Subcontract Awards (only required for Subcontracts \$25,000 or more)

All of these attachments can be downloaded here:

https://www.dropbox.com/sh/3pikitejjjextc5/9YpcUcmFqb

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Standard Form of Agreement Between Contractor and Subcontractor

AGREEMENT made as of the da	y of in the year of <u>Two Thousand Fourteen</u>
BETWEEN the Contractor:	Turner Strategic Technologies, LLC 7440 Central Business Park Drive, Ste 100 Norfolk, VA 23513 P: (757) 416-7610 F: (757) 416-7613 (herein after TST)
and the Subcontractor:	(herein after Subcontractor)
The Contractor has made a contract fo	or construction (hereinafter, the Prime Contract) dated:
With the Owner:	<owner> <location> (herein after Owner)</location></owner>
For the Following Project:	<contract title=""> <location> Contract No. <contract no=""> TASK ORDER NO. <to no=""> (herein after Project)</to></contract></location></contract>
construction of the Project. A copy of t	rnishing of labor, materials, equipment and services in connection with the the Prime Contract, consisting of the Agreement Between Owner and amounts may be deleted) and the other Contract Documents enumerated e Subcontractor.
The Architect for the Project::	N/A

The Contractor and the Subcontractor agree as follows:

TABLE OF ARTICLES

- 1. GENERAL
- 2. PERFORMANCE
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- 14. CLAIMS
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- 16. ASSIGNMENT OR TRANSFER
- 17. DEFAULT AND REMEDIES
- 18. SUSPENSION; TERMINATION FOR CONVENIENCE
- **19. POSSESSION PRIOR TO COMPLETION**
- 20. WARRANTY
- 21. FEDERAL CONTRACTS
- 22. MISCELLANEOUS
- 23. AUTHORITY OF REPRESENTATIVES

ARTICLE 1 GENERAL

§1.1 The term "Prime Contract" as used herein refers to all the general, supplementary and special conditions, contract clauses, drawings, plans, specifications, amendments, modifications, permits, and all other documents forming or by reference made a part of the contract between TST and Owner.

§1.2 Subcontractor agrees to furnish all labor, equipment, materials, supplies, tools and supervision needed to diligently and expeditiously perform all the work as described in Schedule One, attached and incorporated into the Subcontract, or described below, including all drawings, specifications, and/or reference documents described therein (hereinafter referred to as the "Subcontract Work") in accordance with the Prime Contract and this Subcontract.

§1.3 Subcontractor, by signing this Agreement, acknowledges that it has full knowledge of the provisions of the Prime Contract as incorporated in this Subcontract, and confirms and agrees that the entire aforesaid Prime Contract documents as incorporated in Schedule One [or Paragraph 1.2] of this Subcontract shall be considered a part of this Subcontract by reference thereto. Subcontractor agrees to be bound to TST and Owner by the terms and provisions thereof, as they apply to the Subcontract Work, unless otherwise provided herein.

§1.4 Subcontractor hereby assumes the same obligations and responsibilities with respect to his performance under the Subcontract that TST assumes toward the Owner with respect to its performance under the Prime Contract. Any obligation between TST and the Owner shall not inure to the benefit of the Subcontractor. TST shall not have any obligations to the Subcontractor not otherwise contained herein.

§1.5 Subcontractor agrees and represents that he has investigated, examined, inspected and thoroughly familiarized himself with all terms, conditions, plans, drawings, and specifications of this Subcontract, with the Prime Contract, with all applicable permits, laws and regulations, with the site, and with the adjoining premises in connection with which the Subcontract Work is to be performed. All work affected or governed by the existing conditions at the site as well as the nature and location of the work required for the thorough and satisfactory execution and completion of the Subcontractor's Work (whether indicated and specified or not, and regardless of the quantity indicated) shall constitute part of the Subcontract and shall be performed without extra charge. Subcontractor further agrees and represents that he has thoroughly informed himself as to all difficulties involved in the completion of all the Subcontract Work, and that TST has made no representations of any kind regarding said subcontract work.

ARTICLE 2 PERFORMANCE

§2.1 Subcontractor shall furnish all labor supervision, tools, equipment, materials and supplies necessary for the performance of the Subcontract Work in a proper, efficient and workmanlike manner, whether indicated and specified or not. Subcontractor shall prosecute the Subcontract Work in a prompt and diligent manner whenever such Subcontract Work, or any part of it, becomes available, or at such other time or times as TST may direct, and so as to promote the general progress of the entire project. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete the Subcontract Work within the time or times provided for or referenced herein.

§2.2 Subcontractor shall not, by delay or otherwise, interfere with or hinder the work of owner, TST or any other subcontractor or contractor. Subcontractor shall coordinate his activities so as not to interfere, hinder or delay other work or construction under the Prime Contract. Subcontractor agrees to pay or reimburse TST for any additional costs or damages or delay that may be caused to the work of TST or others by Subcontractor's delay, interference, or hindrance.

§2.3 Subcontractor shall be liable for damage caused by him, his agents and employees to the work of others. Subcontractor shall pay as directed by TST the cost of replacement or repair to the work of others damaged by him, his agents and employees and shall pay as directed by TST for damage to the work of others caused by defective Subcontract Work. Should Subcontractor fail to pay as directed pursuant to this paragraph, TST may, at is option, back charge Subcontractor for any amounts due under this paragraph.

§2.4 Subcontractor shall keep on the Project site at all times during the progress of the Subcontract Work, a competent superintendent who shall be the authorized representative of Subcontractor. Directions and communications to the superintendent from TST in connection with the Subcontract Work shall be treated as directions and communication to Subcontractor when communicated. Subcontractor and subcontractor's employees and agent shall communicate directly with TST regarding the Project and not with owner.

§2.5 Except as otherwise stated therein, the Subcontractor shall be responsible for all materials delivered and work performed until completion and final acceptance of the Subcontract Work. Until completion and final acceptance, Subcontractor shall control the Subcontract Work and at all times shall adequately protect it from damage from whatever source, including but not limited to water, fire, unstable earth, and any other conditions existing or encountered during the performance of the Subcontract Work. All work shall be delivered complete and undamaged. TST does not assume any obligation to perform, protect or remedy any of the Subcontract Work, but Subcontractor shall furnish TST and the Owner access to all of his activities and to the Subcontract Work upon request.

ARTICLE 3 SCHEDULE

§3.1 Subcontractor shall commence the Subcontract Work upon receipt of, and in compliance with, written Notice to Proceed from the TST and thereafter shall proceed with the Subcontract Work in a continuous manner. Subcontractor shall complete the Subcontract Work no later than <u>SEE "SCHEDULE 1"</u> (hereinafter the "Subcontract Completion Date"). Subcontractor agrees to coordinate the Subcontract Work with any other work to be done on the Project by TST, the Owner, and/or any contractors or subcontractors whose work may overlap or conflict with the Subcontract Work.

§3.2 Any extension of the Subcontract Completion Date or any interim or milestone completion dates for any phase, portion or sequence of the Subcontract Work may only be granted by TST in writing, properly executed and definitively stating that an extension is granted. Subcontractor shall submit any and all schedules requested by TST in such detail as may be requested or required by TST or the Owner.

§3.3 TST reserves the right to reject any schedule which does not agree with the Subcontract Schedule or the orderly and expeditious performance of the Subcontract Work. In the event the Subcontract Work falls behind so that the work will not be complete by the Subcontract Completion Date, or any interim or milestone completion dates for any phase, portion or sequence of the work, then Subcontractor shall work such overtime and additional shifts, as well as hire such additional labor, rent such additional equipment and take such additional action, all at Subcontractor's sole expense, as may be necessary to catch back up to the Subcontract schedule and any interim or milestone completion dates for any phase, portion or sequence of the Work.

§3.4 The Subcontractor shall submit to TST's site superintendent, on a daily basis, on a form approved by TST, information detailing the number of employees working on the Subcontract Work, their classification and hours worked, the type of work performed, materials utilized, equipment utilized, and such other information as TST may require.

§3.5 The time of performance of the Subcontract Work by Subcontractor is of the essence. Should Subcontractor delay the project to the extent that the critical path is affected and the project completion extends beyond the allowable completion date due to the actions or inactions of the Subcontractor, TST shall have the right to apportion

and assess any delay damages suffered by TST, including but not limited to, any damages imposed on by the Owner, liquidated or otherwise, prorated according to the percentage of the delay of the Project caused by the Subcontractor's actions or inactions, as determined by TST. The payment of such delay damages shall not release Subcontractor from its obligation to otherwise fully perform this Subcontract. Upon written request by TST, Subcontractor shall furnish to TST such evidence as TST may require relating to Subcontractor's ability to fully perform this Subcontract in the manner and within the time(s) specified herein.

§3.6 If the process of the Subcontract Work is substantially delayed without fault or responsibility of the Subcontractor, then the time for the Subcontract Work shall be extended to the extent such an extension is obtained by TST under the Prime Contract and the progress schedule shall be revised accordingly.

§3.7 If the Subcontractor wishes to make a claim for additional compensation due to any delay set forth in Paragraph 3.6, for any extension of the Subcontract Completion Date, or for any additional costs expended due to delays caused solely by others, it shall give TST written notice thereof within THREE (3) CALENDAR DAYS after the occurrence of the event giving rise to such claim, or within the time period required by the Prime Contract, whichever is shorter. TST shall not be liable to Subcontractor for any damages or additional compensation as a consequence of such delays or extension unless TST has first recovered the same on behalf of the Subcontractor from the Owner. It is understood and agreed by Subcontractor that, apart from such recovery from the Owner, Subcontractor's sole and exclusive remedy for such delay shall be an extension in the time for performance of the Subcontract Work.

ARTICLE 4 PAYMENT

§4.1 For the performance of the work described in Schedule One [or Paragraph 1.2] of this Subcontract Agreement, TST shall pay Subcontractor the sum of <u>SEE "SCHEDULE 1"</u> subject to additions and deductions as herein provided. The contract sum includes all Federal, State, County, Municipal and other Taxes imposed by law. Where the law requires any such tax to be stated and charged separately, the total of all taxes is included in the Contract Sum indicated above. Subcontractor payment applications as set forth in Paragraph 4.2 must be received by TST by the 15th day of the month or be subject to such withholdings or offsets as TST may deem sufficient in its sole and exclusive determination to ensure future conformance with said timeliness requirement.

§4.2 On the 15th day of each month Subcontractor shall submit to TST a written requisition for payment along with the Subcontractor's completed form WH-374 (certified payroll form), which is attached to Schedule Four of this Subcontract, which Schedule Four is hereby incorporated into this Subcontract. The requisition shall show the proportionate value of the Subcontract Work complete to that date, from which shall be deducted (i) a retainage percentage equal to the amount withheld by the Owner for the Subcontract Work, (ii) all previous payments, and (iii) all other charges for labor, equipment, material, supplies, tools, supervision or service furnished by TST or chargeable to Subcontractor pursuant to the terms of this Subcontract. The balance of the amount of said requisition, when approved by TST and/or the Owner, shall be paid to Subcontractor within ten (10) calendar days of TST's receipt of payments from the Owner. The Subcontractor understands and agrees that the Owner's payment to TST is a condition precedent to TST's obligation to pay the Subcontractor. TST may require evidence that the unpaid balance, exclusive of retainage, is at all times sufficient to complete the remaining Subcontract Work.

§4.3 Payment of retainage and any reserved amounts shall be made to the Subcontractor upon completion and acceptance of the Subcontract Work by TST and the Owner within thirty (30) calendar days of TST's receipt of payment for such amounts from the Owner.

§4.4 Prior to final payment (including any retainage and reserved amounts), the Subcontractor shall execute and deliver to TST, in the format of attached Schedule Two to this Subcontract, a release or releases and agreement holding TST and the Owner free and harmless from any and all claims arising out of or in connection with this Subcontract. In addition, TST may demand a Statement of Account and Waivers of Lien at any progress payment date and prior to final payment.

- § 4.5 Along with requisition for final payment, the Subcontractor shall submit to TST:
 - .1 An affidavit that all payrolls, bills for materials and equipment, and other indebtedness connected with Subcontractor's Work for which the Owner or TST or TST's surety might in any way be liable, have been paid or otherwise satisfied;
 - .2 Consent of surety to final payment, if required;
 - .3 Satisfaction of required close-out procedures; and
 - .4 Other substantiation and certification as required by TST, including but not limited to receipts, releases, and waivers of claims to the extent and in such form as may be designated by TST or the Owner.

§4.6 The Subcontractor may be required as a condition precedent to any payment to furnish evidence satisfactory to TST that all payrolls, material bills, and other indebtedness applicable to Subcontractor's Work have been paid. In the event TST has reason to believe that labor, material or other obligations incurred in the performance of Subcontractor's Work are not being paid, TST may take any steps deemed necessary to assure that any progress payment shall be utilized to pay such obligations. TST shall also have the right to offset any amounts due to Subcontractor under any other agreement with TST to pay such obligations.

§4.7 If at any time there shall be evidence of any lien or claim for which TST or the Owner might become liable and which relates to the Subcontract Work, or if damage shall be caused by Subcontractor to other work, TST shall have right to retain out of any payment then due or thereafter to become due to Subcontractor an amount sufficient to indemnify itself and the Owner for any loss or damage, including legal fees and other disbursements, which either of them may sustain in discharging such lien or claim or addressing such damage. Should there prove to be any such lien, claim or damage after all payments are made by TST to Subcontractor, or if the amount not yet paid to Subcontractor by TST is not sufficient to cover such lien, claim or damage, then Subcontractor shall reimburse TST and/or the Owner upon demand all monies that TST or the Owner have paid in discharging such lien, claim or damage and all expenses, including attorneys' fees, incurred in connection therewith; or alternatively, upon the request of TST or the Owner, Subcontractor shall directly pay and discharge any such lien, claim or damage together with the expenses, including attorneys' fees, incurred in connection therewith.

§4.8 No payment made under this Subcontract shall be evidence of the performance of this Subcontract, either wholly or in part, and no payment, including final payment, shall be construed to be an acceptance of defective work or improper materials.

§4.9 Final payment shall constitute a waiver of all claims by Subcontractor relating to the Subcontractor's Work, but shall in no way relieve the Subcontractor of liability for the obligation to warrant or guarantee Subcontractor's Work, or for any faulty or defective work appearing after Final Payment.

ARTICLE 5 BONDS

§5.1 Within five (5) calendar days of execution of this Subcontract and prior to Subcontractor beginning any Subcontract Work, Subcontractor shall furnish to TST, as the named Obligee, performance and payment bonds to secure the faithful performance of the Subcontract Work and to satisfy all of Subcontractor's payment obligations arising under the Subcontract. The required performance and payment bonds shall be in the full amount of the Subcontract price and shall be in a form and by a surety acceptable to TST. The surety shall be duly authorized to do business in the Commonwealth of Virginia and any other location as required by the Subcontract Work. Premiums for such bond shall be paid by Subcontractor.

§5.2 By signing this Subcontract, Subcontractor certifies that it has the bonding capacity and has made arrangements for furnishing said performance and payment bonds to TST prior to beginning performance of the Subcontract Work, and that the time required to prepare and furnish said bonds will not delay the start of the Subcontract Work.

§5.3 Should Subcontractor proceed with the Subcontract Work without first furnishing said performance and payment bonds, whether or not such performance was permitted or encouraged by TST job site representatives, Subcontractor shall be deemed to have waived its right to partial payment and agrees to look to TST for payment of the amount due hereunder only upon furnishing said bonds or on completion of the entire Subcontract Work and the furnishing of the releases described in Paragraph 4.4 above. The furnishing of said bonds by Subcontractor is a condition precedent to Subcontractor's right to receive partial payment for Subcontract Work performed hereunder. The waiver of partial payment shall not constitute an excuse or reason for non-performance of this Subcontract by Subcontractor.

ARTICLE 6 INSURANCE

§6.1 Prior to commencement of the Subcontract Work, Subcontractor shall procure, and at all times thereafter maintain, with insurers acceptable to TST, the following minimum insurance protecting Subcontractor, TST, and Owner against liability from damages because of injuries, including death, suffered by persons, including employees of Subcontractor, and liability from damages to property arising from and flowing out of Subcontractor's operations, including its subcontractors' and suppliers' operations, in connection with the performance of this Subcontract. If the terms of the Prime Contract require larger limits or additional coverages or both, TST reserves the right to require Subcontractor to provide, at Subcontractor's expense, such larger limits or additional coverages or both. The insurance companies providing all required insurance coverages shall be acceptable to TST and shall be licensed and otherwise authorized to do business in the state where the work is to be performed.

.1 Workers' Compensation and Employer's Liability Insurance

The Subcontractor shall provide and maintain Workers' Compensation insurance in accordance with the laws and regulations of the place(s) where the work is being performed. The insurance policy shall be endorsed to waive subrogation against TST and the Owner. The Subcontractor shall provide and maintain Employer's Liability insurance with minimum limits of \$1,000,000.00 per occurrence.

.2 General Liability Insurance

The Subcontractor shall provide and maintain Commercial General Liability insurance including coverage for, without limitation, public liability, personal injury, bodily injury, including death, property damage, premises, contractual liability, products/completed operations, explosion/collapse/underground hazards, sudden and accidental pollution, with minimum limits of \$1,000,000 per occurrence and \$2,000,000 in the aggregate.

.3 Automobile Liability Insurance

The Subcontractor shall provide and maintain Automobile Liability insurance covering bodily injury or property damage arising from the Ownership, maintenance or use of any motor vehicle. Coverage shall include all owned, non-owned or hired vehicles, with minimum combined single limits for bodily injury and property damage of \$1,000,000.00 per occurrence.

.4 Excess Liability Insurance

The Subcontractor shall provide and maintain Excess Liability insurance, applying in excess of the policies specified above in paragraphs 6.1.1 to 6.1.3, with minimum limits of \$2,000,000.00 per occurrence.

§6.2 All insurance policies required by this Subcontract shall be endorsed to name TST and the Owner as additional insureds. All insurance policies shall provide a waiver of all insurers' rights of subrogation against TST and the Owner. All insurance policies shall provide for thirty (30) calendar days' prior written notice of material change, cancellation or termination to the Contractor.

§6.3 The cost of all insurance required by this Subcontract, and any deductibles or self-insured retentions, shall be paid for by Subcontractor. Limits of insurance specified herein are minimum limits and shall not limit Subcontractor's liability under this Subcontract Agreement or otherwise. All liability insurance coverage shall provide coverage for cross-liability and severability of interests. Subcontractor's insurance policies shall be primary to, and not contributory to, any other insurance policies available to TST or the Owner, notwithstanding any provisions of any "other insurance" clauses or other terms in the policies carried by the parties hereto.

§6.4 Certificates of insurance acceptable to TST shall be provided to and approved by TST prior to Subcontractor's commencement of the Subcontract Work. If any of the required insurance coverages expires or otherwise lapses during the term of this Subcontract, Subcontractor shall provide TST with new certificates of insurance as evidence that the required insurance coverages have been renewed.

ARTICLE 7 INDEMNITY

For the separate consideration of the sum of One Hundred Dollars (\$100), included in the Subcontract price, the sufficiency of which is hereby acknowledged, the Subcontractor shall indemnify and hold harmless, to the fullest extent permitted by law, TST, its officers, employees, representatives, consultants and agents, and the Owner and its consultants, separate contractors, and agents and employees (hereafter the "Indemnified Parties") from and against all claims, damages, losses and expenses, whether direct, indirect, or consequential, including but not limited to attorneys' fees, arising out of or resulting from the performance of the Subcontract Work, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of property (other than the Subcontract Work itself) including loss of use resulting therefrom, caused in whole or in part by any act or omission or breach of contract by Subcontractor, its sub-subcontractor(s), anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss or expense is caused or allegedly caused in part by an Indemnified Party. Such obligation shall not be construed to negate, abridge, or reduce other rights of indemnity which would otherwise exist in favor of an Indemnified Party. In the event that any claim subject to this indemnification arises or is made, asserted or threatened against an Indemnified Party, TST shall have the right to withhold from any payments due or to become due to the Subcontractor an amount sufficient in TST's judgment to protect and indemnify the Indemnified Party from and against any and all claims, damages, losses, expenses and attorneys fees, unless and until Subcontractor furnishes to TST adequate security in the form of a surety bond, letter of credit or other collateral or commitment which are sufficient to discharge any such claims, damages, losses, expenses and attorneys' fees.

ARTICLE 8 TAXES

Subcontractor is fully responsible for the payment of, and the Subcontract Price includes, any and all taxes, duties, royalties, fees, or other charges arising from or related to the Subcontract Work whether levied or assessed against Owner, TST, or Subcontractor and upon any basis (labor, materials, equipment, services, profits, revenue, or other basis) including but not limited to, all municipal, state, commonwealth, county, local and federal taxes and all sales, income, excise, payroll, use, and personal property taxes.

ARTICLE 9 SAFETY, ENVIRONMENT AND QUALITY CONTROL

Subcontractor shall take all reasonable safety precautions with respect to the performance of its work and shall comply with all safety plans of TST and/or Owner, and with all applicable laws, ordinances, rules, regulations and lawful orders of any public authority for the safety of persons or property. Further, Subcontractor shall comply with the safety and health standards of the Occupational Safety and Health Act of 1970, the safety and health standards of the Army Corps of Engineers Safety and Health Requirements Manual No. EM 385-1-1 and all additions and modifications thereto. Subcontractor shall indemnify and hold harmless TST for any violation by Subcontractor's workers, employees or agents of any law or regulation, and shall reimburse TST for any fines, damages, or expenses of any kind incurred by reason of the Subcontractor's failure to comply with such law or regulation, including any attorneys fees and costs incurred by TST because of any such violation.

ARTICLE 10 LIENS

§10.1 Subcontractor shall, as and when requested, furnish evidence satisfactory to TST and the Owner that all amounts due for labor, material, and supplies furnished to Subcontractor in connection with performance of this Subcontract have been paid, including union health, welfare and pension fund payments and payroll taxes. Such evidence shall be furnished in such form and manner as requested by TST, and all statements relative thereto shall, if called for by TST, be made by sworn affidavit.

§10.2 Subcontractor shall furnish to TST releases of bond rights and lien rights by persons who have furnished labor, materials, supplies or other things in the performance of this Subcontract, it being agreed that payment of money otherwise due Subcontractor under any progress payment or final payment need not be made by TST until such releases are furnished. Subcontractor shall deliver the Subcontract Work free from all claims, encumbrances and liens.

§10.3 If the Prime Contract requires that TST waive its right to place liens on the Project or any part thereof, Subcontractor hereby waives its right to place liens on the Project and will cause its suppliers, material men, mechanics and Subcontractors to waive their right to place liens on the Project.

ARTICLE 11 ARBITRATION

Subcontractor agrees that TST, at its sole discretion, shall have the exclusive right to decide whether disputes, controversies or claims arising out of or relating to the Subcontract, including allegations of fraud, shall be settled in accordance with the rules of the Construction Industry Arbitration Rules of the American Arbitration Association or through litigation in a court of competent jurisdiction in the Commonwealth of Virginia in accordance with Paragraph 14.3(.3). Should TST require Subcontractor to arbitrate the claim or controversy, the award resulting form such arbitration may be entered in any court having jurisdiction over the parties. In the event of any claim, dispute or controversy between the parties, Subcontractor shall continue completion of the Subcontract Work if requested by TST, with final settlement of the claim, dispute or controversy to be made in the forum chosen by TST. Subcontractor and TST specifically agree that the company writing the performance or payment bonds for them may become a part of said arbitration should the surety so desire, but the surety will be bound by the arbitration award in any event.

ARTICLE 12 PERMITS, FEES AND LICENSES

Subcontractor, without expense to TST, shall obtain and pay for any and all required licenses, permits, fees, assessments, inspections, approvals, and registrations required for the Subcontract Work, and shall obey and abide by all applicable laws, regulations, ordinances, and other rules of the United States of America, of any State or Commonwealth, and of any other duly constituted public authority, that are applicable to the Subcontract.

ARTICLE 13 CHANGES

§13.1 TST may at any time by written order of its authorized representative, and without notice to Subcontractor's sureties, make changes in, additions to and deletions from the Subcontract Work, and Subcontractor shall promptly proceed with the performance of the Subcontract Work as so changed.

§13.2 All authorized changes to Subcontract Work shall be in writing and shall be valued in the manner provided by this Paragraph 13 or by the Prime Contract, and the value thereof shall be added or deducted from the Subcontract Price specified Paragraph 4.1. No dispute as to whether a change has been authorized, the value of change order work or any price or time adjustment resulting from change order work shall excuse Subcontractor from performing such work. In addition, regardless of any dispute regarding a change, Subcontractor shall be obligated to continue to perform and complete all Subcontract Work, including any change order work, without delay.

§13.3 The value of all authorized changes shall be ascertained, at the sole option of TST, by reference to the following.

- .1 Rates and prices specified in the Subcontract for like or analogous work, or
- .2 Documented and certified actual costs of performance.

Subcontractor shall keep an accurate account of the actual costs incurred in performing changed Subcontract Work and shall make all records relating to those costs available to TST upon request.

§13.4 For changes in the Subcontract Work that have been initiated by Owner or other contractor in the contractual chain or tier, Subcontractor shall submit any request it may have for adjustment in the price, schedule or other provisions of the Subcontract to TST in writing in sufficient time and in a form to allow TST to process such request within the time and in the manner provided for and in accordance with the applicable provisions of the Prime Contract or other contract in the contractual chain or tier. Subcontractor agrees that it will accept the adjustment, if any, received by TST from Owner or other contractor in the contractual chain or tier as full and complete satisfaction and discharge of such request. Any payment for any work required by such a change shall not be due or made to Subcontractor until TST has received payment for the change from the Owner and any other contractor in the contractual chain as may be the case.

§13.5 If Subcontractor believes that any act or omission by the Owner, Owner's agents or representatives, TST, or other contractor in the contractual chain or tier constitutes a change, then Subcontractor shall notify TST, in writing, within seven (7) calendar days of the act or omission. Should the Subcontractor fail to notify TST, in writing, of the act or omission it believes may constitute a change within these seven (7) calendar days, then any rights for compensation in money or time for such a change are waived by Subcontractor without further right to present, arbitrate, litigate or be compensated for such a change.

§13.6 Except as otherwise provided in Paragraphs 13.4 and 13.5, if TST and Subcontractor cannot agree on the value of change order work, Subcontractor may pursue a claim pursuant to Paragraph 14 of this Subcontract.

<u>ARTICLE 14</u> CLAIMS

§14.1 Claims Arising From The Duties or Obligations of the Owner

- .1 Any claim, including a claim for additional compensation or for a time extension, which arises during the performance of this Subcontract by virtue of any duties or obligations between TST or another contractor and the Owner shall be submitted through TST to the Owner by way of the contractual chain or tier of the obligations of the contractors on the project. Any such claims shall be submitted and treated in accordance with the applicable dispute resolution provisions of the Prime Contract.
- .2 TST shall represent Subcontractor in claims subject to Paragraph 14.1 only to the extent of passing on the claim to the next party in the contractual chain or tier. TST shall not be required to actually support such claims, and Subcontractor shall retain responsibility for the proofs and processing of the claims. Subcontractor shall submit all information in support of such claims as is required by the Owner or by the Prime Contract. Subcontractor shall not submit or advance any frivolous or unsupported claims, and TST shall not be obligated to pass on any claim it in good faith deems frivolous or unsupported. All costs, including attorneys' fees, incurred by TST in passing on such claims to the next party in the contractual chain or tier shall be reimbursed by Subcontractor.

.3 TST is liable to Subcontractor with respect to claims subject to Paragraph 14.1 only to the extent that the Owner or other contractor in the contractual chain or tier is determined, by litigation or settlement, to be liable to TST. Subcontractor agrees to accept from TST as full and complete satisfaction and discharge of any such claim the amounts, subject to offset of TST's costs of supporting said claim(s) by Subcontractor, and/or time extensions received by TST for the claim. Any payment by TST to Subcontractor for a claim subject to Paragraph 14.1 shall not be due or made until TST has received payment for the claim from the Owner, or other contractor in the contractual chain or tier as may be the case.

§14.2 Claims Arising From The Misfeasance Or Malfeasance Of Other Parties In The Contractual Chain

- .1 TST shall not be liable to Subcontractor for any claims that Subcontractor may have as a result of any misfeasance or malfeasance by other parties in the contractual chain or tier other than the Owner. TST's only responsibility with respect to such claims shall be to submit Subcontractor's claim by way of the contractual chain or tier.
- .2 TST shall represent Subcontractor in claims subject to Paragraph 14.2 only to the extent of passing on the claims to the next party in the contractual chain or tier. TST shall not be required to actually support such claims, and Subcontractor shall retain responsibility for the proofs and processing of such claims. Subcontractor shall provide all information in support of such claims as is required. Subcontractor shall not advance any frivolous or unsupported claims, and TST shall not be obligated to pass on any claim it in good faith deems frivolous or unsupported. All costs, including attorneys' fees, incurred by TST in passing on such claims to the next party in the contractual chain or tier shall be reimbursed by Subcontractor.
- .3 TST shall be liable to Subcontractor for any claims subject to this Paragraph 14.2 only to the extent that the other contractor in the contractual chain or tier is determined, by litigation or settlement, to be liable to TST. Subcontractor agrees to accept from TST as full and complete satisfaction and discharge of any such claim the amounts and/or time extension received by TST for the claim. Any payment by TST to Subcontractor for a claim subject to Paragraph 14.2 shall not be due or made until TST has received payment for the claim from the other contractor in the contractual chain or tier.

§14.3 Claims Against TST

- .1 Subcontractor shall have no claims against TST, including any claims for additional compensation or time extension, unless such claims arise solely from an express duty or obligation between TST and Subcontractor contained in this Subcontract Agreement and are not subject to Paragraphs 14.1 or 14.2.
- .2 Subcontractor will not be entitled to any claim for extension of the Subcontract Completion Date unless Subcontractor has complied with Paragraph 3.7 and unless TST first receives a time extension from the Owner or other contractor in the contractual chain or tier relating to the Subcontract Work.
- .3 Should Subcontractor have claims subject to paragraph 14.3 against TST, then Subcontractor shall, subject to the requirements of Paragraph 14.4, submit such claims in writing to TST. Subcontractor and TST then shall negotiate in good faith in an attempt to resolve any such claims. TST shall have final determination as to entitlement and value of any such claims. If Subcontractor and TST are not able to resolve such claims, the claims may go to arbitration or litigation, in TST's sole discretion, as set forth in Paragraph 11. The Subcontractor agrees that venue for any litigation will be in the Circuit Court for the City of Virginia Beach, Virginia or the United States District Court for the Eastern District of Virginia, Norfolk Division. The Parties hereto expressly consent to the jurisdiction and venue of said courts.

§14.4 Provisions Relating To All Claims

- .1 Subcontractor shall give written notice to TST of any event or occurrence which may give rise to a claim under this Paragraph 14 within seven (7) calendar days of the event or occurrence; except, however, when a shorter time for giving notice is provided elsewhere in this Subcontract or the Prime Contract, the notice must be given in such shorter time period. Should Subcontractor fail to notify TST, in writing, of the claim within seven (7) calendar days of the event or occurrence, or the applicable shorter time period, the claim is waived by Subcontractor without further right to present, arbitrate, litigate or be compensated for such claim.
- .2 Before any claim is submitted to any party, Subcontractor shall properly document said claim with, at a minimum, daily reports including the time, materials, man hour analysis of the claim, overhead and profit, and any and all figures necessary to substantiate the Subcontractor's position on both entitlement to relief and the amount of the claim.

- .3 Provision of notice of a claim by Subcontractor shall not modify Subcontractor's obligation to timely perform the Subcontract Work. Subcontractor shall continue with and complete the Subcontract Work, and no dispute regarding the existence or value of a claim by Subcontractor shall excuse Subcontractor from performing the Subcontract Work or delay the completion of the Subcontract Work.
- .4 With respect to any claim subject to this Paragraph 14, including any change subject to Paragraph 13, Subcontractor agrees to provide Contractor with certificates pertaining to the information and documents relating to Subcontractor's claim or request for equitable adjustment or other compensation that conform in all respects to any certificates that TST is required to submit to the Owner or any other contractor in the contractual chain or tier in connection with the preparation, submission and prosecution of the claim, including, but not limited to, any certificates required by the Prime Contract, the Contract Disputes Act, the Truth in Negotiations Act, and DFAR 252.243-7002.
- .5 Subcontractor further agrees to indemnify and hold harmless TST and TST's employees, agents, and representatives from all loss, damage, judgment, expense and other liability (including attorney's fees and costs) arising from or related in any way to the submission or certification of Subcontractor's claims or changes to the Owner or other contractor in the contractual chain or tier, including the submission or certification of cost or pricing data and any alleged violations by TST or Subcontractor of the Truth in Negotiations Act, the False Claims Act or DFAR 252.243-7002.
- .6 No litigation, arbitration or other dispute resolution procedure concerning a dispute arising under or relating to the Subcontractor may be commenced by the Subcontractor more than ONE (1) YEAR after completion of the Subcontract Work by the Subcontractor.

ARTICLE 15 CLEANUP

The Subcontractor shall keep the premises clean from accumulation of waste material and rubbish from his operations. The Subcontractor shall remove said waste materials and rubbish from the premises daily or reimburse TST for the actual cost of removal operations and supervision costs and overhead costs of said removal operations if TST in fact performs said work. In addition to the cleanup required by this Paragraph, Subcontractor is responsible for any cleanup set forth in the Statement of Work.

ARTICLE 16 ASSIGNMENT OR TRANSFER

Neither this Subcontract nor any part hereof, nor any amounts due or to become due hereunder, shall be assignable without the prior written consent of TST. Any assignment without such consent in writing shall vest no rights in the assignee against TST. Subcontractor shall not subcontract the whole or any part of this Subcontract without prior written consent of TST. Written consent for assignment or subcontracting of this Subcontract may be withheld at the sole discretion of TST.

ARTICLE 17 DEFAULT AND REMEDIES

§17.1 Should Subcontractor at any time fail to prosecute and complete the Subcontract Work in accordance with the applicable schedule(s); or fail to diligently and continuously perform the Subcontract Work; or if, in TST's opinion, the Subcontract Work cannot be completed by the Subcontract Completion Date or expansion thereof; or if TST is notified of the Subcontractor's failure to pay for any labor, materials or supplies used on the Project, or in the event of a strike or stoppage of work resulting from a dispute involving or affecting the labor employed by Subcontract or his sub-subcontractors; or if Subcontractor fails to perform any one or more of the requirements of this Subcontract (including any of the requirements of the Prime Contract which are incorporated herein); then TST may declare that Subcontractor is in default, and TST shall notify Subcontractor to correct such default and shall

specify in such notice the action to be taken and a reasonable date by which the default shall be corrected. Such a default shall also be a default under any performance bond provided by Subcontractor.

§17.2 If a default occurs and is not corrected on or before the date specified in the notice to Subcontractor, TST shall be entitled to exercise either or both of the following remedies as well as any other remedies available:

- .1 TST may immediately take any action necessary to correct such default, including specifically the right to provide labor, overtime labor and materials, and may deduct the cost of correcting such default from any payment due, or that may become due, to Subcontractor. If the payments otherwise due to Subcontractor are less than the costs incurred by TST pursuant to this paragraph, the Subcontractor and/or his surety shall pay to TST such excess costs, including overhead, profit, and attorney's fees; and/or
- .2 TST may terminate the Subcontract and the employment of Subcontractor, take possession of Subcontractor's materials, tools and equipment used in performing the Subcontract Work, and employ another Subcontractor or use TST's employees to finish the remaining Subcontract Work to be performed hereunder. TST may deduct the cost of completing the remaining Subcontract Work from the unpaid contract price, and, if the costs of completing the remaining Subcontract Work exceed the unpaid Subcontract amount, the Subcontractor and/or his surety shall pay to TST such excess costs, including overhead, profit and attorney's fees.

§17.3 In the event of a default hereunder that is not corrected on or before the date specified n the notice to Subcontractor, TST may also refrain from making any further payments under this Subcontract to Subcontractor until the entire project shall be fully finished and accepted by the Owner, at which time, if the unpaid balance of the amount to be paid under this Subcontract exceeds the expense incurred by TST in finishing the Subcontract Work and the damages sustained by TST as a result of Subcontractor's default, such excess shall be paid by TST to Subcontractor. If such expenses and damages exceed such unpaid balance, the Subcontractor shall promptly pay the difference to TST. If TST does not terminate the right of the Subcontractor to proceed, the Subcontractor shall continue with the balance of the Subcontract Work.

§17.4 If the Owner is damaged by reason of any breach by Subcontractor of the Subcontract, then Subcontractor shall, subject to any defenses and offsets to which the Subcontractor may be entitled under this Subcontract, pay the Owner such damages.

ARTICLE 18 SUSPENSION; TERMINATION FOR CONVENIENCE

§18.1 TST may upon written notice to Subcontractor at any time suspend or terminate for convenience the performance of all or any phase of the Subcontract Work. Upon receipt of such notice, Subcontractor shall, unless the notice requires otherwise:

- .1 discontinue the Subcontract Work on the date and to the extent specified in the notice;
- .2 place no further orders or contracts for labor, equipment, material, supplies, services or facilities with respect to suspended or terminated Subcontract Work, except to the extent required in the notice;
- .3 promptly make reasonable efforts to obtain, upon terms satisfactory to TST and Owner, suspension or termination of all orders, contracts, subcontracts and other agreements to the extent they relate to the performance of Subcontract Work suspended or terminated for convenience; and
- .4 if the Subcontract Work is suspended, continue to protect and maintain Subcontract Work already in place.

§18.2 The Subcontractor shall not be entitled to any compensation for any phase of Subcontract Work that has been suspended or terminated for which TST did not issue a notice to proceed with the work as set forth in Paragraph 3.1.

§18.3 For any phase of the Subcontract Work for which the TST has given notice to Subcontractor to proceed with the work under Paragraph 3.1 and as compensation for TST's suspension or termination of the Subcontract Work for convenience, TST shall pay compensation to Subcontractor, in full satisfaction and discharge of all liabilities and obligations owed to Subcontractor with respect to the Subcontract Work so suspended or terminated, as follows:

- .1 If the Subcontract is terminated for convenience, the Subcontractor shall only be entitled to receive as payment the difference between an amount equal to the proportion of the Subcontract amount set forth in Paragraph 4.1 representing the percent of the Work completed by the Subcontractor and accepted, and the total of all amounts previously paid to the Subcontractor. Subcontractor shall not be entitled to receive payment for incidental or consequential damages, or for lost profits on unperformed work.
- .2 If Subcontractor is terminated because the Prime Contract has been terminated, the rights of Subcontractor with regard to payment and damages shall equal the proportionate share of any payment or damages recovered by TST pursuant to the terms of the Prime Contract that TST reasonably determines are properly apportionable to the Subcontractor.

§18.4 If the work has been suspended, the Subcontractor shall resume performance thereof upon receipt of notice to resume suspended Subcontract Work to the extent required in the notice. TST shall afford to Subcontractor a day-for-day extension of the schedule that is no less than the extension that it receives from the Owner, with respect to the Subcontract Work that TST has subcontracted to Subcontractor.

§18.5 All claims resulting from a suspension of work or termination for convenience shall be subject to the terms of Paragraph 14.

ARTICLE 19 POSSESSION PRIOR TO COMPLETION

Whenever it may be useful or necessary for them to do so, TST and the Owner shall be permitted to occupy and/or use any portion of the Subcontract Work which has been either partially or fully completed by Subcontractor before final inspection and acceptance thereof by Owner, but such use and/or occupation shall not constitute acceptance by TST or the Owner of the Subcontract Work or any part thereof and shall not relieve Subcontractor of its warranty of said Subcontract Work, nor of its obligation to make good at its own expense any defect in materials and/or workmanship which may occur or develop prior to TST's release from responsibility to Owner.

ARTICLE 20 WARRANTY

The Subcontractor warrants that all workmanship, materials, and equipment furnished under this Subcontract will be of good quality, free from faults and defects, and in conformance with the Subcontract for the term required in the Prime Contract. If no such provisions exist, then the Subcontractor shall warrant its work aforesaid for a period of ONE (1) YEAR from the final acceptance of the completed Prime Contract work by the Prime. The Subcontractor further warrants that any design or engineering work performed by it is competent and in keeping with the accepted industry and trade standards for such design or engineering work and the Subcontractor further agrees to hold Turner Strategic Technologies, LLC harmless from any loss, claims, demands, suits, actions or expenses resulting from the Subcontractor's breach or from a claimed breached of said warranty.

ARTICLE 21 FEDERAL CONTRACTS

§21.1 This Paragraph 21 applies to only Subcontracts related to a federal contract.

§21.2 Subcontractor understands that TST is a federal contractor. If this Subcontract is related to a federal contract, during the performance of this Subcontract, Subcontractor agrees, if applicable, to comply with all federal, state and local laws prohibiting discrimination in employment and non-segregation of facilities, including, but not limited to, requirements set out in 41 C.F.R. § 60-1.4(a), § 60-4.3(a), § 60-300.5(a), and § 60-741.5(a), which equal opportunity clauses are incorporated by reference into this Subcontract. Compliance with these clauses may require

Subcontractor to file certain reports with the federal government and may require the Subcontractor to develop written affirmative action programs for women and minorities, covered veterans and/or persons with disabilities.

§21.3 If Subcontractor is a Large Business and the Subcontract Price is more than \$1,000,000, then Subcontractor will submit a Small Business Subcontracting Plan in accordance with FAR 52.219-9.

§21.4 This Subcontract may be funded in whole or in part by the American Recovery and Reinvestment Act of 2009 (ARRA). If so, requirements of ARRA, including flowdown provisions, are applicable to this Subcontract. The following Federal Acquisition Regulations (FAR) are incorporated by reference if checked.

- 52.203-15 Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009.
- 52.204-11 American Recovery and Reinvestment Act—Reporting Requirements.
- 52.225-21 Required Use of American Iron, Steel, and Other Manufactured Goods—Buy American Act—Construction Materials.
- 52.225-22 Notice of Required Use of American Iron, Steel, and Other Manufactured Goods—Buy American Act—Construction Materials.
- 52.225-23 Required Use of American Iron, Steel, and Other Manufactured Goods—Buy American Act—Construction Materials Under Trade Agreements.
- 52.225-24 Notice of Required Use of American Iron, Steel, and Other Manufactured Goods—Buy American Act— Construction Materials Under Trade Agreements.

§21.5 Subcontractor agrees to comply with additional FAR and DFARS as may be required by the Prime Contract.

<u>ARTICLE 22</u> MISCELLANEOUS

§22.1 The headings at the beginning of each Paragraph are for convenience only and are to be given no weight in construing the provisions of this Subcontract.

§22.2 This instrument and the documents specially incorporated herein by reference represent the entire agreement between TST and the Subcontractor and may not be amended without their written consent. In the event TST and Subcontractor enter into another subcontract on another project, wherever located, a default under said subcontract shall be a default hereunder and vice versa.

§22.3 Subcontractor shall warrant all materials and workmanship furnished or performed hereunder to be free of defects for a period of one year from the date of acceptance by Owner of this Project (and for any longer period that is specified or required by the Prime Contract) and shall at its own expense promptly replace, repair or correct any such defective materials or workmanship appearing within one year from date of completion of the Project (and for any longer period that is specified or required by the contract documents). Subcontractor shall submit and assign all factory warranties on equipment installed by him; and, at the option of TST, the Subcontractor shall initiate and assign to TST and/or its assigns a service agreement with a local service agency covering all equipment, workmanship and materials so installed.

§22.4 Subcontractor shall be responsible for the location of, as well as any damage caused by him to, any underground objects including, but not limited to, sewer, water, gas, electric or telephone lines, cables, pipes and tunnels.

§22.5 Subcontractor warrants that he is familiar with all aspects of the Williams-Steiger Occupational Safety and Health Act of 1970 (OSHA), and assumes responsibility for compliance with that Act and all federal regulations promulgated thereunder. The Subcontractor shall hold TST harmless for any accidents and damages, as well as all fines and citations, resulting from the administration or enforcement of OSHA with respect to the performance of the Subcontract Work.

§22.6 This Subcontract shall be governed by, and interpreted in accordance with, the laws of the Commonwealth of Virginia.

§22.7 In the event arbitration or litigation arises out of this Subcontract, the expenses and costs of same, including reasonable attorney's fees, incurred by the prevailing party shall be paid or reimbursed by the non-prevailing party, including attorney's fees and expenses on appeal.

§22.8 No inspection, approval or acceptance of work, shall constitute an acceptance of any Subcontract Work not performed in accordance with this Subcontract or the Prime Contract.

§22.9 Subcontractor agrees to comply with the requirements for verifying employment eligibility set out in 48 C.F.R. Subpart 22.18 (73 Fed. Reg. 67703 – 04) and the Employment Eligibility Verification Clause set out in 48 C.F.R. § 52.222-54 (73 Fed. Reg. 67704), which is herein incorporated by reference. Subcontractor shall certify its compliance on Schedule Three, attached hereto.

§22.10 The invalidity of any provision of this Subcontract as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

§22.11 All notices hereunder shall be given in writing by hand, by commercial courier, or by registered or certified mail, return receipt requested, postage prepaid and shall be deemed given as of the date of hand-delivery or the date of postal or commercial courier receipt witnessing the dispatch of such notice. All notices shall be delivered or sent to the respective parties at the respective addresses set forth above or to such different addresses as the respective parties may from time to time designate by notice properly given hereunder.

§22.12 The failure by TST to insist upon the strict performance of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. No covenant, term or condition of this Subcontract shall be deemed to have been waived by TST, unless such waiver shall be in writing and signed by TST.

ARTICLE 23 AUTHORITY OF REPRESENTATIVES

The individuals signing below represent that they have the authority to enter into this Subcontract on behalf of their respective parties. The parties further represent that they have full power to enter into, execute, deliver, and perform any and all of their respective obligations under this Subcontract. Subcontractor expressly represents and warrants that the individual executing this Subcontract on Subcontractor's behalf is expressly authorized to bind Subcontractor to performance of this Subcontract in its entirety.

This Agreement entered into as of the day and year first written above.

TURNER STRATEGIC TECHNOLOGIES	<company></company>
(Signature)	(Signature)
(Date)	(Date)
(Printed Name and Title)	(Printed Name and Title)

SCHEDULE ONE

SUBCONTRACT SCOPE OF WORK

<insert scope of work>

GENERAL CONDITIONS:

- 1. The Subcontractor shall furnish, install, maintain and remove its own office trailer, utilities, temporary utilities, and temporary facilities as necessary for the performance of this Scope of Work.
- 2. Subcontractor shall submit a Certificate of Insurance within five (5) days after receipt of this contract.
- 3. Subcontractor shall submit a schedule of values and a duration schedule within five (5) days of receipt of this contract.
- 4. The Subcontractor shall be responsible for the timely preparation of all Activity Hazard Analyses (AHAs), shop drawings and submittals necessary for its Scope of Work and will submit them within five (5) days of receipt of this Subcontract Agreement. Six (6) copies of each Submittal are required. Delays due to incomplete or incorrect submittals shall be the Subcontractors responsibility.
- 5. All requirements of Exhibit A Health and Safety Requirements are incorporated into this agreement.
- 6. Subcontractor responsible for all general conditions and specifications for his scope of work and any other related scopes of work.
- 7. Work week is considered Monday thru Friday, 7:00 to 3:30 with a ½ hour lunch, for a total of eight (8) hours per day.
- 8. Work under this scope may require 6 to 7 working days at no additional cost to Contractor or Owner.
- 9. Daily Reports and daily manpower reports are due to the Superintendent **NO LATER THAN 9:00AM** the following day. Copies of delivery tickets for ALL material delivered to the site must be included with you daily reports.
- 10. The Subcontractor shall be responsible for the ensuring that its personnel meet all security clearance requirements as outlined within the Contract Documents. Subcontractor is aware of the personnel and vehicular badging requirements identified within the Contract Documents for all the personnel employed on the site and has included any costs associated with these procedures.
- 11. All engineering layout and controls associated with the Work of this Agreement will be the responsibility of the Subcontractor.
- 12. The Subcontract includes all necessary taxes, transportation, shipping, deliveries, unloading, protection and storage of materials provided under this Agreement. The Subcontractor shall schedule and coordinate all deliveries so that they arrive at the jobsite within acceptable hours as indicated within the Contract Documents. Subcontractor is required to have their own equipment on site for unloading, staging and moving of material.
- 13. All required clean-up for this Scope of Work is included by this Agreement both daily and final. Subcontractor shall remove trash daily from the work place.
- 14. Subcontractor shall provide all required hoisting, rigging and scaffolding necessary to perform this Scope of Work.
- 15. Subcontractor's employees are required to park their vehicles within designated areas ONLY. No vehicles are to be parked in public areas outside of the construction perimeter. Vehicles not parked in the permitted area will be towed at the Subcontractor's expense.
- 16. Subcontractor is advised that attendance is mandatory at the contractor's weekly coordination and safety meetings. Subcontractor shall designate a representative to attend this weekly meeting.
- 17. This agreement includes the provisions of warranties, guarantees, operation and maintenance manuals, as-built drawings, etc. as required by the Contract documents.
- 18. The Subcontractor shall be responsible to meet the Owner's Quality Control requirements as specifically outlined in the Specifications of the Contract documents and as it relates to the Scope of Work outlined herein. Such responsibilities include, but are not limited to, furnishing QC submittals and reports for its work and the work of its suppliers, vendors and fabricators. The Subcontractor is responsible for QC review and inspection for materials to be furnished under this Scope of Work.
- 19. The Subcontractor's designated QC representative shall coordinate with the Contractor's QC Manager on all CQC reporting and inspections.
- 20. Subcontractor is responsible for coordinating the work under this Scope of Work with all other trades.
- 21. Subcontractor is expected to deliver a complete "turn-key" product/system to the Owner. If at any time during the construction period, a discrepancy is found that impedes the Subcontractor and Turner Strategic Technologies from providing the Owner with a complete and working product/system, than the offending Subcontractor will be held accountable and whatever actions deemed necessary will be taken.
- 22. Subcontractor is responsible for all testing associated with this Scope of Work.
- 23. Subcontractor is responsible for the cleaning and repair of existing streets damaged as a result of his operation.
- 24. Subcontractor must provide a copy of PO upon request for long lead-time items so that Turner Strategic Technologies

is aware that the material was ordered.

- 25. Subcontractor shall make <u>ALL</u> suitable preparations for the installation of his work, including all piping, sleeves, miscellaneous items, conduit, hangers, inserts, anchors, grounds and supports that are to be embedded in concrete masonry walls, floors, partitions or structural members, or that are to pass through or be attached hereto.
- 26. Subcontractor shall furnish all necessary access panels for items of work installed under his contract. Installation of all access panels shall be the responsibility of the Subcontractor erecting the wall or ceiling system.
- 27. Subcontractor is responsible for protecting their completed work from damage by other trades.
- 28. Subcontractor is advised to take all the necessary precautions to not damage other trades finished work. Should damages occur due to Subcontractor, it will be towards the Subcontractor's account.
- 29. The Goals for minority and female participation, expressed in percentage terms for TST's and the Subcontractor's aggregate workforce in each trade on all construction work in the covered area, are as follows:

Minority Participation for each tradeFemale Participation for each trade<insert % from contract><insert % from contract>

30. These goals are applicable to all of the Subcontractor's construction work performed in the covered area. If the Subcontractor performs construction work in a geographical area located outside of the covered area, the Subcontractor shall apply the goals established for the geographical area where the work is actually performed.

DRAWINGS, SPECIFICATIONS, AND OTHER DOCUMENTS FORMING PART OF THE SUBCONTRACT

Documents incorporated into the Subcontract include, but are not limited to, the following. The Subcontractor will comply in full with all requirements contained therein.

Specification Sections:

<insert Spec Sections>

Drawings:

<insert Drawing #, dated>

SUBCONTRACT SCHEDULE

TO BE ISSUED UNDER SEPARATE COVER

SUBCONTRACT PRICE

TST shall pay the Subcontractor in current funds for performance of the Subcontract the Subcontract Sum of (\$___), subject to additions and deductions as provided in the Subcontract Documents.

Subcontractor shall provide a detailed schedule of values within (5) days of the date of this agreement.

SUBCONTRACT COMPLETION DATE

<insert completion date>

LIST OF KEY PERSONNEL

Project Manager

<insert name> <insert phone> <insert email> Contract Administrator <insert name> <insert phone> <insert email>

Superintendent/QC Manager <insert name> <insert phone> <insert email>

ATTACHMENTS:

Subcontract Agreement with Exhibits:

- Attachment 1: Drawings & Specs
- Attachment 2: Project Schedule
- Exhibit A: Health and Safety Requirements
- Exhibit B: Representations, Certifications and Other Statements
- Exhibit C: IRS Form W-9, Request for Taxpayer ID Number & Certification
- Exhibit D: Vendor Information Package (required for new vendors or vendor updates)
- Exhibit E: Schedule of Prices & Duration Schedule
- Exhibit F: Activity Hazard Analysis
- Exhibit G: SF1413 Statement & Acknowledgment Form (if required by contract)
- Exhibit H: Labor Standards, Wage Rates, And Certified Payroll Procedures
- Exhibit I: Subcontractor Application for Payment
- Exhibit J: Subcontractor Partial Lien Waiver | (SCHEDULE TWO) Subcontractor Final Lien Waiver
- Exhibit K: Defense Priorities and Allocations System
- Exhibit L: Reporting Executive Compensation and First-Tier Subcontract Awards (only required for Subcontracts \$25,000 or more)

All of these attachments can be downloaded here:

https://www.dropbox.com/sh/3pikitejjjextc5/9YpcUcmFqb

SCHEDULE OF REQUIRED ITEMS

Subcontractor shall submit the items listed below, promptly upon award of the Subcontract as follows:

DESCRIPTION

- 1. Payment and Performance Bonds (if required)
- 2. Certificate of Insurance
- 3. Schedule of Values
- 4. Duration Schedule
- 5. Standard Form 1413 (if required)
- 6. Small Business Plan Representations Form (if required)
- 7. W-9 Form
- 8. Reporting Executive Compensation (if required)
- 9. Progress Payments
- 10. List of Subcontractors/Suppliers/Key Personnel
- 11. Shop Drawings/Material & Equipment Submittals
- 12. MSDS Sheets
- 13. Guarantees/Warranties (as required)
- 14. As-Builts/O&M Manuals (as required)

DATE REQUIRED

Within 5 days NLT 15th of each month Immediately Within 5 days With Submittals Prior to Final Billing Prior to Final Billing

SCHEDULE TWO

FINAL PAYMENT RELEASE, CERTIFICATION AND INDEMNIFICATION

With reference to the Subcontract between

(hereinafter called Subcontractor)

And

TURNER STRATEGIC TECHNOLOGIES, LLC;

The Subcontractor hereby certifies and represents that it has made full payment of all costs, charges, and expenses incurred by it or on its behalf for work, labor, services, materials, and equipment supplied to the foregoing premises and/or used in connection with its work under said subcontract.

The Subcontractor further certifies that to its best knowledge and belief, each of its sub-subcontractors and material suppliers has made full payment of all costs, charges, and expenses incurred by them or on their behalf for work, labor, services, materials, and equipment used by them in connection with the Subcontractor's work under the said subcontract and the Subcontractor has obtained certifications from its subcontractors and suppliers to this effect.

In consideration of US\$ ______ as final payment under the Subcontract, the Subcontractor hereby unconditionally releases and forever discharges TURNER STRATEGIC TECHNOLOGIES from all claims, liens, and obligations of every nature arising out of or in connection with the performance of the said subcontract and all amendments thereto except as set forth below:

As additional consideration for the final payment, the Subcontractor agrees to the fullest extent of the law to, indemnify and hold harmless TURNER STRATEGIC TECHNOLOGIES from and against all costs, losses, damages, claims, causes of action, judgments and expenses, including attorney's fees, arising out of or in connection performance of the work under the Subcontract and which may be asserted by the Subcontractor or any of its suppliers, sub-subcontractors of any tier or any of their representatives, officers, agents or employees except for those claims listed .

The foregoing shall not relieve the Subcontractor of its obligations under the provisions of said Subcontract, which, by their nature, survive completion of the work, including without limitation, warranties, guarantees, and indemnities.

Executed this	_ day of		20	
NAME OF SUBCONTRACTO	R			
Ву:				
Title:				
Subscribed and sworn to befo	re me this	day of		20
Signature:				
Notary Printed Name:			Registration #:	
My Commission Expires:				

(notary seal)

SCHEDULE THREE

CERTIFICATION OF SUBCONTRACTOR'S E-VERIFY ENROLLMENT AND COMPLIANCE

With reference to the Subcontract between

_ (hereinafter called Subcontractor)

And

TURNER STRATEGIC TECHNOLOGIES, LLC;

The Subcontractor hereby certifies and represents that it has enrolled in the E-Verify System and agrees to comply with the requirements for verifying employment eligibility set out in 48 C.F.R. Subpart 22.18 (73 Fed. Reg. 67703 — 04) and the Employment Eligibility Verification Clause set out in 48 C.F.R. § 52.222-54 (73 Fed. Reg. 67704), As proof of enrollment, the Subcontractor will provide to TURNER STRATEGIC TECHNOLOGIES upon request a copy of its Maintain Company page from the E-Verify system.

Executed	this	_day of		20
NAME O	F SUBCONTRACTO	२	-	
By:			_	
Title:			_	