

(Revised 03/31/04)

CONTRACT

EXHIBIT "D"

GENERAL REQUIREMENTS / SUPPLEMENTAL GENERAL CONDITIONS

COMPASS GROUP, INC.

Project: _____

The following terms and conditions shall be incorporated into that certain Subcontract Agreement of even date herewith. To the extent that any terms and conditions of this Addendum are inconsistent or conflict with the terms of the Subcontract Agreement, the terms of this Addendum shall supersede and control.

ARTICLE 1

Consultants

1.1 The following consultants shall be used for the Project:

Architect: _____

Structural Engineer: _____

Mechanical Engineer: _____

Electrical Engineer: _____

Soils Engineer: _____

Surveyor: _____

Civil Engineer: _____

Article II

Modifications in Work to be Performed

2.1 Where changes in work are requested, subcontractor must provide General Contractor a quotation with detailed breakdown showing invoice cost of materials, labor, equipment rentals, etc., plus a total allowance for overhead and profit of ten percent (10%). No other claims for work or claims based on a difference of interpretation will be considered. Any deletion or addition to the Subcontract Agreement shall be accomplished by a signed Change Order executed by both parties.

Article III

Plans and Specifications

3.1 Subcontractor must assure itself that it has the most current Plans and Specifications by checking the set of Plans and Specifications approved for construction in the General Contractor's field office and must check dimensions on the job before fabrication. Subcontractor is responsible for the supervision and layout of its work to ensure that it is integrated with the work of the others as required. Any discrepancies on Plans and Specifications discovered by Subcontractor must be reported to General Contractor for final determination.

3.2 **Modifications of Approved Plans and Specifications.** Upon receiving the prior approval of General Contractor, all modifications to any of the Plans and Specifications, exhibits or other documents pertinent to the construction of the Project shall be neatly, accurately and thoroughly recorded by red-lining and initialing and dating any changes on the General Contractor's copy of the pertinent Plans and Specifications in the General Contractor's field office.

3.3 **As-Built Drawings.** In the event the approved Plans and Specifications are modified, any modifications, changes or deletions shall be indicated on the as-built drawings in accordance with Paragraphs 3.6 and 3.7 below, at the Subcontractor's sole cost and expense. The Subcontractor shall purchase, from the Architect, a set of reproducible sepia on which to record as-built conditions. All information shall be recorded as the work progresses.

3.4 **Mechanical, Plumbing and Electrical Work.**

(a) All modifications, changes, or alterations in sizes, locations and equipment checked and approved by the General Contractor shall be recorded on the as-built drawings.

(b) As built drawings shall correctly locate all piping, conduit and other features of the work which will be buried below the slab or otherwise concealed in the finished building.

(i) Underground work shall be dimensioned from walls or column lines and all turns shall be located.

(ii) All another work concealed in building walls or ceiling shall be dimensioned or be located by reference of proximity of visible building features.

3.5 **As Built Drawing Quality.**

(a) Drawings shall be accurate, thorough and subject to approval by the General Contractor. Whenever required, the Subcontractor shall provide additional drawings for clarity.

(b) Prior to receipt of final payment, the Subcontractor shall submit two prints of all as-built drawings to the General Contractor, the Subcontractor shall submit corrected sepia drawings to the General Contractor.

(c) Failure of the Subcontractor to supply adequate as-built drawings and/or Operating/Maintenance manuals will be treated as breach of the Subcontract Agreement.

3.6 Discrepancies. In cases of discrepancy concerning dimension, quantity and location, the Plans shall take precedence over the Specifications. Explanatory notes on the Plans shall take precedence over conflicting drawn indications. Large-scale detail shall take precedence over smaller-scale drawings and figure dimensions shall take precedence over scaled measurements. Where figures are not indicated, scale measurements shall be followed which shall in all cases be verified by measuring actual conditions of work already existing and in place.

In the event of discrepancy between the quality and application of materials and non-technical requirements over materials, the Specifications shall take precedence over the Plans.

ARTICLE IV

Required Meetings

4.1 General Contractor will schedule site meetings as deemed necessary. The Subcontractor or an agent authorized to make binding decisions for the Subcontractor must attend such meetings.

ARTICLE V

General Execution of Work

5.1 Acceptance of Working Conditions. The commencement of work by the Subcontractor shall constitute evidence that the Subcontractor has inspected all conditions involved in its work. In the event Subcontractor determines that the existing conditions are unsatisfactory for performing all the requirements of the Subcontractor Agreement, it shall notify the General Contractor in writing and shall not proceed until all conditions have been properly corrected.

5.2 Temporary Utilities and Services.

(a) The General Contractor will provide sufficient sanitary facilities for workers in accordance with local health authorities' requirements.

(b) The General Contractor will arrange for a continuous supply of portable water for construction use at one location adjacent to the work. Subcontractor shall supply its

own distribution system from same and take full responsibility for maintenance and any damage resulting from leakages or otherwise from same.

(c) Subcontractor is responsible for ensuring that adequate temporary heat is provided to prevent damage to the work.

(d) The General Contractor shall provide and pay for all temporary power required during construction at a designated location at each building. Subcontractor must supply its own flexible leads from these points.

(e) The General Contractor shall provide and maintain sufficient temporary lighting throughout the Project to comply with local safety regulations.

(f) The General Contractor shall provide and pay for temporary telephones necessary for use of Subcontractor in the site office but Subcontractor shall pay for its own long distance call charges.

(g) The General Contractor shall provide and maintain for fire use only, fire extinguishers, hoses and other equipment as required by the Fire Department.

(h) Any vehicles not designated as "work vehicles" by the General Contractor shall be restricted to designated employee parking areas only and will not be allowed on the job site except for the purposes of unloading tools in the morning and loading tools in the evening. Vehicles in violation of this clause may be towed away at the owner's expense.

5.3 Completion of Model Units. If applicable, it is understood that at least one of each type of living unit will be set up prior to the total completion of the Project. Subcontractor will be required to submit specified equipment, materials and workmanship to complete these living units as directed or as shown on Plans and Specifications. Units will be used for display purposes. It is also understood that portions of the Project will be completed and made available for occupancy prior to completion of the Project

ARTICLE VI

Site Office and Storage Sheds

6.1 The General Contractor shall provide and maintain during the progress of work an adequately lighted, heated and ventilated office with space for filing and layout of any Plans and Specifications, exhibits, drawing, samples, etc.

6.2 Subcontractor shall provide and maintain a clean and orderly condition, lockable weatherproof sheds for storage of tools, equipment and material requiring protection, and may provide its own temporary office, where directed.

ARTICLE VII

Protection of Work and Property

7.1 The General Contractor shall provide temporary fences for protection of adjacent private and public property from damage during the performance of work as required by local authorities, except for below-grade work, where protection will be the responsibility of the Subcontractor. If Subcontractor damages such fences, cost of repair will be charged to Subcontractor.

7.2 Subcontractor shall provide reasonable and adequate protection for all work completed or in progress, including but not limited to partially finished or totally finished building surfaces and equipment, during the performance of its work and until completion of the Project. Any work damaged or defaced due to Subcontractor's failure to provide such protection shall be removed, replaced or repaired by Subcontractor as directed by the General Contractor at no additional cost to the General Contractor.

7.3 Subcontractor shall provide all necessary barricades, warning signs and guard to protect the public and existing property from injury or damage.

7.4 Subcontractor shall provide dust-tight screens or partitions as may be required to localize dust-generating activities and for the protection of its worker, finished areas of work and the public.

7.5 Subcontractor shall provide adequate dust control measures as necessary to assure that its work conforms with local dust control standards. In the event Subcontractor violates these standards, it shall be responsible for any fines resulting from the violation.

ARTICLE VIII

Products

8.1 **Availability of Products.** Immediately upon signing the Subcontract Agreement, Subcontractor shall review produce delivery requirements and anticipate foreseeable supply delays. If delays in supply of material, equipment or articles are foreseeable, Subcontractor shall notify the General Contractor so that substitutions or other remedial action may be authorized in ample time to prevent delay in performance of work.

ARTICLE IX

Storage, Handling and Protection

9.1 Subcontractor shall handle and store products in a manner to prevent damage, deterioration and soiling and in accordance with manufacturer's recommendations when applicable.

9.2 Products subject to damage from weather shall be stored in weatherproof enclosures provided by Subcontractor at no additional cost to General Contractor. Any loss of stored materials due to weather, theft or vandalism shall be replaced at Subcontractor's expense.

9.3 Subcontractor shall store cementitious materials clear of earth or concrete floors and away from walls.

9.4 When requested, General Contractor may allow designated storage space within building. Upon General Contractor's request, Subcontractor shall immediately remove certain designated items from the specified storage space within the building. The cost of moving the materials and any damage to the materials or building incurred as a result of moving the materials shall be borne by Subcontractor.

9.5 **Delivery.** When materials are purchased by the Subcontractor of the General Contractor for installation by Subcontractor and are specified F.O.B. job site, Subcontractor shall ensure that the materials are received in an undamaged, defect free condition and in the event any damage occurs, Subcontractor shall settle all damage claims against the carrier. The foregoing includes unloading of materials and placement at designated storage areas on the job site.

9.6 **Distribution.** Any materials supplied for installation by Subcontractor and delivered to the job site shall be placed in designated storage areas. Distribution throughout the Project at the time of installation and any hoisting required shall be at the sole expense of Subcontractor.

9.7 **Manufacturer's Instructions.**

(a) Unless otherwise indicated in the Specifications, Subcontractor shall install or erect all products and materials in accordance with the manufacturer's recommendations and instructions. Subcontractor shall not rely on labels or enclosures provided with products but shall obtain instructions directly from the manufacturer.

(b) Subcontractor shall notify the General Contractor in writing of any conflicts between Subcontractor and the manufacturer's instructions at the time of bidding.

(c) **Underwriters Laboratory's Label.** All materials and equipment for which Underwriters Laboratory, Inc.'s standards have been established and for which labels are available shall bear the appropriate U.L. label.

9.8 **Reference Standards.**

(a) Within the text of the Specifications, reference is made to various standards for which products and/or systems are to conform. Subcontractor agrees to conform with these standards, in whole or in part, as specifically requested in the Specifications.

(b) If the Architect determines that a product, material or system is not in conformity with applicable standard, the Subcontractor shall be entitled to supply an alternative

conforming product, material or system. Should the Subcontractor decided not to supply an alternative, and the testing of the original product, material or system indicates nonconformity with applicable standards, the cost of any testing and of obtaining conformity with applicable standards shall be borne by the Subcontractor or supplier.

ARTICLE X

Inspection and Testing Work

10.1 During construction, Subcontractor shall be responsible for requesting any city or county inspections and for being present during the inspector's walk-through inspection. Subcontractor further agrees to correct any problems identified during the inspection. Subcontractor further agrees that independent inspections by testing agencies approved by General Contractor shall be engaged for the purpose of inspecting and/or testing portions of the work where required in to the Subcontract Agreement. All cost of such services will be borne by Subcontractor except where noted otherwise.

10.2 Subcontractor shall permit access to representatives from the inspection agencies to all portions of the work and manufacture and/or fabrications plants and cooperate in providing same.

10.3 Subcontractor agrees to give sufficient notice to the appropriate testing agency to enable the testing agency to perform its test so that the subcontractor will not cause any delay in the over-all construction of the Project. Subcontractor shall immediately notify the General Contractor that said testing agency has been notified and test has been requested.

10.4 Subcontractor shall submit samples and any materials required for testing as requested in the Specifications and shall do so with promptness and in an orderly fashion so as not to cause delay in the work.

10.5 If defects are revealed during the inspection and/or testing, the inspection/testing agency shall request additional inspections and testing to ascertain the full degree of the defect. Subcontractor agrees to correct any defects and pay for same as well as for all cost of re-testing and re-inspection.

10.6 **Test Distribution.** All testing agency reports shall be distributed in the following manner: one copy to the General Contractor, three copies to the Architect, one copy to the Structural Engineer, and one copy to the supplier.

ARTICLE XI

Workmanship

11.1 Concealment and Location of Fixtures.

(a) In finished areas, Subcontractor shall conceal all pipes, ducts and wiring in floors, walls and/or ceilings, except where indicated otherwise on the Plans and Specifications.

(b) Before installation, Subcontractor shall inform the General Contractor if there is a conflicting or inconsistent situation, and shall install as directed.

(c) Subcontractor shall consider the location of fixtures, outlet and other mechanical and electrical items indicated on the Plans and Specifications as approximate and coordinate the location with the General Contractor prior to the actual installation.

(d) Subcontractor agrees to coordinate the locations of recessed fixtures with other Subcontractors to avoid any conflicts pertaining to concealed piping, structures, etc., so that it will fit in to the space permitted, the actual locations to be approved by the General Contractor prior to installation.

11.2 Cutting and Remedial Work.

(a) Subcontractor agrees to perform all cutting and remedial work required so that other subcontractors may perform their work and the total Project is integrated and property constructed. Subcontractor shall coordinate the schedule for work to ensure that this requirement is maintained.

(b) Subcontractor shall employ cutting and remedial work specialists familiar with the materials to be utilized.

(c) All cutting of poured concrete slabs shall be coordinated with the General Contractor to assure the structural integrity of the slabs. All holes in the slabs shall be core-drilled or saw-cut and restored to original quality and integrity.

(d) Subcontractor may not remove, rework or change any portion of the work of any other Subcontractor without first obtaining the permission of the General Contractor.

11.3 Fastenings. Subcontractor shall:

(a) Provide metal fastenings and accessories in the same texture, color and finish as adjacent material, unless otherwise indicated in Specifications.

(b) Prevent electrolytic action between dissimilar metals and materials.

(c) Use non-corrosive hot dip galvanized fasteners and anchors for securing

exterior work, unless stainless steel or other material is specifically requested in the Plans and Specifications.

(d) Space anchors within their load limit or shear capacity and ensure they provide positive permanent anchorage. Neither wood nor any other organic material plugs are acceptable.

(e) Keep exposed fastenings to a minimum, spaced evenly and installed neatly.

(f) Not utilize fastenings which cause spilling or cracking of material to which anchorage is made.

11.4 **Overloading.** Subcontractor shall prevent overloading of any part of a building. It shall not cut, drill or otherwise sleeve any load bearing structural member, unless indicated specifically on the Plans or Specifications or without the prior written approval of the Architect.

11.5 **Existing Utilities.** When breaking into or connecting to existing services or utilities, Subcontractor shall perform work at times directed by local governing authorities without disturbing the pedestrian and/or vehicular traffic.

11.6 **Removal of Waste and Debris.**

(a) Subcontractor shall daily remove all waste materials and debris due to its work from the Project site or dispose of same as otherwise instructed by General Contractor's on site supervision. In the event Subcontractor does not comply with this requirement, General Contractor may in its sole discretion avail the following remedy to ensure requirement compliance. Upon observation of non-compliance written notice shall be given to the Subcontractor advising same of said failure to comply and serving as notice of three days to remedy same. If at the expiration of this three (3) day period, Subcontractor has failed to remedy same, an assessment in the amount of Thirty Dollars (\$30.00) per man-hour, plus equipment costs and a Fifteen percent (15%) administration cost shall be assessed against Subcontractor (the "Assessment"). Any assessment not paid by Subcontractor within three (3) days from notification by the General Contractor shall be automatically deducted from the next payment due Subcontractor and shall reduce the Contract Price by the amount of the Assessment. Habitual non-compliance may at the discretion of General Contractor be construed as breach of contract.

(b) The General Contractor will provide garbage bins at designated locations of the Project site for reception of waste paper and will arrange and pay for such disposal.

(c) Subcontractor agrees to clean and remove any stains, marks, dents or dirt from surfaces of its work and provide to the General Contractor the finished product in a condition that is free from all stains, marks, dents and dirt.

(d) Subcontractor agrees to remove all pallets and other crating devices used to deliver materials of its work from the project or pay the General Contractor for the removal costs.

(e) Subcontractor agrees to hold an account with a local labor force. The General Contractor will be designated as a signor, so that manpower can be supplied at Subcontractor's expense for cleaning up the subcontractor's debris.

11.7 **Removal of Temporary Facilities.** Upon completion of the Agreement, Subcontractor shall remove all temporary offices and furniture, excess materials, fencing, debris and other items belonging to him/her from the job site.

11.8 **Default.** Subcontractor will be in default as specified in article 7.01 of the Subcontractor's Agreement if it fails to meet or exceed the workmanship standards outlined above or established by the General Contractor in the field.

ARTICLE XII

Protection of Existing Trees

12.1 Subcontractor shall pay for the replacement or damage of any plants on the Project site. Replacement of trees shall not exceed One Thousand Dollars (\$1,000.00) each, the value of which shall be determined by the Landscape Architect.

ARTICLE XIII

Insurance (Refer to Exhibit I)

13.1 Subcontractor shall provide the following certificates of insurance:

(a) **Worker's Compensation** in the amount of One Hundred Thousand Dollars (\$100,000.00) not to exceed statutory limits in the aggregate.

(b) **Public Liability** including contractual and completed operations. Limits: One Million Dollars (\$1,000,000.00) Bodily Injury and One Million Dollars (\$1,000,000.00) Property Damage.

(c) **Automobile Public Liability** Limits: One Million Dollars (\$1,000,000.00) Bodily Injury and One Million Dollars (\$1,000,000.00) Property Damage.

(d) **Excess Liability** (Umbrella Form) in the amount of Two Million Dollars (\$2,000,000.00) per occurrence.

Compass Group, _____

Shall be named as additional insured.

13.2 Subcontractor shall provide and maintain fire, theft and malicious damage insurance on its tools, construction sheds, equipment and for all materials not yet accepted at the Project site or incorporated into the Project or Building.

13.3 Prior to any payment, Subcontractor shall produce evidence of a certificate of insurance for each item listed above in the amounts established, all risks covered and the commencement and expiration dates. Subcontractor shall provide thirty (30) days written notice prior to cancellation of any policy. All coverage shall remain in force and effect until one year from the Date of Closing as referred to in Article 1.11 of the Subcontract Agreement.

ARTICLE XIV

Compliance with OSHA

14.1 Subcontractor shall be required to comply with the Williams-Steiger Occupational Safety and Health Act of 1970 as amended. Special emphasis shall be placed on areas concerning barriers, handrails, health and safety information, and safety devices. Subcontractor shall hold Compass Group, Inc. harmless against any and all claims, fines or otherwise that may arise because of failure on the part of the Subcontractor within his trade to comply with said Act.

14.2 Subcontractor is responsible for the safe conduct of his/her employees. Subcontractor will enforce the wearing of proper clothing by same. All workers on the Project site must wear hard hats, shirts and construction boots. Failure to comply with safety policies set forth in the General Contractor's safety program will be cause for immediate removal of violators from Project site and/or fine.

14.3 Subcontractor agrees to pay One Hundred Dollars (\$100.00) back charge for each safety infraction after two (2) notices (oral or written) have been given.

(a) When in violation, Subcontractor employees agree to sign a waiver acknowledging that they have been informed of the violation(s). Copy of this waiver will be provided to the Subcontractor.

(b) Subcontractor agrees to provide General Contractor with the name of their Safety Director.

ARTICLE XV

Sales Tax

15.1 Sales Tax is included in Contract Price and it is the Subcontractor's responsibility to pay same. Any failure to do so will cause a One Hundred Fifty percent (150%) cost of the sales tax to be deducted from the draw proceeds.

ARTICLE XVI

Federal Identification Number

16.1 Subcontractor shall provide the General Contractor with their Federal Identification Number. In the event that the Subcontractor does not have a Federal Identification Number, a social security number for each principal of the Subcontractor's firm and their percent (%) of ownership in the business organization must be provided to the General Contractor.

ARTICLE XVII

Strikes

17.1 In the event of strikes, stoppages or work delays of any manner arising from Subcontractor labor problems, General Contractor reserves the right to cover any losses or damages incurred as a result of those delays or stoppages.

ARTICLE XVIII

Draw Requests/Progress Payments

18.1 Draw requests will not be accepted, processed nor honored unless all lien releases for payments have been completed and properly executed and notarized.

18.2 Draw requests will be made on an actual percent (%) complete basis only.

18.3 Requests for payment shall include an Application for Payment (Exhibit H), invoice on company letterhead and a Schedule of Values, circling or highlighting work you are requesting payment for. These must be original copies.

18.4 Requests for payment will be submitted by the twenty-fifth (25th) of each month. If the twenty-fifth (25th) falls on a weekend or holiday, then Requests shall be submitted the closest work day preceding the holiday. Requests submitted after the twenty-fifth (25th) of the month will not be processed until the following month's draw. Projections for payment to the fifteenth (15th) will not be allowed, cut-off is for the work in place only on the twenty-fifth (25th). Retainage will be held at ten percent (10%) of full labor and materials.

18.5 Draw checks will not be released unless insurance certificates and daily reports are current and lien releases are up to date.

18.6 All suppliers for each subcontractor will be required on a monthly basis to provide a lien release and a sworn statement of account.

ARTICLE XIX

Joint Checks

19.1 General Contractor reserves the right to make joint checks or make direct payment to vendors, laborers and materialmen as may be determined to be necessary and prudent.

19.2 General Contractor will issue joint checks in all cases where lien releases in the amount of the sworn statement of accounts are not provided before the release of draw checks.

ARTICLE XX

Sublet Work

20.1 No portion of this Agreement shall be sublet without the General Contractor's prior written consent and approval. Failure to do this will subject Subcontractor to pay for any work performed by subletting.

ARTICLE XXI

Stored Materials

21.1 Subcontractor is solely responsible for safekeeping of all delivered materials to the Project site. Any loss due to vandalism, fire or other misuse is the responsibility of the Subcontractor and such losses shall not be compensated by the General Contractor.

ARTICLE XXII

Subrogation

22.1 The Subcontractor waives all rights of subrogation against the General Contractor and Owner for loss of or damage of Subcontractor's tools, machinery, equipment, materials or supplies.

ARTICLE XXIII

Time of Essence

23.1 Subcontractor will be given a Building Completion Schedule. Time is of the essence and the Subcontractor recognizes the provisions available to the General Contractor

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through the Agreement should the Building Completion Schedule fail to be obtained or maintained.

ARTICLE XXIV

Work Hours

24.1 Work hours are from 7.00 A.M. to 5:30 P.M., Monday through Friday. Holidays are as follows: New Years Day, Memorial Day, Labor Day, Thanksgiving Day, and Christmas Day. Any work beyond these hours must have prior approval by General Contractor's Superintendent.

ARTICLE XXV

Deliveries

25.1 Delivery of materials to the Project site is to be received by a representative of the Subcontractor and is to be coordinated with the General Contractor's Superintendent.

GENERAL CONTRACTOR

SUBCONTRACTOR

Compass Group, Inc. _____

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

Witness:

Witness:
