

GENERAL REQUIREMENTS March 1, 2006

JOBSITE REQUIREMENTS

1.0 MOBILIZATION

- 1.1 Prior to mobilization, Ascent Builders must receive a current certificate of insurance confirming compliance with all minimum requirements for Worker's Compensation, General Liability, Automotive Liability, etc. in conformance with Ascent Builders' requirements (see below).
- 1.2 Prior to mobilization, Ascent Builders must receive a signed subcontract agreement including final resolution of all exclusions and/or qualifications.
- 1.3 Prior to mobilization a pre-construction meeting will be held to confirm that each subcontractor understands and accepts all of the terms and conditions of their Subcontract Agreement and these General Requirements.

2.0 SAFETY

- 2.1 As part of our ***Injury and Illness Prevention Program*** Ascent Builders will enforce all applicable safety codes and restrictions as mandated by federal, state and local authorities, as well as appropriate job specific requirements.
- 2.2 In compliance with OSHA requirements, all subcontractors will be required to develop, maintain and implement their own ***Injury and Illness Prevention Program***, integrating their efforts with Ascent Builders. A copy of this program must kept on site and made available to Ascent Builders.
- 2.3 All jobsite personnel will be required to attend Ascent Builders' weekly jobsite safety meeting. If a subcontractor chooses to conduct their own tool-box session this will be in addition to the jobsite wide meeting and both notes and sign-up lists from that meeting must be copied to Ascent Builders.
- 2.4 All subcontractors are required to have a trained, responsible safety supervisor on site at all times.
- 2.5 Drug testing of Subcontractor personnel is not mandatory unless required by the prime contract.
- 2.6 Injuries requiring first aid and "near miss" situations must be reported to Ascent Builders immediately after the situation is addressed and the risk(s) mitigated.
- 2.7 Ascent Builders reserves the right to direct the immediate removal of any worker whose actions or inaction is deemed to create a severe or on-going safety risk..

3.0 SCHEDULE

- 3.1 Ascent Builders will prepare and maintain a project Master Schedule for each project. This schedule will outline major project milestones and overall work flow.

- 3.2 Ascent Builders will issue interval schedules setting intermediate milestones and outlining sequencing of the work in greater detail. These schedules will be reviewed with all subcontractors and they will serve as the primary scheduling tool on site. It is the responsibility of each subcontractor to attend weekly coordination meetings and to secure copies of all interval schedules.
- 3.3 All subcontractors are expected to coordinate their work with other trades and maintain adequate manpower and other resources as necessary to achieve all major and intermediate schedule milestones.

4.0 QUALITY

- 4.1 In addition to the contract documents, quality standards will be established through mock-ups and first item of work reviews. Subcontractors are to facilitate the review and approval of first items of work by Ascent Builders' Superintendent prior to continuing.
- 4.2 All subcontractors will be expected to constantly evaluate their work, correcting defects as they occur.
- 4.3 All subcontractors will be expected to protect their work from damage.
- 4.4 All subcontractors will be held responsible for damage to the work of other trades.

5.0 TEMPORARY FACILITIES

- 5.1 Ascent Builders considers daily clean-up to be an integral part of both our safety and quality programs. All trades must provide labor and facilities to remove construction debris from the work area daily and, ultimately, from the site itself. Ascent Builders reserves the right to assume this work and make any necessary corrections and will do so immediately if the situation is deemed to create a risk to workers.
- 5.2 Ascent Builders will distribute power for hand tools and task lights to "temp. power boxes" throughout the work area. Secondary distribution and additional power will be provided by individual subcontractors as part of their scope of work.
- 5.3 Ascent Builders will provide temporary lighting for access and egress only. Task lighting will be provided by individual subcontractors as part of their scope of work.
- 5.4 Ascent Builders will provide a source for construction water. Secondary distribution and large volume water requirements will be provided by individual subcontractors as part of their scope of work.
- 5.5 Temporary toilets will be provided and maintained by Ascent Builders
- 5.6 Ascent Builders will not provide facilities for employee parking.
- 5.7 Ascent Builders reserves the right to withhold the use of temporary facilities in cases where they are abused and/or misused.

6.0 CHANGES IN THE WORK

- 6.1 Changes to the contract documents and/or the scope of work can only be authorized by written or verbal direction from Ascent Builders. Costs associated with non-approved changes will not be reimbursed.

- 6.2 Ascent Builders reserves the right to have work performed on a "time and materials basis". In the event that this occurs, tags documenting all labor, materials, equipment and other costs **must** be submitted and approved on a daily basis. Final compensation will be calculated using authorized tags only.

INSURANCE REQUIREMENTS

1.0 MINIMUM COVERAGES

- 1.1 Subcontractor shall, at his expense, procure and maintain insurance on all of its operations with carriers rated A or better by A.M. Best **AND** licensed to do business in the State of California.
- 1.2 Worker's Compensation and Employers Liability insurance as required by any applicable law or regulation. Employers Liability insurance shall be in an amount no less than;
- \$1,000,000 each accident for bodily injury by accident
 - \$1,000,000 policy limit for bodily injury by disease
 - \$1,000,000 each employee for bodily injury by disease
- 1.3 Commercial General Liability insurance covering all operations by or on behalf of the subcontractor providing insurance for bodily injury liability and property damage liability as follows:
- 1.3.1 The coverage must include:
- Premises and Operations
 - Products and Completed Operations
 - Contractual Liability insuring the obligations assumed by the subcontractor on this agreement
 - Broad Form Property Damage (including Completed Operations)
 - Explosion, Collapse and Underground Hazards
 - Personal Injury Liability
- Note Except with respect to bodily injury and property damage included within the products and completed operations hazards, the aggregate limit, where applicable, shall apply separately to the subcontractor's project under this subcontract.
- 1.3.2 The limits of liability shall not be less than:
- \$1,000,000 each occurrence (combined single limit for bodily injury and property damage)
 - \$1,000,000 for Personal Injury Liability
 - \$1,000,000 Aggregate for Products-Completed Operations
 - \$2,000,000 General Aggregate
- Note If the policy does not have an endorsement providing that the General Aggregate Limit applies separately to this project (see Paragraph II above), or if Defense costs are included in the General Aggregate Limit, then the required General Aggregate Limit is \$3,000,000.
- 1.3.3 Ascent Builders, its officers, directors and employees and the owner shall be named as Additional Insureds under the Commercial General Liability (Occurrence Form) policy. The policy shall stipulate that the insurance afforded the Additional Insureds shall apply as primary insurance and that any other insurance carried by Ascent Builders, its Officers, Directors and Employees or the Owner will be excess only and will not contribute with this insurance.

1.3.4 All policies are to be an occurrence basis form. "Modified occurrence" and "claims made" policies are NOT acceptable.

1.4 Automobile Liability Insurance (Bodily Injury and Property Damage Liability) including coverage for owned, hired and non-owned automobiles. The limits of liability shall not be less than \$1,000,000 Combined Single Limit each accident for Bodily Injury and Property Damage combined. Automobile Liability insurance policy shall include coverage for Automobile Contractual Liability.

2.0 CERTIFICATE REQUIREMENTS

2.1 Certificates of Insurance, as evidence of the insurance required by this agreement, shall be furnished by the Subcontractor to Ascent Builders using an **Accord 25** form (**Exhibit A**). Certificates are to be received by Ascent Builders prior to the commencement of any work by the Subcontractor.

2.2 The Certificates of Insurance shall provide that there will be no cancellation or reduction of coverage without thirty (30) days prior written notice to Ascent Builders. Neither the phrase "**endeavor to**" or "**but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives**" is acceptable.

2.3 Workers' Compensation certificates may cover multiple projects if the certificate states "All California Operations" and conforms with all other requirements.

2.4 All certificates must demonstrate that the "Minimum Requirements" listed above are met.

2.5 All certificates must be accompanied by endorsements for the following:

2.5.1 Additional insured endorsements are to be provided on **Form B – CG20101185** or equivalent (**Exhibit B**) for each subcontract, including situations where multiple subcontracts relate to a single project or Owner.

2.5.2 An endorsement making its policy primary and both Ascent Builders' and Owner's policies excess and non-contributing. This may be done via language added or by a separate endorsement.

2.6 All certificates must be signed.

2.7 Acceptance of insurance certificates by Ascent Builders shall in no way limit or relieve the Subcontractor of any duties or responsibilities.

3.0 FAILURE TO COMPLY

3.1 In the event Subcontractor does not comply with the requirements of this section, Ascent Builders may, at its option, provide insurance coverage to protect Ascent Builders and charge the Subcontractor for the cost of that insurance.

BILLING REQUIREMENTS

1.0 PAYMENT REQUESTS

- 1.1 All requests for payment must be submitted on Ascent Builders' forms as described in this section.
- 1.2 All subcontractors shall submit a Subcontractor Payment Request (**Exhibit C**) accompanied by an AIA Form G703 or equivalent in sufficient detail to clarify the major components of your work and your progress. Refer to the Instruction for Completing a Payment Request (**Exhibit D**).
- 1.3 Payment Requests are to include an Affidavit listing your sub-subcontractors and suppliers (**Exhibit E**). If applicable, payment request should include a Change Order Breakdown (**Exhibit F**).
- 1.4 Payment Requests are to be forwarded to Ascent Builders no later than the 25th of the month (unless modified by the Project Information Sheet) and will include progress through the end of the month being billed. Payment requests received after the 25th of the month may be held for processing in the following month.

2.0 LIEN RELEASES

- 2.1 Payment Requests are to be accompanied by the appropriate lien releases. Releases will be required from you as well as your subcontractors and suppliers who file preliminary notices or whose involvement exceeds \$10,000. Ascent Builders may require additional releases depending on project specific requirements or preliminary notice filings.
 - 2.1.1 The first Payment Request for each project must include a "Conditional Waiver and Release upon Progress Payment" (**Exhibit G**).
 - 2.1.2 Subsequent Payment Requests are to be accompanied by an "Unconditional Waiver and Release upon Progress Payment" (**Exhibit H**) for all prior payments and a "Conditional Waiver and Release upon Progress Payment" for the current Payment Request.
 - 2.1.3 The final or retention Payment Request is to be accompanied by an "Unconditional Waiver and Release upon Progress Payment" for all prior payments and a "Conditional Waiver and Release upon Final Payment" (**Exhibit I**) equal to the final contract price.
 - 2.1.4 Subcontractors are to provide an "Unconditional Waiver and Release upon Final Payment" (**Exhibit J**) within 5 business days of receiving their final payment.

3.0 PAYMENTS

- 3.1 Ascent Builders will process subcontractor payments promptly upon receipt of funding from our clients.
- 3.2 Subcontractors are expected to provide lien releases and other paperwork in a timely manner. Although Ascent Builders is committed to streamlining the payment process, incomplete paperwork may result in progress payments being placed on hold. It is important to note that ***under no circumstance will a payment be released if lien releases and other paperwork fall behind by 30 days or more.***

4.0 SPECIAL CIRCUMSTANCES

- 4.1 Under certain circumstances joint checks may be required. Detailed procedures for requesting and receiving joint checks are available upon request (**Exhibit K**).
- 4.2 Ascent Builders will consider a retention reduction under circumstances such as financial hardship, unforeseen project delays, etc. These situations will be evaluated on a case-by-case basis and any release will require approval of the Owner.
- 4.3 Final retention payments may be released early when approved by both Ascent Builder's Project Manager and the Project Owner.

END OF GENERAL REQUIREMENTS