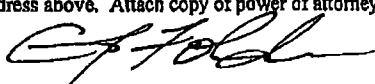



B 10 (Official Form 10) (12/08)

UNITED STATES BANKRUPTCY COURT		PROOF OF CLAIM
Name of Debtor: Erickson Retirement Communities LLC and Erickson Construction LLC		Case Number: 09-37010
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): Westside Mechanical Group, Inc.		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____
Name and address where notices should be sent: Westside Mechanical Group, Inc., c/o CJ Folden, Chief Financial Officer 2007 Corporate Lane, Naperville, IL 60563-9647		
Telephone number: (630) 369-6690		
Name and address where payment should be sent (if different from above): <div style="text-align: center;"> RECEIVED DEC 03 2009 BMC GROUP </div>		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.
Telephone number:		
1. Amount of Claim as of Date Case Filed: <u>Principal 551,569.60 plus interest and attorneys fees</u> If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4. If all or part of your claim is entitled to priority, complete item 5. <input checked="" type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges. <u>See attached.</u>		5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount. Specify the priority of the claim. <input type="checkbox"/> Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> Wages, salaries, or commissions (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. §507 (a)(4). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. §507 (a)(5). <input type="checkbox"/> Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. §507 (a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. §507 (a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. §507 (a)(). Amount entitled to priority: \$ _____
2. Basis for Claim: <u>See attached Complaint in Case No. 09 CH 3289 in Lake County, IL</u> (See instruction #2 on reverse side.)		
3. Last four digits of any number by which creditor identifies debtor: _____ 3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.)		
4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information. Nature of property or right of setoff: <input checked="" type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: <u>In excess of</u> Value of Property: \$ <u>1 Million</u> Annual Interest Rate <u>10%</u> Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ _____ Basis for perfection: <u>Mechanics Lien</u> Amount of Secured Claim: \$ <u>498,569.60</u> Amount Unsecured: \$ <u>53,000.00</u> <u>principal, plus interest and attorneys fees</u>		
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim. 7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain:		*Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.
Date: <u>11/16/09</u> Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any. 		FOR COURT USE ONLY Erickson Ret. Comm. LLC  00093

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

**RIDER FOR PROOF OF CLAIM
ERICKSON RETIREMENT COMMUNITIES LLC,
AND ERICKSON CONSTRUCTION LLC
09-37010**

Secured Claim - Mechanics Lien

Westside Mechanical Group, Inc. claims and hereby enforces a first, prior and perfected mechanics lien and secured claim against the interests of Erickson Retirement Communities, LLC, Erickson Construction LLC and others in the leasehold, property and improvement listed below:

Lot 1 in Sedgebrook Subdivision, being a subdivision of part of the Southwest 1/4 of Section 22 and of the Southwest 1/4 of Section 23 and of the Northwest 1/4 of Section 26 and of the Northeast 1/4 of Section 27, all in Township 43 North, Range 11 East of the Third Principal Meridian, Lake County, Illinois, according to the Plat thereof recorded October 5, 2005 as document number 5870940.

The permanent Real Estate Tax Numbers of the Real Estate are: 15-23-302-001 and 15-22-406-001. The common street address is 800 Audubon Way, and other addresses, Lincolnshire, Illinois.

The principal amount due and owing is \$498,569.60. Interest owed is \$12,464.22 through December 4, 2009 and per diem of \$138.49 after December 4, 2009. (Calculated at statutory interest 10% - 770 ILCS 60/1, from the date the lien was recorded, August 4, 2009).

Attorneys fees through October 31, 2009 are \$8,547.40 (770 ILCS 60/17).

A copy of Westside Mechanical Group Inc.'s Complaint (and recorded lien) are attached.

Erickson Retirement Communities LLC was the Developer for the Project (but not the Owner).

Erickson Construction LLC was the Prime Contractor for the Project.

Westside Mechanical Group, Inc. also hereby enforces all of its rights and remedies against the property, improvements, and location described above, the owner of the fee interest of the property and improvements, and the interests of any person or entity claiming an interest in the property or improvements by or through any of the debtors or owners. Westside Mechanical Group, Inc. reserves its right to relief from the automatic stay, and all other rights, against Erickson Retirement Communities LLC and Erickson Construction LLC.

The value of the property exceeds the amount claimed by Westside Mechanical Group, Inc.

Unsecured Claims

In addition to the Secured Claims, Westside has unsecured claims for work performed directly for Erickson Construction LLC as follows:

<u>Contract</u>	<u>Principal Amount Owed</u>
Sedgebrook Residence Building 1.4	\$30,500.00
Sedgebrook Residence Building 1.5	20,866.00
Time and material work	1,634.00

IN THE CIRCUIT COURT OF THE NINETEENTH JUDICIAL CIRCUIT
LAKE COUNTY, ILLINOIS

WESTSIDE MECHANICAL GROUP, INC.,)

Plaintiff,)

vs.)

No.)

ERICKSON CONSTRUCTION, LLC,)
LINCOLNSHIRE CAMPUS, LLC, ERICKSON)
RETIREMENT COMMUNITIES, LLC,)
SEDEBROOK, INC., MANUFACTURERS)
AND TRADERS TRUST COMPANY, as Bond)
Trustee, ILLINOIS FINANCE AUTHORITY,)
MIDWEST ECOLOGICAL SERVICES, INC.,)
ILLINOIS MINING CORPORATION, V3)
CONSTRUCTION GROUP, LTD., SOUTH)
SHORE IRON WORKS, INC., and)
UNKNOWN NECESSARY PARTIES,)
UNKNOWN OWNERS and NON-RECORD)
CLAIMANTS,)

Defendants.)

09 CH 3289

FILED
AUG 14 2009
Suzanne A. Cuff
CIRCUIT CLERK

**WESTSIDE'S COMPLAINT
TO FORECLOSE MECHANICS LIEN AND FOR OTHER RELIEF**

Westside Mechanical Group, Inc. f/k/a Westside Mechanical, Inc., ("Westside"), by its attorneys, Conway & Mrowiec, for its Complaint to Foreclose Mechanics Lien and for Other Relief, states:

GENERAL ALLEGATIONS

1. Plaintiff Westside is a corporation organized and existing under the laws of Illinois.

Westside's principal place of business is 2007 Corporate Lane, Naperville, Illinois.

2. Upon information and belief, defendant Erickson Construction, LLC ("Prime Contractor") is engaged in business as a general contractor. Upon information and belief, Prime Contractor is a foreign corporation authorized to do business in Illinois, with its principal office at 701 Maiden Choice Lane, Baltimore, Maryland.

3. On information and belief, defendant Lincolnshire Campus, LLC ("Owner"), is a foreign corporation authorized to do business in Illinois, with its principal office at 701 Maiden Choice Lane, Baltimore, Maryland.

4. On information and belief, defendant Erickson Retirement Communities, LLC ("Developer"), is a foreign corporation authorized to do business in Illinois, with its principal office at 701 Maiden Choice Lane, Baltimore, Maryland.

5. On information and belief, Defendant Sedgebrook, Inc. ("Operator"), is a foreign corporation authorized to do business in Illinois, with its principal office at 701 Maiden Choice Lane, Baltimore, Maryland.

6. Westside was a subcontractor to the Prime Contractor under at least four subcontracts at the projects known generally, and collectively, as Sedgebrook (a retirement community) in Lincolnshire, Illinois. Westside, by its Complaint, seeks to recover the following amounts under each of its subcontracts:

	<u>Contract</u>	<u>Principal Amt. Owed</u>
i.	Sedgebrook Renaissance Gardens 1.0	498,569.60
ii.	Sedgebrook Residential Building 1.4	30,500.00
iii.	Sedgebrook Residential Building 1.5	20,866.00
iv.	Time and Material work	<u>1,634.00</u>

TOTAL PRINCIPAL AMOUNT OWED: 551,569.60

7. All of the projects have a street address of 800 Audubon Way, and other addresses, Lincolnshire, Illinois.

COUNT I
(Foreclosure of Mechanics Lien)
Sedgebrook Renaissance Gardens 1.0

For Count I of Westside's Complaint, Westside alleges against all Defendants:

8. Westside repeats the allegations of Paragraphs 1 through 7 of the General Allegations as Paragraph 8 of Count I of Westside's Complaint.

9. On information and belief, Prime Contractor entered into a contract (the "Prime Contract") with Owner, Owner's agent or one authorized or knowingly permitted to contract for improvement of the Real Estate as described below to construct the Project.

10. By contract dated February 1, 2008, Prime Contractor entered into a subcontract with Westside (the "Westside Subcontract"), for improvement of the Real Estate as described below to construct the Sedgebrook Renaissance Gardens 1.0 Project. The Westside Subcontract, and all related documents, are too voluminous to attach hereto. An authentic copy of portions of the Westside Subcontract are attached as Exhibit A.

11. Pursuant to the Westside Sedgebrook Renaissance Gardens 1.0 Subcontract, Westside provided labor, materials and equipment for certain HVAC system work that Prime Contractor was required to perform under Prime Contractor's Prime Contract with Owner, for the Project.

12. Since at least August 17, 2007, Owner was and is the owner of the real estate, including all land and improvements thereon (the "Real Estate") in Lake County, Illinois legally described as follows:

Lot 1 in Sedgebrook Subdivision, being a subdivision of part of the Southwest 1/4 of Section 22 and of the Southwest 1/4 of Section 23 and of the Northwest 1/4 of Section 26 and of the Northeast 1/4 of Section 27, all in Township 43 North, Range 11 East of the Third Principal Meridian, Lake County, Illinois, according to the Plat thereof recorded October 5, 2005 as document number 5870940.

The permanent Real Estate Tax Numbers of the Real Estate are: 15-23-302-001 and 15-22-406-001.

13. The original Westside Subcontract Sum was \$3,840,000 subject to increase for changed or extra work.

14. Defendant Sedgebrook, Inc. ("Operator") may claim an interest in the Real Estate by virtue of, among other things: (1) Mortgage And Security Agreement (Purchase Deposit Mortgage) dated August 1, 2007 recorded as document 6233817; (2) First Amendment To Mortgage And Security Agreement dated August 1, 2007 recorded as document 6233814; and (3) Memorandum Of Lease dated May 12, 2004 recorded as document 5564885.

15. Defendants Manufacturers and Traders Trust Company, as Bond Trustee, and Illinois Finance Authority (collectively "Lender") may claim an interest in the Real Estate by virtue of, among other things: (1) a Fee and Leasehold Mortgage, Security Agreement, Assignment Of Leases And Rents And Fixture Filing dated August 1, 2007, recorded as document 6233812; (2) Assignment Of Fee And Leasehold Mortgage, Security Agreement, Assignment Of Leases And Rents And Fixture Filing dated August 1, 2007 recorded as document 6233813; (3) Assignment Of Mortgage dated August 1, 2007 recorded as document 6233815; and (4) Lincolnshire Subordination Agreement dated August 1, 2007 recorded as document 6233830.

16. The following defendants may claim an interest in the Real Estate by virtue of mechanics liens:

- (a) Midwest Ecological Services, 7550 North Lake Road, Lena, Illinois, mechanics lien #6374190, recorded July 24, 2008;
- (b) Illinois Mining Corporation, 41 Walter Court, Lake in the Hills, Illinois, mechanics lien #6391317, recorded September 16, 2008;
- (c) V3 Construction Group, Ltd., 7325 Janes Avenue, Suite 100, Woodridge, Illinois, mechanics lien #6468300, recorded May 4, 2009; and
- (d) South Shore Iron Work's, Inc., 407 West 109th Street, Chicago, Illinois, mechanics lien #6476255, recorded May 22, 2009.

17. All of the labor, materials, equipment and work performed by Westside was performed and furnished with the knowledge and consent of Owner, Developer, and Operator, and Owner, Developer and Operator knowingly permitted Prime Contractor and Prime Contractor's subcontractors to enter into contracts for the improvement of the Real Estate, including the Westside Subcontract. Prime Contractor's prime contract with Owner and Prime Contractor's subcontract with Westside were for the improvement of the Real Estate.

18. After allowing all credits, Westside claims a lien in the principal amount of \$498,569.60 against (a) the Real Estate and (b) the monies or funds due or to become due from Owner, Developer and/or Operator to Prime Contractor, together with interest.

19. Westside completed its work under the Westside Subcontract on May 7, 2009.

20. Westside hereby revokes any waiver of rights given in advance of payment for which payment was not made.

21. Westside has completed all of its contractual obligations under the Westside Subcontract.

22. Despite repeated demands for payment, Prime Contractor, Owner, Developer and Operator have wrongfully failed and refused to pay Westside the amounts due to Westside.

23. All conditions precedent to the bringing of this action have been performed.

24. By reason of Prime Contractor's, Owner's, Developer's and Operator's nonpayment, Westside is entitled to and does claim a Mechanics Lien upon the Real Estate, and against the interest of the Owner, Developer, Operator, Prime Contractor, and other Defendants, and other unknown owners and non-record claimants in the Real Estate, and all persons who claim an interest by or through the Owner for the Principal Amount plus interest at the statutory rate of ten percent (10%) from the date due from time to time. All of the foregoing interests are inferior and subordinate to the rights of Westside.

25. On July 17, 2009, and within 90 days of Westside's last work under the Subcontract, Westside served the Owner, Prime Contractor, Operator, Developer and Lender with its Subcontractor's Notice of Claim for Mechanics Lien. And on July 24, 2008, and within 90 days of Westside's last work under the Subcontract, Westside served the Owner, Prime Contractor, Operator, Developer and Lender with its Subcontractor's Supplemental Notice of Claim for Mechanics Lien. Copies of these notices are attached as Exhibit B.

26. On August 4, 2009, Westside filed and recorded its Subcontractor's Claim for Mechanics Lien in the Office of the County Recorder, Lake County, Illinois as Document Number 6506700, a copy of which is attached as Exhibit C and made a part hereof.

27. Westside filed this Complaint seeking foreclosure of the Mechanics Lien and for other relief within two years of the date that Westside last performed work on the Real Estate.

28. The interest of Owner in the Real Estate is subject, subordinate and inferior to the rights of Westside.

29. The purported interest of all other defendants in the Real Estate is subject, subordinate and inferior to the rights of Westside under Westside's Lien Claim and this Count I.

30. There may be other parties who have, or may claim to have, some right, title, claim or interest in the Real Estate which is unknown or unascertainable to Westside at this time. Such persons are joined as defendants to this lawsuit by the designation "Unknown Necessary Parties" and "Unknown Owners and Non-Record Claimants." The claims or interests of such Unknown Necessary Parties and Unknown Owners and Non-Record Claimants are subject, subordinate and inferior to the rights of Westside.

WHEREFORE, Westside Mechanical, Inc. requests that this Court enter an Order rendering judgment in favor of Westside and against all Defendants as follows:

- (a) requiring that an accounting be taken to determine the amount due Westside, including interest and costs, and that Prime Contractor and/or the Owner be ordered to pay the same by a date certain;
- (b) declaring that Westside is entitled to a Mechanics Lien against the Real Estate for the lienable amount found due, and that such lien is a first and prior lien on the Real Estate;
- (c) declaring that Westside is entitled to a Mechanics Lien against the Real Estate for the monies or other consideration due, or to become due from Owner, Developer, Operator and Prime Contractor, and granting such other and further relief as may be required to enforce that lien;
- (d) appointing a receiver for the Real Estate and giving the receiver all the usual and customary powers;
- (e) in case of nonpayment of the amount found due Westside, declaring that the Real Estate be sold to satisfy such amount plus interest and costs, and that a certificate of sale issue to the purchaser at the sale;

- (f) in case of such sale, and failure to redeem therefrom pursuant to law, declaring that the Real Estate be sold to satisfy such amount, plus interest and costs, and that a certificate of sale issue to the purchaser of the sale;
- (g) in case such sale does not produce enough proceeds to pay the lienable claim of Westside, awarding Westside a money judgment at law against Prime Contractor and/or Owner, Operator and Developer, and that execution issue thereon; and
- (h) granting Westside such other and further relief as this Court deems appropriate.

COUNT II
(Breach of Contract)
Sedgebrook Renaissance Gardens 1.0

31. Westside repeats and realleges Paragraphs 1 through 30 of the General Allegations and Count I as Paragraph 31 of Count II of Westside's Complaint.

32. By reason of Prime Contractor's foregoing breaches and wrongful conduct, Prime Contractor is obligated to pay Westside the principal amount of \$498,569.60 on the Sedgebrook Renaissance Gardens 1.0 project (in addition to amounts owed on other projects).

33. Prime Contractor's failure and refusal to pay Westside the amount due Westside constitutes a breach of the Westside Sedgebrook Renaissance Gardens 1.0 Subcontract.

34. Westside has satisfied all conditions precedent to the bringing of this claim.

35. Westside is entitled to prejudgment interest on the principal amount due Westside at the statutory rate of five percent (5%) under 815 ILCS 205/2 in that Prime Contractor's failure to pay has been vexatious and unreasonable.

WHEREFORE, Westside Mechanical, Inc. requests that this Court:

- (a) Enter judgment in favor of Westside and against Prime Contractor in an amount in excess of \$498,569.60, plus interest and costs;
- (b) granting Westside such other and further relief in Westside's favor as is appropriate.

COUNT III
(Alternative Count for Quantum Meruit/Unjust Enrichment)
Sedgebrook Renaissance Gardens 1.0

36. Westside repeats and realleges Paragraphs 1 through 35 of the General Allegations and Count I and II as Paragraph 36 of Count III of Westside's Complaint.

37. Westside's work and materials constituted permanent and valuable improvements to the Real Estate and enhanced the value of the Real Estate, for which benefit Westside has not been compensated.

38. The value of the benefit received by Owner, Developer, Operator and Prime Contractor is at least \$498,570 plus interest. If Owner, Developer, Operator and Prime Contractor are allowed to retain that benefit without paying Westside, Owner, Developer, Operator and Prime Contractor will be unjustly enriched in an amount in excess of \$498,570 plus interest.

39. In the event that Prime Contractor is found to have repudiated and abandoned the Westside Subcontract, Westside is entitled to recover, in the alternative, on a quantum meruit basis.

40. Westside has performed all conditions precedent to the bringing of this action.

41. Westside is entitled to prejudgment interest under 815 ILCS 205/2 in that the failure to pay has been vexatious and unreasonable.

WHEREFORE, Westside Mechanical, Inc. requests, in the alternative, that this Court:

- (a) Enter judgment in favor of Westside and against Owner, Developer, Operator and Prime Contractor in an amount in excess of \$498,570, plus interest and costs;
- (b) granting Westside such other and further relief as this Court deems appropriate.

COUNT IV
(Breach of Contract)
Sedgebrook Residential Building 1.4

42. Westside repeats and realleges Paragraphs 1 through 7 of the General Allegations and Count I as Paragraph 42 of Count IV of Westside's Complaint.

43. By contract dated September 28, 2005, Prime Contractor entered into a subcontract with Westside (the "Westside Subcontract"), for improvement of the Real Estate as described above to construct the Sedgebrook Residential Building 1.4 Project. The Westside Subcontract, and all related documents, are too voluminous to attach hereto. An authentic copy of portions of the Westside Subcontract are attached as Exhibit D.

44. Pursuant to the Westside Sedgebrook Residential Building 1.4 Subcontract, Westside provided labor, materials and equipment for certain HVAC system work that Prime Contractor was required to perform under Prime Contractor's Prime Contract with Owner, for the Project.

45. Prime Contractor materially breached the Westside Sedgebrook Residential 1.4 Subcontract by, among other things, failing to pay all amounts owed to Westside.

46. By reason of Prime Contractor's foregoing breaches and wrongful conduct, Prime Contractor is obligated to pay Westside the principal amount of \$30,500 on the Sedgebrook Residential Building 1.4 project (in addition to amounts owed on other projects).

47. Westside has satisfied all conditions precedent to the bringing of this claim.

48. Westside is entitled to prejudgment interest on the principal amount due Westside at the statutory rate of five percent (5%) under 815 ILCS 205/2 in that Prime Contractor's failure to pay has been vexatious and unreasonable.

WHEREFORE, Westside Mechanical, Inc. requests that this Court:

- (a) Enter judgment in favor of Westside and against Prime Contractor in an amount in excess of \$30,500, plus interest and costs;

- (b) granting Westside such other and further relief in Westside's favor as is appropriate.

COUNT V
(Alternative Count for Quantum Meruit/Unjust Enrichment)
Sedgebrook Residential Building 1.4

49. Westside repeats and realleges Paragraphs 1 through 7 and 42 through 48 of the General Allegations and Count IV as Paragraph 49 of Count V of Westside's Complaint.

50. Westside's work and materials constituted permanent and valuable improvements to the Real Estate and enhanced the value of the Real Estate, for which benefit Westside has not been compensated.

51. The value of the benefit received by Owner, Developer, Operator and Prime Contractor is at least \$30,500 plus interest. If Owner, Developer, Operator and Prime Contractor are allowed to retain that benefit without paying Westside, Owner, Developer, Operator and Prime Contractor will be unjustly enriched in an amount in excess of \$30,500 plus interest.

52. In the event that Prime Contractor is found to have repudiated and abandoned the Westside Subcontract, Westside is entitled to recover, in the alternative, on a quantum meruit basis.

53. Westside has performed all conditions precedent to the bringing of this action.

54. Westside is entitled to prejudgment interest under 815 ILCS 205/2 in that the failure to pay has been vexatious and unreasonable.

WHEREFORE, Westside Mechanical, Inc. requests, in the alternative, that this Court:

- (a) Enter judgment in favor of Westside and against Owner, Developer, Operator and Prime Contractor in an amount in excess of \$30,500, plus interest and costs;
- (b) granting Westside such other and further relief as this Court deems appropriate.

COUNT VI
(Breach of Contract)
Sedgebrook Residential Building 1.5

55. Westside repeats and realleges Paragraphs 1 through 7 of the General Allegations and Count I as Paragraph 55 of Count VI of Westside's Complaint.

56. By contract dated September 20, 2006, Prime Contractor entered into a subcontract with Westside (the "Westside Subcontract"), for improvement of the Real Estate as described above to construct the Sedgebrook Residential Building 1.5 Project. The Westside Subcontract, and all related documents, are too voluminous to attach hereto. An authentic copy of portions of the Westside Subcontract are attached as Exhibit E.

57. Pursuant to the Westside Sedgebrook Residential Building 1.5 Subcontract, Westside provided labor, materials and equipment for certain HVAC system work that Prime Contractor was required to perform under Prime Contractor's Prime Contract with Owner, for the Project.

58. Prime Contractor materially breached the Westside Sedgebrook Residential 1.5 Subcontract by, among other things, failing to pay all amounts owed to Westside.

59. By reason of Prime Contractor's foregoing breaches and wrongful conduct, Prime Contractor is obligated to pay Westside the principal amount of \$20,866 on the Sedgebrook Residential Building 1.5 project (in addition to amounts owed on other projects).

60. Westside has satisfied all conditions precedent to the bringing of this claim.

61. Westside is entitled to prejudgment interest on the principal amount due Westside at the statutory rate of five percent (5%) under 815 ILCS 205/2 in that Prime Contractor's failure to pay has been vexatious and unreasonable.

WHEREFORE, Westside Mechanical, Inc. requests that this Court:

- (a) Enter judgment in favor of Westside and against Prime Contractor in an amount in excess of \$20,866, plus interest and costs;
- (b) granting Westside such other and further relief in Westside's favor as is appropriate.

COUNT VII
(Alternative Count for Quantum Meruit/Unjust Enrichment)
Sedgebrook Residential Building 1.5

62. Westside repeats and realleges Paragraphs 1 through 7 and 55 through 61 of the General Allegations and Count VI as Paragraph 62 of Count VII of Westside's Complaint.

63. Westside's work and materials constituted permanent and valuable improvements to the Real Estate and enhanced the value of the Real Estate, for which benefit Westside has not been compensated.

64. The value of the benefit received by Owner, Developer, Operator and Prime Contractor is at least \$20,860 plus interest. If Owner, Developer, Operator and Prime Contractor are allowed to retain that benefit without paying Westside, Owner, Developer, Operator and Prime Contractor will be unjustly enriched in an amount in excess of \$20,860 plus interest.

65. In the event that Prime Contractor is found to have repudiated and abandoned the Westside Subcontract, Westside is entitled to recover, in the alternative, on a quantum meruit basis.

66. Westside has performed all conditions precedent to the bringing of this action.

67. Westside is entitled to prejudgment interest under 815 ILCS 205/2 in that the failure to pay has been vexatious and unreasonable.

WHEREFORE, Westside Mechanical, Inc. requests, in the alternative, that this Court:

- (a) Enter judgment in favor of Westside and against Owner, Developer, Operator and Prime Contractor in an amount in excess of \$20,860, plus interest and costs;
- (b) granting Westside such other and further relief as this Court deems appropriate.

COUNT VIII
(Breach of Contract)
Sedgebrook Time And Material Work

68. Westside repeats and realleges Paragraphs 1 through 7 of the General Allegations and Count I as Paragraph 68 of Count VIII of Westside's Complaint.

69. In addition to the three Prime Contracts referenced above, Westside performed certain work for an agreed time and material price, plus 15% for overhead and profit, Prime A copy of the Westside Invoice and Time and Material tickets are attached as Exhibit F.

70. Prime Contractor materially breached the Westside Sedgebrook time and material agreement by, among other things, failing to pay all amounts owed to Westside.

71. By reason of Prime Contractor's foregoing breaches and wrongful conduct, Prime Contractor is obligated to pay Westside the principal amount of \$1,634 on the Sedgebrook Residential Building 1.4 project.

72. Westside has satisfied all conditions precedent to the bringing of this claim.

73. Westside is entitled to prejudgment interest on the principal amount due Westside at the statutory rate of five percent (5%) under 815 ILCS 205/2 in that Prime Contractor's failure to pay has been vexatious and unreasonable.

WHEREFORE, Westside Mechanical, Inc. requests that this Court:

- (a) Enter judgment in favor of Westside and against Prime Contractor in an amount in excess of \$1,634, plus interest and costs;
- (b) granting Westside such other and further relief in Westside's favor as is appropriate.

COUNT IX
(Alternative Count for Quantum Meruit/Unjust Enrichment)
Sedgebrook Time And Material Work

74. Westside repeats and realleges Paragraphs 1 through 7 and 68 through 73 of the General Allegations and Count VIII as Paragraph 74 of Count IX of Westside's Complaint.

75. Westside's work and materials constituted permanent and valuable improvements to the Real Estate and enhanced the value of the Real Estate, for which benefit Westside has not been compensated.

76. The value of the benefit received by Owner, Developer, Operator and Prime Contractor is at least \$1,634 plus interest. If Owner, Developer, Operator and Prime Contractor are allowed to retain that benefit without paying Westside, Owner, Developer, Operator and Prime Contractor will be unjustly enriched in an amount in excess of \$1,634 plus interest.

77. In the event that Prime Contractor is found to have repudiated and abandoned the Westside Subcontract, Westside is entitled to recover, in the alternative, on a quantum meruit basis.

78. Westside has performed all conditions precedent to the bringing of this action.

79. Westside is entitled to prejudgment interest under 815 ILCS 205/2 in that the failure to pay has been vexatious and unreasonable.

WHEREFORE, Westside Mechanical, Inc. requests, in the alternative, that this Court:

- (a) Enter judgment in favor of Westside and against Owner, Developer, Operator and Prime Contractor in an amount in excess of \$1,634, plus interest and costs;
- (b) granting Westside such other and further relief as this Court deems appropriate.

Dated: August 13, 2009.


WESTSIDE MECHANICAL GROUP, INC.

BY: 
One Of Its Attorneys

Edward B. Keidan
Kenneth A. Cripe
Conway & Mrowiec
20 South Clark Street
Suite 1000
Chicago, IL 60603
(312) 658-1100
(312) 658-1201

VERIFICATION BY CERTIFICATION

Under penalties as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, the undersigned certifies that the statements set forth in this instrument are true and correct, except as to matters therein stated to be on information and belief and as to such matters the undersigned certifies that he verily believes the same to be true.

By: 
C. J. Folden, on behalf of Westside Mechanical Group, Inc.
Title: Chief Financial Officer

Sub: Westside Mechanical, Inc.
Cost Code: 517BC10-48400-155000

Contract Number: 09

SUBCONTRACT BETWEEN CONTRACTOR AND SUBCONTRACTOR

THIS SUBCONTRACT BETWEEN CONTRACTOR AND SUBCONTRACTOR (this "Agreement") is made as of 02/01/2008 by and between ERICKSON CONSTRUCTION, LLC (the "Contractor"), having an address of 703 Maiden Choice Road, Baltimore, Maryland 21228, Attn: Pete Szpak; and Westside Mechanical, Inc. (the "Subcontractor"), having an address of 2007 Corporate Lane, Naperville, IL, 60563.

RECITALS

A. The Contractor has made a contract for construction dated as of 11/01/2007 (the "Prime Contract") with Lincolnshire Campus, LLC (the "Owner"), having an address of 701 Maiden Choice Lane, Baltimore, Maryland 21228. A copy of the Prime Contract containing all provisions applicable to Subcontractor shall be made available to the Subcontractor, upon request, in Contractor's general offices.

B. The Prime Contract is for the provision of labor, materials and services in connection with the construction of Sedgebrook Renaissance Gardens 1.0, 20 Riverside Rd., being part of a project known as Sedgebrook, Inc., located in Lincolnshire, Illinois (the "Project").

C. The Architect for the Work (as such term is defined in Section 2.1 below) is Wallace Roberts & Todd, LLC (the "Architect"), having an address of 1700 Market Street, Philadelphia, PA, 19103.

D. The Developer of the Project is Erickson Retirement Communities, LLC (the "Developer"), having an address of 701 Maiden Choice Lane, Baltimore, Maryland 21228.

E. The Operator of the Project is Sedgebrook, Inc. (the "Operator"), having an address of 701 Maiden Choice Lane, Baltimore, Maryland 21228.

NOW THEREFORE, for good and adequate consideration, the receipt and sufficiency of which is hereby acknowledged, the Contractor hereby agrees to hire the Subcontractor to perform the Work, and the Subcontractor hereby agrees to perform the Work, on the terms and conditions hereinafter set forth in this Subcontract.

1. THE SUBCONTRACT DOCUMENTS.

1.1. The Subcontract Documents consist of (1) this Subcontract; (2) provisions of the Prime Contract applicable to the Work, (including all General Conditions to the Prime Contract, and all Drawings and Specifications, as such terms are defined in the Prime Contract); (3) other documents listed in Section 1.2 below; and (4) modifications to this Subcontract issued after execution of this Subcontract. To the extent any terms of this Subcontract are in conflict with the terms of the Prime Contract, the terms of this Subcontract shall control. The Subcontract Documents form the Subcontract, and are as fully a part of this Subcontract as if attached to this Subcontract or repeated herein. The Subcontract represents the entire and integrated Subcontract between the parties hereto and supersedes all prior negotiations, representations or Subcontracts, either written or oral. All initially capitalized terms used herein, unless otherwise defined in this Subcontract, shall have the meanings given such terms in the Prime Contract.

1.2. To the extent not listed directly above, the Subcontract Documents, except for Modifications issued after execution of this Subcontract, are enumerated as follows: (on Exhibit A attached hereto)

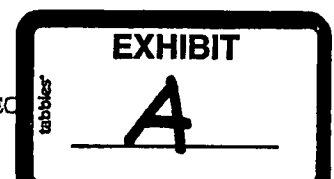
2. THE WORK OF THIS SUBCONTRACT.

2.1. The term "Work" shall mean and refer to all labor, supervision, materials and services scaffolding, tools, equipment, supplies, hoisting, vertical transportation and all other things necessary for the construction and completion of the work described in Exhibit B and work incidental thereto, in strict accordance and full compliance with the terms of the Subcontract Documents (which are hereby incorporated by reference) and this Subcontract and to the satisfaction of Contractor and the Owner.

2.2. The Subcontractor shall execute the Work described below (or if noted below, on Exhibit B attached hereto), including but not limited to, all labor, materials, equipment, services and other items required to complete such portion of the Work, except to the extent specifically indicated in the Subcontract to be the responsibility, of others:

- Exhibit B, Description of work, attached.
- The Work consists of Htg. Vent. & Air Cond Contract (Sub).

2.3. Subcontractor shall carefully examine the Subcontract Documents and shall promptly notify Contractor in writing of any deficiencies, discrepancies, ambiguities or errors before proceeding with the Work.



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2.4 Subcontractor represents that it is fully qualified to perform this Subcontract, and acknowledges that, prior to the execution of this Subcontract, it has (a) by its own independent investigation ascertained (i) the Work required by this Subcontract, (ii) the conditions involved in performing the Work, and (iii) the obligations of this Subcontract and the Contract Documents; and (b) verified all information furnished by Contractor or others satisfying itself as to the correctness and accuracy of that information. Any failure by Subcontractor to investigate independently and become fully informed will not relieve Subcontractor from its responsibilities hereunder.

3. CONSTRUCTION SCHEDULE.

3.1. DATE OF COMMENCEMENT. The date of commencement shall be the date of this Subcontract, as first written above, unless a different date is stated below or provision is made for the date to be fixed in a notice to proceed issued by the Contractor:

Date of Commencement: 03/17/2008

3.1.1. From time to time throughout the term of this Subcontract, the Contractor shall provide the Subcontractor with copies of the Contractor's construction schedule and schedule of submittals, together with such additional scheduling details as will enable the Subcontractor to plan and perform the Work properly. The Subcontractor shall be notified promptly of subsequent changes in the construction and submittal schedules and additional scheduling details.

3.1.2. If requested by Contractor, Subcontractor shall submit detailed schedules for performance of the Subcontract, in a form acceptable to Contractor, which shall comply with all scheduling requirements of the Subcontract Documents. Contractor may from time to time, at its sole discretion, direct Subcontractor to make reasonable modifications and revisions in such schedules.

3.1.3. Subcontractor will proceed with the Work in a prompt and diligent manner, in accordance with Contractor's schedules as reasonably amended from time to time. Subcontractor shall be liable to Contractor for failure to adhere to Contractor's construction schedules including amendments even if such schedules differ from schedules set forth in the Subcontract Documents or the time of completion called for by the Subcontract Documents.

3.1.4. Subcontractor shall be entitled to additional compensation for compliance with schedule amendments or damages for delay only to the extent the Subcontract Documents entitle Contractor to damages or to a contract adjustment increasing the price of the Prime Contract.

3.2. SUBMITTALS. Subcontractor shall make all submittals required by this Subcontract, including shop drawings, test reports, and certificates, within seven (7) days following the Date of Commencement. Subcontractor must revise and resubmit any submittals within seven (7) days after such items are returned to Subcontractor for correction.

3.3. SUBSTANTIAL COMPLETION.

3.3.1. The Project shall be substantially completed not later than 02/27/2009, ("Substantial Completion") subject to adjustments as provided in the Subcontract Documents (see Exhibit B attached hereto for details). Subcontractor must complete its Work on the Project in the necessary time sequence to assure that the Project, including the Work and the work of Contractor and all other subcontractor's on the Project, is substantially completed by the date listed above in this Section 3.3.1.

3.4. TIME IS OF THE ESSENCE. Time is of the essence of this Subcontract, subject to any applicable notice and cure periods provided in the Subcontract.

4. SUBCONTRACT SUM.

4.1. SUBCONTRACT SUM. The Contractor shall pay the Subcontractor in current funds for performance of the Subcontract the Subcontract Sum of three million eight hundred forty thousand Dollars and zero Cents (\$3,840,000.00) subject to additions and deductions as provided in the Subcontract.

4.2. ALTERNATES.

4.2.1. The Subcontract Sum includes the following alternates, (or if noted below, as set forth on Exhibit C attached hereto), if any, which are described in the Subcontract and have been accepted by the Owner and the Contractor:

 X See Exhibit C attached.

 Alternates are included in Exhibit C attached:

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4.2.2. Contractor reserves the right to have Subcontractor provide the following alternates (or, if noted, as set forth on Exhibit C attached hereto, which alternates are not included in the Subcontract Sum.

 X See Exhibit C attached.

 Reserved Alternates defined in Exhibit C attached:

4.3. UNIT PRICES. Unit prices, if any (inclusive of overhead and prices), are as follows (or, if noted, as set forth on Exhibit C attached hereto):

 X See Exhibit C attached.

 Unit Prices are detailed in Exhibit C attached:

4.4. ESTIMATED COST OF THE WORK. The schedule of values breakdown of the amount of the Subcontract Sum is attached hereto as Exhibit C, unless noted otherwise below in this Section 4.4. The schedule of values shall be used by Subcontractor to apply for all payments due to Subcontractor under this Subcontract. If the Schedule of Values is not attached hereto, Subcontractor shall submit to Contractor the Schedule of Values in form similar to AIA G703 format within ten (10.) days of request of Contractor for Contractor's approval. When approved, the Schedule of Values shall be used by Subcontractor to apply for all payments due to Subcontractor under this Subcontract.

 X Estimated Cost of Work is not attached hereto.

5. CONTRACTOR.

5.1. SERVICES PROVIDED BY THE CONTRACTOR.

5.1.1. The Contractor shall provide suitable areas for storage of the Subcontractor's materials and equipment during the course of the Work, to the extent such areas are readily available, from time to time.

5.1.2. If Contractor has available and Subcontractor elects to use Contractor's equipment or facilities, an agreed price in writing must be made before such use. Subcontractor shall make its own determination before commencing to use such equipment or facilities that such equipment or facilities are adequate and safe for the Work to be performed. Such equipment and facilities shall be accepted by Subcontractor in "AS-IS" condition without warranty or representation by Contractor as to their condition or adequacy to perform the respective function. Subcontractor agrees that all personnel operating or using such equipment or facilities shall be qualified and properly trained in the operation and use of such equipment or facilities. Subcontractor agrees to return the equipment and facilities to Contractor at the conclusion of the use in as good a condition as received. In the event that any such equipment is damaged while in the possession of Subcontractor, Contractor shall be entitled to exercise Contractor's remedies under Section 8.3 of this Agreement.

6. SUBCONTRACTOR.

6.1. LICENSE. The Subcontractor represents to Contractor that Subcontractor is duly licensed to perform the Work in the jurisdiction where the Project is located. Subcontractor represents that Subcontractor's License Number is , Registration Number , and Sales or Tax Registration Number is 36-2700962, and that all such licenses and registrations shall be maintained in full force and effect throughout the term of Subcontractor's obligations under the Subcontract, including any warranty obligations.

6.2. EXECUTION AND PROGRESS OF THE WORK.

6.2.1. The Subcontractor shall cooperate with the Contractor in scheduling and performing the Subcontractor's Work to avoid conflict, delay in or interference with the work of the Contractor, other subcontractors or Owner's own forces. Subcontractor is obligated to assure that all workmen of Subcontractor work in harmony with all other workmen on the Project.

6.2.2. The Subcontractor shall promptly submit Shop Drawings, Product Data, Samples and similar submittals required by the Subcontract with reasonable promptness and in such sequence as to cause no delay in the Work or in the activities of the Contractor or other subcontractors.

6.2.3. The Subcontractor shall furnish to the Contractor periodic progress reports on the Work of this Subcontract upon request of Contractor, including information on the status of materials and equipment which may be in the course of preparation or manufacture.

6.2.4. The Subcontractor shall complete all of its work in a good and workmanlike manner. The Subcontractor agrees that the Owner will have the authority to reject Work which does not conform to the Prime Contract or to the Subcontract. The Subcontractor shall, at Subcontractor's cost, replace or, if approved by the Owner, repair any defective work and repeat tests as necessary, at Subcontractor's cost, until all Work is proven satisfactory.

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6.2.5. The Subcontractor shall, at Subcontractor's sole cost and expense, supply adequate tools and equipment, and shall also at all times supply and promptly pay for a sufficient number of properly skilled workmen and for a sufficient amount of materials and supplies of proper quality to prosecute efficiently and promptly the Work in accordance with the requirements of the Subcontract and in accordance with a mutually agreed upon schedule. Subcontractor hereby acknowledges that the Project will be built on an accelerated basis and Subcontractor acknowledges that it has taken such accelerated schedule into account for meeting the requirements of this Subcontract. If, in Contractor's reasonable opinion, Subcontractor fails to maintain the progress of its Work in accordance with the agreed upon schedule, Contractor may require Subcontractor to accelerate Subcontractor's performance by use of overtime work, work on Saturdays, Sundays, and Holidays, all without additional compensation, if, in the reasonable opinion of Contractor, such additional work is necessary to maintain proper progress of Subcontractor's Work. Upon request of Contractor, Subcontractor shall submit evidence satisfactory to Contractor evidencing the Subcontractor's ability to comply with the agreed upon schedule. No overtime or charges for an accelerated Construction Schedule shall be paid by Contractor unless specifically agreed to in writing by an executive officer of Contractor before the overtime is performed.

*THIS CONTRACT DOES NOT INCLUDE A CONSTRUCTION SCHEDULE. CJP JGR

6.2.6. The Subcontractor shall take necessary precautions to protect the work of other subcontractors from damage caused by operations by the Subcontractor. Subcontractor shall be responsible for and protect the Work in place from the elements and all other causes of damage until completion and final acceptance by Contractor and shall adequately store and protect its own materials and materials furnished it by Owner, Contractor and other suppliers. Subcontractor will use without unreasonable waste any materials or equipment furnished by the Owner, Contractor or other suppliers and will pay for any damage to such material or equipment sustained during Subcontractor's use or possession.

6.2.7. Subcontractor shall install all necessary equipment and materials in the necessary time sequence, (except at scheduled temporary omissions and leapfrog areas), and prior to close-in of any area so as to maintain the progress of the Work and the Project and eliminate any rework to install materials or equipment out of sequence. The Subcontractor shall bear any cost related to installation of materials or equipment that is installed out of sequence, unless such out of sequence work is directed or authorized in writing by Contractor. The Subcontractor shall participate in the preparation of coordinated drawings in areas of congestion, specifically noting and advising the Contractor of potential conflicts between the Work of the Subcontractor, the Contractor, and other subcontractors or the Owner's own forces. Subcontractor shall be represented on the Project while the Work is in progress by a competent full-time supervisor satisfactory to Contractor.

6.2.8. Should Subcontractor's performance of the Work be delayed by any acts of Contractor, Contractor's other contractors or Contractor's suppliers, Subcontractor shall receive an equitable extension of time for the performance of the Work, but shall not be entitled to any increase in the Subcontract Sum or to damages or additional compensation as a consequence of such delays, and Subcontractor hereby waives any claim for any such increase, damages or additional compensation.

6.2.9. Subcontractor shall complete all Work in accordance with the mutually agreed upon schedule. No extensions of time or provision for additional costs will be allowed for weather related delays unless Subcontractor submits in writing within seven (7) days from the date incurred; a claim for delay resulting from inclement weather. Contractor may, in its sole discretion, approve or disapprove a claim for delay.

6.3. LAWS, PERMITS, FEES AND NOTICES.

6.3.1. The Subcontractor shall provide all notices and comply with all Federal, state or local laws, ordinances, building codes, rules, regulations and orders of public authorities bearing on performance of the Work of this Subcontract. The Subcontractor shall secure and pay for all permits and governmental fees, licenses and inspections necessary for proper execution and completion of the Subcontractor's Work, the furnishing of which is required of the Contractor by the Prime Contract. JGR

6.3.2. Subcontractor shall be liable to Contractor, Developer, Operator and the Owner for all loss, cost and expense attributable to any acts of commission or omission by Subcontractor, its employees and agents, and lower-tier subcontractors resulting from failure to comply with any Federal, state or local laws, building codes, ordinances or regulations including, but not limited to, any fines, penalties or corrective measures.

6.3.3. Except as otherwise provided by the Subcontract Documents, Subcontractor agrees to pay, comply with, and hold Contractor, Developer and Operator harmless from all social security, state unemployment, welfare fees, and all other Federal, State and local taxes (including sales and use taxes) and fees of every nature applicable to the Work including penalties or any interest.

6.4. SAFETY PRECAUTIONS AND PROCEDURES.

6.4.1. The Subcontractor shall take all appropriate precautions with respect to performance of this Subcontract, shall comply with safety measures initiated by the Owner or the Contractor, and shall comply with all applicable laws, ordinances, rules, regulations and orders of public authorities for the safety of persons or property. The Subcontractor shall report to the Contractor within twenty-four (24) hours an injury to any employee or agent of the Subcontractor which occurred at the site. Subcontractor shall be solely responsible for providing a safe place to work for its agents, employees and sub-subcontractors. Subcontractor shall implement and enforce a health and safety program for its employees and sub-subcontractors on the site, which program shall be at least as effective as the Health and Safety Program of Contractor. Subcontractor's employees and sub-subcontractors on the site shall obey the directives of Contractor's

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Project Manager, Superintendent and Safety Director. All of Subcontractor's employees, agents and contractors must attend the safety meetings held by Contractor's Safety Director, or, in lieu of such attendance, Subcontractor must provide to Contractor the minutes and attendance of all safety meetings conducted by Subcontractor, within two (2) days following the completion of such safety meetings.

6.4.2. If hazardous substances of a type of which an employer is required by law to notify its employees are being used on the site by the Subcontractor, the Subcontractor's sub-subcontractors, or anyone directly or indirectly employed by them, the Subcontractor shall, at least three (3) days before bringing such substances onto the Site, provide Contractor with a materials data sheet for such substances; and give written notice of the chemical composition of such substances to Contractor. Subcontractor will comply with all laws regarding Subcontractor's use and handling of such hazardous substances by Subcontractor or Subcontractor's sub-subcontractors, agents and employees.

6.4.3. Contractor reserves the right to require Subcontractor to perform from time to time, at Subcontractor's cost, drug testing of all or any of Subcontractor's agents, employees and sub-subcontractors. Such testing must be done with testing companies selected or approved by Contractor. Subcontractor must prohibit from the Work Site any persons that test positively for drug use. Contractor shall be entitled to prohibit from the site any persons that Contractor deems to be disruptive to the smooth construction of the Project.

6.5. **CLEANING UP.** The Subcontractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations performed under this Subcontract. Subcontractor shall at all times keep the Subcontractor's work area; keep the premises free from rubbish, debris and waste and surplus materials resulting from its operations; and shall turn over the work area in such condition as to permit the next succeeding work to be commenced without further cleaning. If Subcontractor fails to comply with the provisions of this Section, Contractor shall have the right itself or through others to perform such cleaning and to charge the cost thereof to Subcontractor, plus overhead charges of twenty-five percent (25%), provided the Subcontractor is given a twenty-four (24) hour written notice of such delinquency and fails to remedy same. Subcontractor shall not damage the work of others by its performance of its obligations under the Subcontract and shall indemnify Contractor for damage caused by Subcontractor or its agents to the work of Contractor, and other contractors, including court costs and attorney's fees.

6.6. **WARRANTY.** In addition to any product warranties required by the Subcontract, the Subcontractor warrants to Contractor that all material and equipment incorporated in the Work will be new unless otherwise specified, and that all Work will be of good quality, free from faults and defect and in conformance with the Prime Contract and the Subcontract. All Work not conforming to these requirements may be considered defective. Subcontractor shall, promptly upon request of Contractor, furnish all labor, materials and supervision necessary to correct or replace any defective or nonconforming Work and any damage caused by such defect or fault, at no cost to Contractor or Owner, for a period of one (1) year from the date of Final Payment, except for latent defects, which shall be for a period of six (6) months following the discovery of such latent defect. This warranty shall run to and be enforceable by Owner, Contractor, and their successors and assigns. This warranty shall be in addition to and not in limitation of any other warranty or remedy provided by law or by the Subcontract.

SUBSTANTIAL COMPLETION CSF JBR

6.7. **INDEMNIFICATION.** To the fullest extent permitted by law, the Subcontractor shall indemnify, defend and hold harmless the Owner, Contractor, Operator, Developer, their respective parent and subsidiaries, and their respective agents, officers, employees, members and directors of any of them from and against claims, damages, losses and expenses, including but not limited to attorney's fees and court costs, arising out of or resulting from performance of the Subcontractor's Work under this Subcontract, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, including loss of use resulting therefrom, but only to the extent caused in whole or in part by negligent or intentional acts or omissions of the Subcontractor, the Subcontractor's sub-subcontractors, materialmen or suppliers, anyone directly or indirectly employed by them or anyone for whose acts they may be liable. Such obligation shall not be construed to negate, abridge, or otherwise reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this Section 6.7.

7. CHANGES IN THE WORK.

7.1. **CONTRACTOR CHANGES.** Contractor may at any time make changes in the Work either:

- (a) By written change order signed by Contractor and Subcontractor prior to commencement specifying the changes to be made and the increase or decrease in the Subcontract Sum and extension of time, if any; or
- (b) By written direction to Subcontractor to proceed with changes in the Work, specifying the changes to be made and specifically stating that an equitable adjustment in the Subcontract Sum will be made, based on the time and materials to perform such changes; or
- (c) By written direction to Subcontractor to proceed with changes in the Work, specifying the changes to be made and specifically stating that the Subcontract Sum shall be adjusted based on actual costs of performing such changes based on time and materials, plus a fixed fee, to be set in such change order.

7.2. **OBLIGATION TO PROCEED.** Subcontractor shall proceed with the changes ordered so as not to delay the Work. In the event Contractor changes the Work pursuant to 7.1(b) above, Subcontractor shall file with Contractor within seven (7) days from the

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date of such order Subcontractor's written itemized estimate for the cost of performing the changes to be made. If mutual agreement on the cost is reached, Subcontractor and Contractor will execute a written change order executed by the authorized officers or designees of Contractor and Subcontractor. If mutual agreement cannot be reached and the changes are required by Contractor, the Work shall proceed and Subcontractor shall be entitled to a reasonable adjustment in the Subcontract sum and in the time for performance of the work to the extent such adjustments are focused by the Contractor's written change order. If the extra Work or changes are required by Contractor, Subcontractor does not waive its right by proceeding under protest provided it so notifies Contractor in writing within five (5) days from submittal of the itemized estimate referred to above.

7.3. **COST AND TIME.** Subcontractor shall respond to a proposed change within seven (7) days of request by Contractor. In the event that a Subcontractor change order response is not delivered to the Contractor by the date required, it shall be conclusively presumed that such proposed change does not result in a change in Subcontractor's cost or construction time, and all work and materials called for by the proposed change order shall be provided by Subcontractor at no additional cost or delay to Contractor. For changes in the work for which contractual unit prices, if any, do not apply, the Subcontractor shall submit an itemized breakdown of his estimated cost for such changes with the following percentages for overhead and profit combined: Fifteen percent (15%) on work performed by Subcontractor's own forces or by sub-subcontractors and five percent (5%) on work performed on behalf of Subcontractor by a sub-subcontractor.

8. TERMINATION, REMEDIES FOR DEFAULT AND ASSIGNMENT OF THE SUBCONTRACT.

8.1. **TERMINATION BY THE SUBCONTRACTOR.** The Subcontractor may terminate the Subcontract if Contractor fails to pay to Subcontractors any sums due to Subcontractor within forty-five (45) days following the date such sums were due and payable to Subcontractor. Such termination shall only be effective if Subcontractor makes written demand for such payment to Contractor following the expiration of such forty-five (45) day period and Contractor fails to pay all sums then due and payable within ten (10) days following receipt of Subcontractor's demand. In the event of such termination by the Subcontractor, the Subcontractor shall be entitled to recover from the Contractor payment for Work executed to date of termination and for proven loss with respect to materials, equipment, tools, and construction equipment and machinery (but not for anticipated profits).

8.2. TERMINATION BY THE CONTRACTOR.

8.2.1. If the Subcontractor (i) fails or neglects to carry out the Work in accordance with the Subcontract or otherwise to perform in accordance with this Subcontract; and (ii) fails within thirty-six (36) hours after receipt of notice to correct such default or neglect, the Contractor, in addition to Contractor's remedies under Section 8.3 and 8.4 of this Subcontract, may immediately and without further notice to Subcontractor terminate the Subcontract.

8.2.2. For its convenience, the Contractor shall have the right to terminate this Subcontract for any reason by giving the Subcontractor written notice of termination. Such termination for the Contractor's convenience shall be effective upon Subcontractor's receipt of written notice of such termination. Termination for default, if wrongfully made, shall be treated as a termination for convenience. In the event that the Subcontractor is terminated for the convenience of the Contractor, the Subcontractor shall be paid a pro rata percentage of the Subcontract Sum equal to the percentage of Work in place, less payments theretofore received by the Subcontractor. In no event shall the Subcontractor be entitled to receive payment for anticipated profits for unperformed Work.

8.3. **CONTRACTOR'S REMEDIES.** Should Subcontractor (a) fail to correct, replace and/or re-execute faulty or defective Work and/or materials furnished under the Subcontract; (b) fail to complete or diligently proceed with the Work in accordance with the agreed upon schedule; (c) fail to correct or repair any damage to the Project caused by the acts or omissions of Subcontractor; or (d) otherwise be in default of any provision of the Subcontract, if such failure or default is not corrected, then Contractor shall have the right to correct, replace or otherwise remedy and such defect, deficiencies or delayed performance by any reasonable and expedient means, including taking over or supplementing Subcontractor's Work and materials and employing such additional labor, equipment and materials as may be necessary to cure the default and achieve compliance with the Subcontract. In such event, Contractor may deduct from any sums due to Subcontractor the cost of performing such work and correcting such deficiencies, plus overhead of fifteen percent (15%) of such cost. If payments then or thereafter due Subcontractor are not sufficient to cover such amount, Subcontractor shall promptly pay the difference to Contractor. The remedies of Contractor under this subparagraph are in addition to any other remedies available to Contractor under the Subcontract or available at law or in equity.

8.4. **CONTRACTOR'S ADDITIONAL REMEDIES.** Subcontractor shall reimburse Contractor for any loss, damage or extra expense paid or incurred by Contractor which is due to Subcontractor's failure to supply materials, labor, or to properly perform the Work in accordance with the Subcontract Documents. Subcontractor's failure to perform shall include the failure of its lower-tier subcontractors to perform. Subcontractor's liability shall include but not be limited to (1) damages and other delay costs payable by Contractor to the Owner; (2) Contractor's increased costs of performance, such as extended overhead and increased performance costs resulting from Subcontractor-caused delays or improper Subcontractor Work; (3) warranty and rework costs; (4) liability to third parties; (5) excess procurement costs; (6) consultants' fees; and (7) attorneys' fees and court costs. Contractor may take over any of Subcontractor's outstanding sub-subcontracts and purchase orders and take possession of all tools, equipment, scaffolds, material and supplies of Subcontractor which are on the Project site, in transit to, or especially manufactured for, the Work for use in completion of the Project. Contractor is hereby granted a lien on all such property to secure Subcontractor's performance under this Subcontract. Subcontractor shall, upon request of Contractor, execute and deliver to Contractor all documents and take all such steps to effect the legal assignment of Subcontractor's contractual rights under such sub-subcontracts and purchase orders, but Contractor shall not be required to

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assume any of Subcontractor's outstanding obligations thereunder.

8.5. ASSIGNMENT OF THE SUBCONTRACT.

8.5.1. In the event of termination of the Prime Contract by the Owner, the Contractor may assign this Subcontract to the Owner, with the Owner's agreement, subject to the provisions of the Prime Contract and to the prior rights of the surety, if any, obligated under bonds relating to the Prime Contract.

8.5.2. The Subcontractor shall not assign this Subcontract without the written consent of the Contractor, nor subcontract the whole or any portion of this Subcontract without the written consent of the Contractor.

9. MUTUAL RIGHTS AND RESPONSIBILITIES.

The Contractor and Subcontractor shall be mutually bound by the terms of this Subcontract and, to the extent that provisions of the Prime Contract apply to the Work of the Subcontractor, the Contractor shall assume toward the Subcontractor all obligations and responsibilities that the Owner, under the Prime Contract, assumes toward the Contractor, and the Subcontractor shall assume toward the Contractor all obligations and responsibilities which the Contractor, under the Prime Contract, assumes toward the Owner and the Architect. The Contractor shall have the benefit of all rights, remedies and redress against the Subcontractor which the Owner, under the Prime Contract, has against the Contractor, and the Subcontractor shall have the benefit of all rights, remedies and redress against the Contractor which the Contractor, under the Prime Contract, has against the Owner, insofar as applicable to this Subcontract. Where a provision of the Prime Contract is inconsistent with a provision of this Subcontract, this Subcontract shall govern.

10. PROGRESS PAYMENTS.

10.1. APPLICATIONS FOR PAYMENT.

SUBCONTRACTOR SHALL SUBMIT ALL REQUISITIONS AND APPLICATIONS FOR PAYMENT FOR PAYMENT PROCESSING TO: ERICKSON CONSTRUCTION, LLC; Pete Szpak 20 Riverside Rd., Lincolnshire, IL, 60069 OR TO SUCH OTHER ADDRESS AS CONTRACTOR MAY DIRECT.

10.1.1. Based upon applications for payment submitted to the Contractor by the Subcontractor, corresponding to Applications for Payment submitted by the Contractor to the Owner, and Certificates for Payment issued by the Owner, the Contractor shall make progress payments on account of the Subcontract Sum to the Subcontractor as provided below and elsewhere in the Subcontract. Each application for payment shall be in the form attached hereto as Exhibit D, or such other form as may otherwise be requested by Owner, and must include a Partial Release of Liens in either the form attached hereto as Exhibit E, or such other form as may otherwise be requested by Owner, and with such detail substantiating Subcontractors right to payment. With each application for payment, Owner will require a Sworn Statement in compliance with Illinois Mechanics Lien Statute, 770 ILCS 60/5 and lien waivers and releases valid under Illinois law in the form attached hereto as Exhibit E or Exhibit F, as applicable, or such other form as may otherwise be requested by Owner.

10.1.2. The period covered by each application for payment submitted by Subcontractor shall be one (1) calendar month ending on the last day of the calendar month. Each application for payment must be based on actual work performed by or under Subcontractor through the 19th day of the month, and the reasonably estimated work to be performed by or under Subcontractor during the balance of the month.

10.1.3. Provided an application for payment is received by the Contractor not later than the 20th day of a month, the Contractor shall include the Subcontractor's Work covered by that application in the next Application for Payment which the Contractor is entitled to submit to the Owner. Subcontractor's progress payments shall be due and payable within ten (10) working days after the Contractor receives payment for the Subcontractor's Work from the Owner. If the Owner or Architect fails to issue a Certificate for Payment or the Owner fails to pay Contractor for Subcontractor's Work within forty-five (45) days following the applicable Application for Payment, and such failure is not the fault of the Subcontractor or Subcontractor's sub-subcontractors, the Contractor shall pay the Subcontractor, within ten (10) days following demand, a progress payment computed as provided in Section 10.2 of this Subcontract. Notwithstanding the foregoing, payments to Subcontractor may be withheld on account of (i) defective Work not remedied, (ii) claims filed, (iii) damage to Contractor or another subcontractor or (iv) failure to carry out the Work in accordance with the Subcontract.

10.1.4. If an application for payment is received by the Contractor on or after the 21st day of any calendar month, the Subcontractor's Work covered by such application shall be included by the Contractor in the next Application for Payment submitted to the Owner.

10.1.5. Each application for payment shall be based upon the most recent schedule of values approved by the Contractor in accordance with Section 4.4 of this Subcontract. Applications for payment submitted by the Subcontractor shall indicate the percentage of completion of each portion of the Work as of the end of the period covered by the Subcontractor's application for payment.

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10.1.6. Subcontractor shall pay all claimants for all costs and expenses resulting from the performance of the Work and for all labor and materials used. Subcontractor is liable for and shall hold Contractor and Owner harmless from and indemnify Contractor and Owner for all court costs, attorney's fees and damages resulting from claims by sub-subcontractors and Subcontractor's suppliers and all liens and all claims of persons furnishing material or labor on behalf of Subcontractor in connection with the Work. Subcontractor shall deliver to Contractor with each application for payment recordable affidavits and lien releases or waivers acceptable to Contractor from Subcontractor and Subcontractor's sub-subcontractors and suppliers. In the event any person or entity claiming by, through or under Subcontractor notifies Contractor of any non-payment or seeks to encumber funds held by Contractor and payable to Subcontractor or files a lien or other claim against the Project, or Contractor's interest therein, Subcontractor shall within three (3) days notify Contractor if Subcontractor disputes such claim. If at any time a lien has been filed against Contractor, the Owner, the Project or any sums held by Contractor by any person or entity claiming through Subcontractor, Subcontractor shall, within seven (7) days of receipt of notice of such lien pay the claim and cause the lien to be released or shall file a bond in lieu of the payment of such lien and shall cause the lien to be released from the project.

10.1.7. Notwithstanding the foregoing, if such lien or claim is due solely to sums wrongfully held by Contractor, Subcontractor shall not have any obligation to hold harmless or indemnify Contractor against such lien or claim.

10.2. **PROGRESS PAYMENTS.** Subject to the provisions of the Subcontract, the amount of each progress payment shall be computed as follows:

10.2.1. Take that portion of the Subcontract Sum properly allocable to completed Work as determined by multiplying the percentage completion of each portion of the Subcontractor's Work by the share of the total Subcontract Sum allocated to that portion of the Subcontractor's Work in the schedule of values, less that percentage actually retained, if any, from payments to the Contractor on account of the Work of the Subcontractor;

10.2.2. Add that portion of the Subcontract Sum properly allocable to materials and equipment delivered and suitably stored at the site by the Subcontractor for subsequent incorporation in the Subcontractor's Work or, if approved in advance in writing by the Owner, suitably stored off the site at a location agreed upon in writing, less the same percentage retainage required by the Prime Contract to be applied to such materials and equipment in the Contractor's Application for Payment;

10.2.3. Subtract the aggregate of previous payments made by the Contractor; and

10.2.4. Subtract amounts, if any, calculated under Subparagraph 10.2.1 or 10.2.2 which are related to Work of the Subcontractor for which the Architect has withheld or nullified, in whole or in part, a Certificate of Payment for a cause which is the fault of the Subcontractor or Subcontractor's sub-subcontractors.

10.2.5. All periodic payments by Contractor shall be subject to a retainage, to be held by Contractor, of ten percent (10%) of the amount billed by Subcontractor. To the extent approved or permitted by Owner and any lender providing financing for all or any part of the Work, and if Subcontractor is in compliance with the terms of the Subcontract, the aggregate amount of the retainage, subject to offset for defects and deficiencies, shall be reduced to five percent (5%) upon the Work achieving fifty percent (50%) completion and acceptance thereof by Contractor and Owner. No periodic payment by Contractor shall be deemed to constitute acceptance of any faulty or defective Work.

10.3. **STORED MATERIALS.** Notwithstanding the provisions of Subsection 10.2., payment for stored materials may be conditioned on delivery to the Owner of bills of sale (which shall include a complete description, including photographs, bills of lading, serial numbers, warehouse receipts and/or inventories, as appropriate for Owner to identify the stored materials) and such other procedures satisfactory to Owner to establish the Owner's title and to insure and otherwise protect the Owner's interest in and to such stored materials, unless requested otherwise by Contractor. Subcontractor shall schedule the materials to prevent the arrival of major items well in advance of their incorporation into the improvements.

10.4. **SUBSTANTIAL COMPLETION.** When the Work or a designated portion thereof is substantially complete in accordance with the requirements of the Prime Contract, the Contractor shall, upon application by the Subcontractor, make prompt application for payment for such Work. Within thirty (30) days following issuance by the Owner of the Certificate for Payment covering such substantially completed Work, the Contractor shall, to the full extent allowed in the Prime Contract, make payment to the Subcontractor, deducting any portion of the funds for the Work withheld in accordance with the Certificate of Payment to cover costs of items to be completed or corrected by the Subcontractor. Such payment to the Subcontractor shall be the entire unpaid balance of the Subcontract Sum if a full release of retainage is allowed under the Prime Contract for the Work prior to the completion of the entire Project. If the Prime Contract does not allow for a full release of retainage, then such payment shall be an amount which, when added to previous payments to the Subcontractor, will reduce the retainage on the Subcontractor's substantially completed Work to the same percentage of retainage as that on the Contractor's work covered by the Certificate of Payment.

11. FINAL PAYMENT.

11.1. **TIME.** Subject to the provisions of Section 10.4, final payment, constituting the entire unpaid balance of the Subcontract Sum, shall be made by the Contractor to the Subcontractor when the Work is fully performed in accordance with the

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requirements of the Subcontract, Subcontractor has filed a final application for payment, the Owner has issued a Certificate for Payment covering the Subcontractor's completed Work and the Contractor has received payment from the Owner. If a Certificate for Payment is not issued within forty-five (45) days of Contractor's application for payment, or the Contractor does not receive from the Owner payment within forty-five (45) days of Contractor's application for payment, and such payment is otherwise due to Subcontractor and such failure is not due to any fault of Subcontractor, final payment to the Subcontractor shall be made upon demand.

11.2. **LIEN WAIVERS.** Final payment shall not be due until Subcontractor has delivered to Contractor a complete, recordable affidavit and release of all liens arising out of this Subcontract, in the form attached hereto as Exhibit F, or such other form as may otherwise be requested by Owner, covering all labor, materials and equipment for which a lien could be filed, or a bond satisfactory to the Contractor indemnifying Contractor and the Project against any and all lien(s). If any lien remains unsatisfied after all payments are made, Subcontractor shall refund to Contractor all monies the latter may be compelled to pay in discharging such lien, including all court costs and expenses and reasonable attorney's fees. The acceptance of final payment shall constitute a release of all claims by Subcontractor except those previously made in writing and identified by Subcontractor as unsettled at the time of the final application for payment.

11.3. **EVIDENCE OF PAYMENT.** Before issuance of the final payment, the Subcontractor, if required, shall submit evidence satisfactory to the Contractor that all payrolls, bills for materials and equipment, and all known indebtedness connected with the Subcontractor's Work have been satisfied.

11.4. **SUB-SUBCONTRACTORS AND PROVIDERS.** Subcontractor shall keep Contractor informed of all sub-subcontractors, and all materials and/or service providers of any tier who provide materials or service for any part of the Work in excess of One Thousand Dollars (\$1,000.00) by completing, submitting and updating as appropriate Exhibit G attached hereto.

12. INSURANCE AND BONDS.

12.1. COVERAGES.

12.1.1. Before the Subcontractor commences any Work pursuant to this Subcontract, the Subcontractor shall obtain and maintain throughout the term of the Subcontract, insurance of the types and in the minimum amounts set forth on Exhibit H. Self-insured retentions and/or deductibles may not be more than Ten Thousand Dollars (\$10,000.00). Acceptance of any insurance by Contractor shall not relieve or decrease the liability of the Subcontractor.

12.1.2. Coverages must be maintained with financially secure insurance companies licensed to do business in the State where the Project is located, have a Best's Guide Rating of not less than A-VI and must otherwise be acceptable to Owner and Contractor. Coverage must be maintained without interruption from date of commencement of the Work until date of final payment, and Contractor, Developer, Owner, and the Operator, their parent and subsidiary companies, together with their employees, officers agents, members and directors shall be named as additional insureds and Lender where required, under Subcontractor's Commercial General Liability policy, Automobile liability policy, Products/Completed Operations Coverage and the Umbrella/Excess Insurance. The additional insured coverage is to be provided by ISO form CG20100704, CG20370704, or equivalent forms, a copy of which will be provided with the certificate of insurance. All such policies shall apply as primary and non-contributory insurance with respect to any other insurance or self-insurance programs afforded to the indemnittees and/or additional insured's identified within this agreement.

12.1.3. Certificates of insurance acceptable to the Contractor, together with all appropriate endorsements, shall be filed with the Contractor prior to commencement of the Subcontractor's Work, and at least ten (10) days prior to the expiration of any policy. These certificates and the insurance policies required by this Article 12 shall contain an endorsement that coverages afforded under the policies will not be canceled or allowed to expire until at least thirty (30) days prior written notice has been given to the Contractor. If any of the foregoing insurance coverages are required to remain in force after final payment and are reasonably available, an additional certificate evidencing continuation of such coverage shall be submitted with the final application for payment as required in Article 11. If requested by Contractor, Subcontractor shall provide certified copies of all such policies to Contractor within ten (10) days of such request. Subcontractor must immediately notify Contractor of any reduction or restriction in the required insurance that takes place during the term of the Subcontract, and/or in the event the insurer notifies the Subcontractor of its intent not to renew coverage.

12.1.4. The Contractor shall furnish to the Subcontractor upon demand, satisfactory evidence of insurance required of the Contractor under the Prime Contract.

12.1.5. If Subcontractor fails to secure and maintain the required insurance, Contractor shall have the right (without any obligation to do so, however) to secure same in the name and for the account of the Subcontractor in which event the Subcontractor shall pay the costs thereof to Contractor upon demand and furnish upon demand all information that may be required in connection therewith.

12.1.6. The insurance provisions of this Subcontract shall not be construed as a limitation on the Subcontract's responsibilities and liabilities pursuant to the terms and conditions of the Subcontract, including, but not limited to, liability for claims in excess of the insurance limits and coverages set forth herein.

12.1.7. The Subcontractor shall not make changes in or allow the required insurance coverages to lapse without the Contractor's prior written approval thereto.

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12.2. **WAIVERS OF SUBROGATION.** The Contractor and Subcontractor waive all rights against (1) each other and any of their Subcontractors, sub-subcontractors, agents, employees, officers, members and directors, each of the other, and (2) the Owner, Developer, Operator, and any of their Subcontractors, sub-subcontractors, agents, employees, officers, members and directors, for damages caused by fire or other perils to the extent covered by property insurance provided under the Prime Contract or other property insurance applicable to the Work, except such rights as they may have to proceeds of such insurance held by the Owner as fiduciary. The Subcontractor shall require of the Subcontractor's sub-subcontractors, agents and employees, by appropriate agreements, written where legally required for validity, similar waivers in favor of other parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

12.3. The Contractor shall promptly, upon request of the Subcontractor, furnish a copy or permit a copy to be made of any bond covering payment of obligations arising under the Subcontract.

12.4. **Performance Bond and Payment Bond:**

Bond Required for the payment and performance bonds. All bonds must be in the AIA312 format or equal. Cost of bond is on bonding company's invoice at standard rates. Subcontractor must include the names of the Owner and Lender on all bonds as a dual obligee. Subcontractor can provide this information through a dual obligee rider. Two original copies of all bonds are required and should be forwarded to the Corporate Office located at 991 Corporate Boulevard, Linthicum, MD 21090.

Unless waived by Contractor in this Subsection 12.4, prior to the commencement of the Work, Subcontractor shall pay for and deliver to Owner acceptable, statutory payment and performance bonds in the full amount of the Subcontract sum issued by a surety acceptable to Owner.

13. **SETTLEMENT OF DISPUTES.**

13.1. In the event of any dispute involving the Work performed or to be performed, Contractor shall issue a decision which shall be followed by Subcontractor, without interruption, deficiency, or delay. If Subcontractor does not agree with such decision, Subcontractor may make a claim under Section 7.3. and the matter shall be resolved as set forth in Article 13.2. or 13.3. as applicable. If the Subcontractor prevails, Subcontractor's sole remedy shall be an equitable adjustment determined as provided in Section 13.2. or 13.3. as applicable. In addition to notice required by Article 9 or the Subcontract Documents, notification of any claim for the equitable adjustment must be asserted in writing not later than ten (10) days after Subcontractor's knowledge of the claim, and if Section 13.2. is applicable, within sufficient time to allow Contractor to give notice to the Owner under the Subcontract Documents.

13.2. In case of any dispute between Contractor and Subcontractor, in any way relating to or arising from any act or omission of the Owner or involving the Subcontract Documents, Subcontractor agrees to be bound to Contractor to the same extent that Contractor is bound to the Owner, by the terms of the Subcontract Documents, and by any and all preliminary and final decisions or determinations made thereunder by the party, board or court so authorized in the Subcontract Documents or by law, whether or not Subcontractor is a party to such proceedings. In case of such dispute, Subcontractor will comply with all provisions of the Subcontract Documents allowing a reasonable time for Contractor to analyze and forward to the Owner any required communications or documentation. Contractor will, at its option, (1) present to the Owner, in Contractor's name, or (2) authorize Subcontractor to present to the Owner, in Contractor's name, all of Subcontractor's claims and answer the Owner's claims involving Subcontractor's Work, whenever Contractor is permitted to do so by the terms of the Subcontract Documents. Contractor will further invoke on behalf of Subcontractor, or allow Subcontractor to invoke, those provisions in the Subcontract Documents for determining disputes. If such dispute is prosecuted or defended by Contractor, Subcontractor, at its own expense, agrees to furnish all documents, statements, witnesses, and other information required by Contractor and to pay or reimburse Contractor for all costs incurred by Contractor in connection with the dispute including attorneys' fees and court costs.

13.3. To the extent not resolved under Section 13.2 above, any dispute between Contractor and Subcontractor shall, at Contractor's sole option, be decided by litigation. In the event of any lawsuit under this clause, the Courts of Illinois shall have sole and exclusive jurisdiction. DUE TO THE SPECIALIZED NATURE OF CONSTRUCTION LITIGATION, EACH PARTY HEREBY WAIVES ITS RIGHT TO A TRIAL BY JURY.

14. **MISCELLANEOUS PROVISIONS.**

14.1. **GENERAL CONDITIONS.** Where reference is made in this Agreement to a provision of the General Conditions or another Subcontract Document, the reference refers to that provision as expressly amended or supplemented by other provisions of the Subcontract Documents.

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14.2. **PRIVITY.** Until Subcontractor's obligations under this Subcontract are completely fulfilled, Subcontractor agrees not to perform any Work directly for the Owner or deal directly with the Owner's representatives in connection with the Project, unless otherwise directed in writing by Contractor. All Work for this Project performed by Subcontractor shall be processed and handled exclusively by Contractor.

14.3. **VEHICLES.** All vehicles are to be operated in accordance with the traffic and parking rules and regulations of the Operator and the Contractor. Violation of these rules may result in the vehicle being towed at the owner's expense, and the vehicle and operator being banned from the site. All workers authorized to park within the site must obtain parking passes from the Contractor's office and must display the parking passes whenever the vehicle is on the site. Subcontractor's employees, agents and sub-subcontractors may park vehicles only in areas on or off-site as designated for parking by Owner or Contractor.

14.4. **RESIDENTS OF RETIREMENT COMMUNITY.** The safety and protection of the residents of the Project is of paramount importance to the Contractor. Subcontractor, its workers, suppliers, and sub-subcontractors must adhere to all traffic regulations, noise restrictions, and other safety standards established by the Contractor and the Operator. Residents of the Project must be treated with courtesy and respect at all times. In the event that the buildings are occupied while the Subcontractor is performing work on the Project, all courtesy is to be extended to the residents and precautions taken to avoid any disruption or inconvenience during this usage.

14.5. **SIGNS.** No signs may be placed on any portion of the site and/or building without written permission of Owner.

14.6. **COMMUNICATIONS.** It is agreed and understood that all communications by or through Subcontractor to the Architect, Engineer, Owner, Developer or any representative thereof shall be made through Contractor.

14.7. **EXAMINATION OF PRIOR WORK.** Subcontractor shall carefully examine the work of others which may affect the Work and shall notify Contractor in writing, completely detailing and supporting any apparent deficiencies therein before performing the Work; otherwise, such other Work shall be deemed acceptable to Subcontractor and Subcontractor shall be deemed to have waived all claims with respect thereto.

14.8. **INVALIDITY.** If any provision of the Subcontract is found to be invalid, unenforceable or unlawful, such provision shall be enforced in such manner as shall most nearly affect the intent of the parties and yet conform to the law applicable thereto and the remainder of the Subcontract Documents shall remain in full force and effect.

14.9. **NOTICES.** Except as stated in Section 10.1 of this Agreement, all notices, requests, approvals and other communications required or permitted to be delivered under the Subcontract must be in writing and shall be effective upon: (a) the date of delivery if hand-delivered to the other party or forwarded by facsimile to a number provided and authorized for delivery of notices by the receiving party; (b) the date of transmission if sent by telegram; (c) the date after mailing if sent by overnight commercial carrier; or (d) three (3) business days after mailing if sent by U.S. mail. Except for the use of facsimiles, if permitted, all notices must be sent to the addresses listed in the introductory paragraph of this Agreement, or to such other address as may be expressly designated in writing by either party as the correct address for notices, requests, approvals and other communications.

14.10. **INDEPENDENT CONTRACTOR.** Subcontractor is an independent contractor and hereby assumes all of the rights, duties, obligations and liabilities thereby arising.

14.11. **WAIVER.** Any failure by Contractor at any time or from time to time to enforce or require the strict performance of any of the terms or conditions hereof shall not affect or impair Contractor's right to at any time thereafter avail itself of the remedies available for the subsequent breach of such terms or conditions.

14.12. **GOVERNING LAW.** The Subcontract shall be governed by the law of the State in which the Project is located. No presumption shall be deemed to exist in favor of or against either party as a result of the preparation and/or negotiation of the Subcontract. The Subcontract and Subcontract Documents are subject to the Contract between the Owner and Contractor, the General Conditions, and the Additional Supplementary General Conditions.

14.13. **EQUAL OPPORTUNITY.** Subcontractor agrees not to discriminate against any employee or applicant for employment because of race, religion, sex, handicap or national origin.

14.14. **EXHIBITS.** The following exhibits are attached hereto:

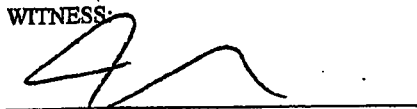
Exhibit A - Drawing Log
Exhibit B - Scope
Exhibit C - SOV
Exhibit D - Pay Application
Exhibit E - Partial Release
Exhibit F - Final Release
Exhibit G - Vendor List

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Exhibit H, Sched B - Insurance Requirements Sched. B
Exhibit I - Payment Bond
Exhibit J - Performance Bond

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

WITNESS:



CONTRACTOR
ERICKSON CONSTRUCTION, LLC

By:

David Tague
Vice President

Dated:

5/22/08



SUBCONTRACTOR

By:

Westside Mechanical, Inc.
Jim Reiss CO Folden
President CFO

Dated:

5/19/08

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HVAC Systems

This Subcontractor agrees to furnish at its own cost and expense, all labor, materials, tools, equipment and facilities necessary to safely and fully complete the work described in accordance with the Contract Documents; said work is generally described as **RENAISSANCE GARDEN 1.0 HVAC / MECHANICAL** and as more specifically described including but not limited to the following clarifying items:

1. This subcontractor is to furnish and install all HVAC systems per the Contract Documents, and is aware of the need to perform all of the work under the scope of this subcontract per the Contract Documents including the Plans and Specifications. This subcontractor will note any deviations from this requirement in writing to Erickson Construction, LLC with a proposal for the work with an explanation and value of said deviations.
2. Substitutions are generally not accepted for this project. When more than one (1) product is specified, the first product specified is the "Basis of Design". When any alternate is proposed by this subcontractor, this subcontractor is responsible to prove to the Architect and Engineer that it meets or exceeds the "Basis of Design", in accordance with the Contract Documents including specification section 01600.
3. This subcontractor's Certificate of Insurance and MSDS data sheets must be submitted to Erickson Construction, LLC before any work can be performed on site, no later than **February 14, 2008**.
4. This subcontractor is to provide all coring, saw cutting and fire-safing as required for this subcontractor's work. This subcontract to include fire-safing of pipe and duct penetrations through fire rated partitions and floors, regardless of the sequence of work. The drywall partitions are required to be installed per specified UL design; however the architectural drawings may not exactly reflect the required UL design. This includes all required fire safing before or after drywall installation. Additionally, this subcontractor to include providing all covers at cored holes and openings created by his work in order to insure safety on the jobsite. This includes furnishing and installing all sleeves and inserts for all penetrations in drywall walls, floor deck, roofs, slab on grade, etc. as required by the work of the subcontractor and the Contract Documents. Sleeves in concrete floors shall be the same height as the finished floor. Fire stopping and "safing" of penetrations shall be completed on a timely basis as directed by the Erickson Construction.
5. This subcontractor is to include furnishing only of all access panels required for this work. Coordinate placement with Drywall subcontractor. Access panels will be installed by others as shown on this subcontractors shop drawings. This subcontractor is to submit product data for the Access Panels regardless of approval on previous projects. **DUCT ACCESS DOORS BY WESTSIDE & ARCHITECTURAL ACCESS DOORS BY OTHERS.** *JGJ CJS*
6. This subcontractor is to include Daily cleanup for debris with removal to dumpsters (provided by Erickson Construction LLC.) debris generated by this work, including labor. Clean up that is not performed promptly will be performed by others and back-charged to your contract accordingly. This subcontractor is aware that the campus is in operation and will maintain a clean site through out the progress of their work.
7. This subcontractor is aware the building structure which is structural steel will be spray fireproofed (including Bar Joists). This spray fireproofing activity will immediately follow slab pours. Those subcontractors removing spray fireproofing beyond reasonable limits (determined by Erickson Construction) for installation of supports and hangers, or any miscellaneous type of work, will be held responsible for the additional costs to perform the repair work. This includes the installation of beam restraining clips, hat track, etc.
8. This subcontractor is aware that the building systems are designed for both Phase I and Phase II of this Extended Care Facility, therefore the HVAC infrastructure may appear to be oversized for Phase I. Changes to the HVAC system will not be allowed.
9. This subcontractor is aware that two interior mockups are required to be reviewed by the Architect and Engineer. These mockups will be reviewed prior to drywall installation. Approval of this mock up at the rough in stage is critical to the progress of the project as well as quality control.

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10. This subcontractor is aware of the vapor barrier and will work to coordinate this work under this scope so the vapor barrier is not damaged. Additionally, this subcontractor is aware of the smoke rated and fire rated partitions (drawing RG1.0). The drywall partitions are required to be installed per specified UL design; however the architectural drawings may not exactly reflect the required UL design.
11. This subcontractor is aware that the project will be inspected by the Illinois Department of Public Health as well as other Governing Authorities. This subcontractor includes testing of electrical systems to be witnessed by those Governing Authorities as required by these Governing Authorities.
12. This subcontractor is aware that the building will be occupied in a single occupancy and will work with Erickson Construction and the Village of Lincolnshire to achieve this single occupancy.
13. This subcontractor to coordinate all H. V. A. C. work with Erickson Construction, LLC, all subcontractors, specifically but not limited to:
 - a. Electrical subcontractor
 - b. Elevator subcontractor
 - c. Plumbing subcontractor
 - d. Sprinkler subcontractor
 - e. Structural Steel (including coordination of duct openings)
 - f. Bar Joist System supplier (including all costs to offset equipment and piping from the bar joists)
 - g. Kitchen Equipment supplier (including gas lines and ductwork to all kitchen appliances)
 - h. Laundry Equipment supplier (including gas lines and ductwork to all laundry appliances)
 - i. Linen Chute supplier/subcontractor
 - j. Architect, Structural Engineer and Owner.

Coordination is to include, but is not limited to the following: Attendance and participation at required coordination meetings held by Erickson Construction and attended by representatives from other MEPS subcontractors. Costs resulting from remedial work associated with pipe/duct/conduit/cable tray conflicts will be borne by the contractor failing to attend the coordination meetings and/or install his material at the coordinated elevation or location. The HVAC, Plumbing, Electrical, and Fire Protection Subcontractors agree that there is a complete mechanical/electrical/plumbing/sprinkler system for the project and that the systems interface not only technically but also in installation. The total system is compatible and complete and this Subcontractor, collectively with the Electrical, Plumbing, Mechanical and Fire Protection Subcontractors, agrees that all interconnection and interfacing is included in this Agreement.

14. This subcontractor includes coordination of H. V. A. C. devices with countertops, plumbing fixtures, medicine cabinets, etc.
15. This subcontractor is aware that access to all equipment is critical to the operation of the completed building and will coordinate duct and pipe locations with equipment for future service access.
16. This subcontractor to submit to Erickson Construction, LLC Project Management Office all required Shop Drawings, Material Data, Product Data and Samples for approval no Later than February 14, 2008. HVAC shop drawings are to be in accordance with local codes and intent of the Contract Documents. This subcontractor is to re-submit coordinated shop drawings after coordination with other trades. This subcontractor's submittals are to clearly describe where each product is to be utilized. This subcontractor is to submit product data for all items that are to be installed regardless of approval on previous Erickson Construction projects. Approval of product data and /or shop drawings shall not relieve the subcontractor of the responsibility for errors that may be contained there in, or for deviations from requirements in the Contract Documents. Errors by this subcontractor on shop drawings or submittals are the responsibility of this subcontractor. Seven (7) copies of shop drawings and product data are required.
17. This subcontractor is to provide a complete equipment and fixture schedule to Erickson Construction, LLC, no later than February 14, 2008.

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18. This subcontractor is to provide detailed, fully dimensioned sleeve layout drawings for coordination with the Bar Joist System and other MEP trades. Layout for sleeves to accommodate pipe, duct, and equipment penetrations. Drawings are to show dimensions from the column center lines.
19. This subcontractor's shop drawings are to include detailed, fully dimensioned HVAC equipment and the HVAC subcontractor is to verify units fit within space and or room as located on plans. This subcontractor is to provide drawings showing dimensional data and load requirements for the proper support of any equipment mounted on structural steel or building structure supplied by others. This subcontractor is to provide coordinated mechanical rough-in drawings for duct and piping.
20. This subcontractor is to provide dimensional drawings showing size and locations of all required equipment pads. The concrete equipment pads will be poured by others.
21. This subcontractor is to furnish and install all scheduled HVAC equipment including but not limited to:
 - a. Vertical Stack Heat Pumps and Heat Pumps for common areas
 - b. Hot Water Unit Heaters
 - c. Cabinet Unit Heaters
 - d. Hot Water Reheat Coils
 - e. Fans, Exhaust fans, Inline Fans, Dishwasher Exhaust Fans, Kitchen Exhaust Fans, Bathroom Exhaust Fans
 - f. Two Dectron Units
 - g. Three Lochinvar Boilers
 - h. Cooling Tower
 - i. Make-up Air Units
 - j. Heat Exchanger
 - k. Electric Heaters
 - l. All Gas piping, gas regulators and final connection of gas piping to gas fired equipment
 - m. Temperature control, thermostats, etc. (Y.E.M.).
 - n. Variable Frequency Drives (VFD)
 - o. Grilles, diffusers, registers
 - p. Dampers, Fire dampers, Smoke dampers and Fire/Smoke Dampers (including access doors)
 - q. Piping, valves, mixing valves, temperature blending valves, etc.
 - r. Duct, lined duct, flexible duct
 - s. All Condenser piping and heating hot water piping
 - t. All required hangers, brackets, fasteners, anchors, isolation pads, shims, etc.
 - u. Slip assemblies, expansion control, seismic connections, bracing, etc.
 - v. All required insulation, including pipe and blanket insulation, rigid duct liners, acoustic liners, etc.
 - w. All required fire safing, intumescent caulking, collars, sleeves, etc.
 - x. All associated pumps (base mounted and inline) and pump controllers, wired by others.
22. This subcontractor to furnish and install Specified Dectron Units as indicated in the Contract Documents. This subcontractor includes Crane(s) to place the Dectron Units. This subcontractor will include detailed lay out for the isolation pads for the Dectron Units. These isolation pads will be similar to the isolation pads constructed on the RB1.5 project. The steel angles, Unisorb foam pad and concrete are by others. This subcontractor is aware that the timely delivery of the Dectron Units is a critical milestone to the project and will expedite the submittal of product data so the Dectron Units can be hoisted into place in accordance with the project schedule to be set in place on or about ~~June 22, 2010~~.
23. This subcontractor to furnish and install three Lochinvar Boilers and boiler breaching for the Lochinvar and domestic boilers as indicated in the Contract Documents.
24. This subcontractor to furnish and install Specified Cooling Tower as indicated in the Contract Documents including the external service platform and excluding steel supports, other than the piping supports. This subcontractor includes required equipment to place the Cooling Tower.

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25. This subcontractor to furnish and install heat pump units as shown; on the Contract Documents including factory start-up. This subcontractor includes changing of the filter in the unit heat pumps prior to occupancy, witnessed by a representative of Erickson Construction, LLC, and/or Erickson Retirement Communities.
26. This subcontractor to furnish all motor starters and/or motor controllers that are integral to the HVAC equipment (no loose motor starters). Final power connection to be by others.
27. This subcontractor to furnish and install all necessary supplemental supports, hangers, isolation, etc. as required for proper installation of the HVAC components. Coordinate installation of supports and hangers with structural framing of decks and locations of bar joists.
28. This subcontractor includes gas and dryer vent connection to both commercial and residential driers (furnished and set in place by others) including all exterior building dryer vents. Dryer venting to be coordinated to have the most direct route to the outside of the building with a minimal amount of bends. Exhaust ducts will not be allowed in the attic unless shown on the Contract Documents, with out prior written approval of the Architect, Engineer and Owner. This subcontractor includes temporary protection (covers) over the duct at the exterior building face during construction. Caulking the dryer vents and bathroom fans exhaust vents to the masonry or siding is included, as well as caulking the dryer vent to the exterior dense glass and cutting the dense glass.
29. This subcontractor includes gas and duct connections to all kitchen equipment, furnished and set in place by others. Additionally, this subcontractor includes furnishing and installing Black Iron Kitchen Exhaust Duct.
30. This subcontractor is to furnish and install gas piping and regulators at the water boilers and other gas powered equipment as indicated in the Contract Documents.
31. This subcontractor is to furnish and install all duct smoke detectors wired by others.
32. This subcontractor includes the specified smoke/fire dampers wired and tied in to the Fire Alarm System by others.
33. This subcontract includes the connection of equipment furnished and set in place by others. Subcontractor shall connect equipment in a manner as to preclude damage to the connections and/or piping.
34. This subcontractor will rough in all pipes in such a manner and location so as not to be damaged by the subsequent installation of drywall, cabinets, etc.
35. This subcontractor includes furnishing and installing all pipe insulation per the Contract Documents. This includes insulation on all valves with extended valve stems to accommodate the insulation.
36. This subcontract includes the furnishing and installing all duct insulation per the Contract Documents. This includes all lined ductwork, insulation on the attic ductwork, insulation on blank off panels and one hour Fire Master from fire damper to attic penetration. Furnish and install all lined ductwork as indicated in the Contract Documents.
37. This subcontractor is to furnish and install temporary covers or plugs in all stub ups to preclude foreign materials from entering piping systems during Construction. Additionally this subcontractor to provide temporary means of straining loop water distribution line to prevent foreign matter from entering the system.
38. This subcontractor is to furnish and install condensate piping for the HVAC equipment to open site drain as indicated in the Contract Documents.
39. Furnish and install HVAC (Loop water) system. Subcontractor shall coordinate connections to loop water pipe. Shutoff valves are to be located in the corridor.
40. Furnish and install expansion compensators where indicated in the Contract Documents.

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41. This subcontractor is to furnish and install ducted elevator relief as shown on Mechanical drawings.
42. Ductwork ends to be sealed with plastic during delivery, and onsite storage. Plastic to be removed at time of installation and connection.
43. Furnish and install all dampers (i.e. fire, smoke, volume, etc.) as indicated in the Contract Documents.
44. Furnish and install registers, grilles, and diffusers as indicated in the Contract Documents.
45. Subcontract includes connection of ductwork to louvers. Supply and installation of louvers is by others. The unused portion of the louver is to be blanked off by this subcontractor (including insulation).
46. This subcontractor to furnish and install fans including bathroom fans as indicated on the Contract Documents. Ductwork from these exhaust fans are by this subcontractor.
47. This subcontractor to furnish and install all flues and breaching as indicated on the Contract Documents.
48. This subcontractor to furnish and install all dryer and bath exhaust vents as required at exterior walls and soffits in accordance with Contract Documents.
49. This subcontractor to provide filters for HVAC equipment during construction with a filter change witnessed by Erickson construction at turnover.
50. This subcontractor to provide the necessary layout for own work from control points and bench mark provided by others.
51. [REDACTED]
52. When welding, soldering, or using torches, around finish walls, drywall, or combustible materials use reflective heat shields to protect the finished product, or combustible materials, from damage due to the torches.
53. This subcontractor includes hoisting of materials laterally and vertically. This subcontractor includes on site storage trailers (located as directed by Erickson Construction) for materials & equipment.
54. This subcontractor is aware that the Village of Lincolnshire requires the exterior walls to be insulated and drywall installed ahead of the start of interior studs and this subcontractor includes out of sequence work as required.
55. This subcontractor is to furnish and install the FMC Control Systems as furnished and installed by Y.E.M. This subcontractor includes coordination with the CO2 detectors and duct smoke detectors. Perform all control work for equipment supplied under the terms of this contract, including the furnishing and installation of all thermostats, controls, wiring, control wiring for a complete, operative system. Perform all wiring for controls not specifically assigned to the electrical subcontractor in the Contract Documents. Check out the operation of all controls to assure proper functioning regardless of who wired said controls. Power wiring to controls by others.

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56. This subcontractor has read and includes the requirements of and provisions for Specification section 15200 Sound and Vibration Control including but not limited to:
- Vibration isolators
 - Springs
 - Seismic Connections
 - Rubber or neoprene pads or shims at heat pumps
 - Vibration Control includes but is not limited to vertical heat pumps, outside air unit, duct furnace and suspended fans etc.
57. This subcontractor includes the requirements of Specification section 15300 – Pipe Cleaning Sterilization and Water Treatment including but not limited to:
- Furnish, install operate and remove a temporary pump as required to flow treatment solution through the HVAC piping systems.
 - Supervised around the clock operation of the pump
 - Installation and removal of strainers
 - Installation of bypass valves and cross over piping
 - Utilize owner's selected pipe cleaning solutions & contractor
 - Connection to existing systems after pipe cleaning is complete
 - Required Certification of all pipe cleaning
58. This subcontractor has read and includes the requirements of Specification section 15020 – Testing, Adjusting and Balancing including but not limited to:
- Test and Balance (TAB) work will be performed by an independent Test and Balance Contractor
 - Pre-TAB checklist will be prepared and reviewed by the independent Test and Balance Contractor and submitted to Erickson Construction project management office.
 - The independent Test and Balance Contractor will prepare and submit to Erickson Construction Certified Test and Balance Reports as well as field notes taken during the TAB procedure.
 - The HVAC subcontractor will provide specified air and water volumes at completion of the Test and Balance in accordance with Specification section 3.01B. Reductions in volume per "Industry Standards" are not permitted.
 - Final retention will not be released until the Test and Balance is complete and accepted by the Mechanical Engineer and the Owner.
59. This subcontractor to perform intermediate [REDACTED] and final testing of the HVAC system and submit test reports on forms signed by an authorized agent of the subcontractor. This includes duct pressurization tests, etc.
60. This subcontractor to test all piping in accordance with the Contract Documents. Pneumatic testing will only be permissible for piping in freezing weather that cannot be completely drained.
61. In all piping systems, this subcontractor provide methods, means, valves, stoppers, etc. for testing isolated areas as the progress of the job requires so other work on the job may proceed concurrently. This particularly applies to individual floors and areas of the building.
62. This subcontractor includes necessary preparations and adjustments for final acceptance of all systems, including startup of systems, as provided in the contract documents for final acceptance of the work.
- [REDACTED] This subcontractor shall test [REDACTED] with the Contract Documents. This subcontractor has read Erickson Construction LLC "SEDGEBROOK MEPS QUALITY CONTROL INITIATIVE" and includes all testing and requirements outlined in this document. [REDACTED]
64. Scope includes ASME certified welding and certification documents for all certified welders.

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65. Schedule:

- Foundation: Projected Start October 15, 2007
- Structural Steel Complete May 22, 2008
- Set Dectron Units April 25, 2008
- Start Install of HVAC hangars (prior to spray on Fire Proofing) June 10, 2008
- Start HVAC Rough-in June 26, 2008
- Start Hanging drywall July 30, 2008
- Start Painting drywall August 13, 2008
- Start Installing Acoustical Ceilings, August 21, 2008
- MEPS trim to start August 21, 2008
- Occupancy Inspections to Start January 15, 2009

66. Delivery of HVAC equipment:

Climate Master Heat Pumps

Dectron Unit

Set Cooling Tower

12 weeks from approval set in place by June 24, 2008

67. Subcontract Alternates:

Add to protect ductwork if installed prior to the building being dry add \$6,000.00

68. Hourly Rates:

Through May 31, 2008

	Straight Time	Over Time	Double Time
Pipe Fitter Foreman	\$ 98.41	\$ 136.05	\$ 173.70
Pipe Fitter Journeyman	\$ 94.83	\$ 130.68	\$ 166.53
Sheet Metal Foreman	\$ 99.12	\$ 135.69	\$ 172.26
Sheet Metal Journeyman	\$ 93.71	\$ 127.57	\$ 166.53

June 01, 2008 through May 31, 2009 – Westside Mechanical Inc. will provide updated hourly rates to Erickson Construction LLC. with substantiated documentation of labor rate changes upon completion of labor negotiations in June 2008.

69. This subcontractor is aware that the building will be occupied in a phased occupancy and will work with Erickson Construction, LLC and the Village of Lincolnshire to achieve this phased occupancy. This subcontractor is to have all valves and pipes labeled for these phased occupancy inspections.

70. This subcontractor includes all of the necessary equipment startups, witnessed by the owner's representatives. This subcontractor includes training of the Owner's Operations team in the use of all equipment installed under the scope of this subcontract. This training shall be video recorded by others for the owners use. This subcontractor is to have all system identification, as well as valves and pipes labeled for occupancy inspections. Four weeks prior to initial occupancy of the building, this subcontractor to submit all required accurate "As Built" Shop Drawings, operation & maintenance manuals to the Erickson Construction, LLC project management office. The value of the "As Built Drawings" and Owner Training shall be defined as a minimum of 4% of the contract value in the subcontractor's schedule of values, and shall not be billed for until these items are complete to the owner & architect's satisfaction. Retention will not be released prior the Architect's approval of these "As Built" drawings and close out documents. This subcontractor to provide all required system identification and marking.

71. This subcontractor is to have all valves and pipes labeled for occupancy inspections. Four weeks prior to the initial occupancy of the building, this subcontractor to submit all required accurate "As Built" Shop Drawings, operation & maintenance manuals to the Erickson Construction, LLC Project Management office.

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72. Prior to covering, or concealment, of wiring/conduit, the Subcontractor shall make or mark up accurate "as-built" drawings of the work and shall submit three (3) complete sets of the "as-built" drawings at the completion of the work.
73. Complete all necessary work and perform all tests and inspections required by the work, local governing authorities, and prevailing local building codes. All tests and inspections shall be completed on a timely basis so as to maintain the schedule and allow time for other subcontractors to perform their work and inspections on a timely basis.
74. Furnish and install all pipe, valve, and equipment identification as required by the Contract Documents.
75. Provide temporary filters and protection during construction. Monitor protection of equipment and install permanent filters when directed by the Contractor. Filters for air moving equipments; (1-set for construction use, 1-set provided at occupancy; total of 2-sets).
76. This subcontract does not include:
 - a. Dumpsters
 - b. Permit Fees
 - c. Temporary Heat
 - d. Furnish and install drip pans as indicated in the Contract Documents.
 - e. Furnish and install Architectural Louvers
 - f. Furnish and install kitchen hoods
 - g. Power wiring from VFD's to motors
 - h. Heat tracing (coordinate with Electrician)
 - i. Structural Support for Cooling Tower
77. This subcontractor includes Addendum #1 dated August 7, 2007 and Addendum #2 dated August 17, 2007.
78. This subcontractor includes all warranties and extended warranties listed in the Contract Documents.
79. This subcontractor includes all attic stock as listed in the Contract Documents.
80. This subcontractor includes Sales taxes
81. This subcontractor to include Full Performance & Payment Bond.

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General Scope

1. Subcontractors shall be responsible to review the drawings for ALL trades' work to determine the scope of work and necessary coordination for their package.
2. Subcontractors are made aware that time is of the essence. Should the Subcontractor fail to meet the project schedule, fail to provide sufficient labor force, or have late delivery of materials not caused by the Architect, Owner, or General Contractor, the Subcontractor will work all associated overtime to get back on schedule at no cost to the Architect, Owner, or General Contractor.
3. Construction entrance is at the north entrance to the campus using Riverside Road. **DO NOT USE THE MAIN COMMUNITY GATED ENTRANCE OFF MILWAUKEE AVENUE.** Additionally the Subcontractor will be responsible to make certain that all delivery trucks do not use the Community Entrance. The speed limit on all the Sedgebrook Community roadways is 15 miles per hour. This subcontractor is aware that Residents of the Sedgebrook Community may be encountered in traffic or as pedestrians and every care must be taken to minimize impact to the Residents. Each Subcontractor is responsible to make certain that all delivery trucks adhere to this requirement. Coordinate all deliveries with Erickson Construction superintendent.
4. This subcontractor understands all construction vehicles and employees must use the designated construction parking areas. This subcontractor will continuously reinforce this stipulation with their tradesmen.
5. This subcontractor is responsible for keeping all of its operations, storage, trailers, materials, etc. within designated staging areas. No equipment, materials, trailers, etc. can be stored outside the storage area without specific permission of Erickson Construction.
6. Where conflicts arise between these general notes and in the notes in the individual bid packages, the note in the best interests of the owner shall govern, as determined by the owner.
7. This Subcontractor is to provide temporary protection of existing construction and finishes as required to complete the work of their subcontract agreement. Ensure that materials and equipment stored inside the building do not damage the existing finishes and furnishings.
8. Cooperation with the Owner's testing agencies is required. Allow sufficient time to take tests and conduct inspections. Twenty-four (24) hour notice will be the minimum standard in notifying Erickson Construction, LLC and Testing Agency of required services. All testing services will be provided by the Owner.
9. Inspections may be required by the Illinois Department of Public Health, Village of Lincolnshire, Lincolnshire/Riverwoods Fire Department, Lake County Health Department, and any other governments having jurisdiction. Twenty-four (24) hour notice will be the minimum standard in notifying these organizations and Erickson Construction LLC that work is ready for inspection. Comply with all requirements and requests of the local governing authorities.
10. Adhere to and maintain at a minimum, the OSHA safety standards for the entire duration of the project. The Erickson Construction LLC safety program exceeds OSHA standards in some cases and shall be followed. This program is included in the Bid Documents Disc and is the minimum benchmark for safety. Subcontractors are to review and complete the Erickson Construction, LLC Subcontractor Safety Handbook prior to the start of any construction.
11. This Subcontractor shall be responsible for the repair of any damage to existing utilities and utility structures that are damaged as a result of their work.
12. This subcontractor must weigh or tie down all materials subject to high winds before leaving jobsite for the day, every day.

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13. This Subcontractor shall have a responsible representative attend the weekly construction coordination meeting held on site by Erickson Construction LLC. The meeting day and time will be determined at the Preconstruction Meeting. This meeting is mandatory for all Subcontractors on site. The responsible representative must be able to talk to the schedule, provide delivery dates, make decisions, and make commitments for their work and their Subcontractors work.
14. This subcontractor must clean work areas daily and place debris into dumpsters provided by Erickson Construction, LLC. Burning of debris of any kind will not be permitted. If any contractor fails to provide daily clean-up, Erickson Construction LLC will perform the clean-up. The negligent contractor will be charged the associated costs for the clean-up. Subcontractor includes daily cleanup of debris generated by this work, to dumpsters provided by Erickson Construction. Wash out, etc. should be placed in areas designated by Erickson Construction LLC. Removal of the wash out to dumpsters is included. This subcontractor is aware that the campus is in operation and will maintain a clean site through out the progress of their work. This subcontractor will continuously reinforce this stipulation with their tradesmen. Leaving trash in, or around the jobsite will not be tolerated.
15. Once Erickson Construction, LLC starts final cleaning of the building, Subcontractors who dirty the project will be responsible for all re-cleaning costs associated with their work.
16. Maintain streets and parking lots adjacent to the site in a clean and safe condition. Keep streets and parking lots free of dirt and debris. Each contractor shall be responsible for any and all street cleanup as required as a result of his work.
17. Subcontractors shall comply with the Village of Lincolnshire Noise Ordinances. This subcontractor is aware that no exterior construction work is to start before 7 a.m. This includes no machinery, such as cranes forklifts and boom-lifts starting up prior to 7 a.m. Work hours for all trades will only be permitted on Monday through Friday from 7 a.m. to 3:30 p.m. All Saturday, Sunday and work after 3:30 p.m. must be pre approved by Erickson Construction prior to the overtime work being preformed. Deliveries of material and equipment must comply with these scheduled work hours.
18. All Work to be performed while on the Sedgebrook Campus existing buildings and grounds shall:
 - a. Not create an unsafe condition
 - b. Maintain fire exiting from all buildings at all times
 - c. Not create excessive dust and/or noise
 - d. Be cleaned up at the end of the day
19. Subcontractor shall instruct his employees, each Sub-Subcontractor's employees, and all deliverymen to behave in a manner appropriate to the community environment. Language and/or action which might be considered offensive to the staff or residents will not be tolerated. The contractor shall take all possible measures to ensure that proper behavior is maintained.
20. Smoking and eating will not be permitted at any time in any Erickson Construction, LLC buildings under construction. Radio playing will not be permitted at any time. This includes personal stereo headphones.
21. All storage and handling of on-site materials must be coordinated and approved by Erickson Construction LLC All materials shall be set on cribbing so as not to expose the materials to mud, dirt, and debris. All material delivered to the site shall be protected from weather at all times and shall be received and stored at the jobsite in an approved manner as established by Erickson Construction. No storage facilities or watchmen will be provided by Erickson Construction LLC or Owner. Subcontractors are responsible for the protection, storage and security of their own materials and equipment.
22. Subcontractors are responsible for maintaining a record set of approved shop drawings which are to be turned over to Erickson Construction LLC a minimum of four (4) weeks prior to completion of the project. The Architect, Erickson Construction, LLC and Owner will NOT maintain the record set of shop drawings.

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23. Any subcontractor who disturbs the site fence is responsible for returning it to original or better than original condition. The site fence cannot be removed without prior permission from Erickson Construction LLC
24. The schedule provided in the Instruction to Bidders is preliminary. The dates are to be used as a guideline for bidding purposes and are subject to revisions as necessary to meet the project completion date and facilitate prompt enclosure of the building. This schedule is provided to demonstrate general flow and sequencing of activities for bidding purposes. Erickson Construction LLC reserves the right to adjust and/or change the start or completion dates at his discretion. The Subcontractors will work with Erickson Construction LLC to develop a detailed schedule coordinated with all trades to execute the work as promptly as possible. Provide equipment and manpower (multiple crews and premium time when necessary) to maintain the schedule.
25. When others provide materials or equipment for Subcontractor installation, the Subcontractor shall receive, unload, store inventory, protect, and install provided material or equipment in "new" condition. The receiving contractor shall note all shortages, damages, and irregularities on the original delivery receipt. Subcontractors will be held responsible for all shortages not documented on delivery.
26. The Continuation Sheet AIA Form G703, Schedule of Values shall list the following contract requirements and corresponding values:
 - a. Safety
 - b. Cleanup
 - c. Submittals - Complete
 - d. Mobilization / Demobilization
 - e. Insurance
 - f. Bonds
 - g. Closeout / Training
 - h. Overhead and Profit shall be included in each Line Item.
27. Provide the following items within twenty (20) business days of your Notice to Proceed:
 - a. List of Major Subcontractors and Suppliers
 - b. Payment & Performance Bond (for Subcontracts or Purchase Orders over \$500,000)
 - c. Certificate of Insurance
 - d. Erickson Construction, LLC Subcontractors Safety Handbook, signed by the subcontractor.
 - e. Project Safety Program Compliance Certification sheet signed
 - f. Subcontractors Project Specific Safety Program
 - g. MSDS and HazCom Program
 - h. Emergency Contact (s) and phone number (s) (24 hours a day)
 - i. Submittal Log
 - j. Schedule of Values
 - k. Detailed Schedule for Scope of Work
28. Any contractor working on the roof shall provide protection to prevent damage to that roof. Any contractor that damages the roof shall be responsible for repairing that damage.
29. If your work requires a shutdown or tie-in to any utilities or rerouting of vehicular or pedestrian traffic, then a preplanning meeting must be scheduled with Erickson Construction LLC. and Operations and take place at a minimum of one week prior to activity.
30. Subcontractors are responsible to protect their own work from damage.
31. See specifications for all mock-ups that are required. Coordinate with all associated Subcontractors for construction of mock-ups Coordinate locations of mock-ups with Erickson Construction LLC
32. This subcontractor has visited the jobsite and is aware of existing conditions that may affect the progress of work.

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33. This subcontractor is aware that more than one project is being constructed on this jobsite at one time and will coordinate his work with Erickson Construction, LLC.
34. Moving equipment from the Renaissance Gardens jobsite to the RB2.1 jobsite is not permitted without approval by Erickson Construction, LLC.
35. This Subcontract includes all labor escalations for the duration of the project. See Item #68 above for T & M rates.
36. This Subcontractor's daily reports to be turned in at the end of each work week to the Erickson Construction superintendent as required. Additionally, records of subcontractor's weekly safety meetings are to be turned in at the end of each work week to Erickson Construction, LLC project superintendent. Failure to comply with this requirement can result in holding up the subcontractor's monthly draw request. This subcontractor includes full time on site supervision.
37. Pre-installation conference meeting to be held with Erickson Construction prior to start of work.
38. Subcontractor's Application's for Payment are due to the Site Project Management Office no later than the 18th of each month.
39. A project "Two Week Look Ahead" schedule will be distributed at the Weekly Foreman's Meeting to all Subcontractors. If, due to the fault of the Subcontractor, Saturday work is required to make up time on this schedule, they will do so. Otherwise, Saturdays are to be makeup days for lost days during the week.
40. This subcontractor will submit itemized proposal for change order work whether costs are submitted prior to performing the work or the work is done on time and material basis. These itemized proposals will include adequate information on the cost of materials, labor, equipment, overhead, profit, bond cost, etc., so the change can be easily evaluated by the Contractor, Owner and Architect. Additionally these itemized proposals for change order work will be submitted to Erickson Construction, LLC in a timely manner. Extra work order tickets not signed by a representative of Erickson Construction, LLC in a timely manner will not be valid. This procedure is to be in accordance with the Subcontract Agreement paragraph 7.
41. This Subcontractor shall be responsible for all construction means, methods, techniques, sequences, procedures and coordination for all portions of their work, including safety under this agreement. This subcontractor is aware of the safety ticket program as follows: "This Subcontractor is to provide adequate and proper safety protection for its personnel and equipment and shall strictly comply with all the rules and regulations of the Federal Occupational Safety and Health Act, all other applicable health and safety laws and regulations, and of the Erickson Construction Safety Program. Hard hats, thick soled shoes (not sneakers), full length pants and shirts are to be worn by all personnel employed on the job by this Subcontractor at all times. Payments may be withheld in the form of fines for violations. Accidents to personnel of this Subcontractor, no matter how minor, will be promptly reported in detail to the Project Superintendent and/or site safety officer within twenty four (24) hours of the incident. Photographs must be taken by the Subcontractor of the accident location and copies of those and all applicable hospital reports must be submitted. Fines levied by Erickson Construction, LLC. Due to acts of this Subcontractor for failure to comply with the safety regulations and requirements of OSHA and all other applicable health and safety laws and regulations, will be paid by this Subcontractor or deducted from its Subcontract amount as described elsewhere in the Subcontract. This Subcontractor and its sub-subcontractors may be required to provide a copy of its Safety Program to the Project Superintendent prior to commencing work at the project site. No cost extras or time extensions will be recognized for failure to meet the requirement."
42. Subcontractors are aware of the storm water detention west of the jobsite. Subcontractors will take steps to not allow construction materials into the lake. Subcontractors' tradesmen will be made aware of the lake in the subcontractor's provided safety training. Additionally, subcontractors will not store any chemicals not in use on the jobsite to prevent spilling these chemicals into the storm water detention.

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- [REDACTED]
44. This Subcontractor is aware that each subcontractor has primary responsibility for quality control and will work with Erickson Construction, LLC, the Architect, Engineer, and Testing Agency to assure quality.
45. This subcontractor is aware that all submittals and invoices are to be sent to the Erickson Construction, LLC office at 20 Riverside Road, Lincolnshire, IL 60069.
46. This Subcontractor shall not install signs, or other advertising, on fencing or buildings around the project except those specifically required for safety or traffic purposes. Subcontractor is limited to one sign on their construction trailer; this sign shall be reasonably sized and shall not project above such trailer. Any and all signs are subject to Erickson Construction's approval.
47. This Subcontractor shall make all necessary arrangements and directly pay all costs related to repairs, rework, etc. caused by the subcontractor's work. Prior to any repairs, re-work, etc. being made on Subcontractor's behalf, Subcontractor shall be given 48 hours notice in writing to allow Subcontractor to witness alleged damages, and if in agreement as to his responsibility for such damages, to have the opportunity to effect such repairs himself, or have the opportunity to record work on his behalf for which he will be financially responsible. NOTE: 48 hours shall be construed to mean two working days, exclusive of weekends or holidays.
48. This subcontractor is to provide all required lifts, cranes, ladders, etc. for own work. Furnish all vertical and horizontal hoisting required for the entire HVAC installation. Erickson Construction will not provide a hoist on the building. This Subcontractor shall furnish labor and material and equipment to erect, dismantle and install any scaffold required to complete [REDACTED].
49. [REDACTED] in this subcontract.
50. This subcontractor includes all associated required Insurance with the additional insureds' listed below:
- Erickson Construction LLC, Erickson Retirement Communities LLC, Lincolnshire Campus LLC, Sedgebrook, Inc., and all subsidiary companies, members, directors, agents, officers, employees, and partners thereof
 - Sovereign Bank (Lender)
 - Wallace Roberts Todd, LLC. (Architects/Engineers)
 - Charles B. Tomlinson Jr. AIA (Architects/Engineers)
 - O'Donnell and Naccarato Engineers (Structural Engineer)
 - GHT Chartered (Mechanical Engineers)
 - V3 Consultants (Civil Engineer)
 - TVA Fire & Life Safety, Inc. (Fire Protection Consultant)

All additional Insureds must be listed on the Certificate of Liability Insurance.

All additional insureds must be listed on the required endorsement forms.

Coverage must be provided for ongoing and completed operations. Acceptable endorsement forms are the ISO CG2010 07-04 and ISO CG2037 07-04, or other forms that are equivalent in coverage to these.

Policy number must be listed on the endorsement forms.

Coverage must be provided on a primary and non-contributory basis regardless of other insurance purchased by additional insureds. Proof of primary and non-contributing coverage must be provided.

The certificate must include language to indicate that "These policies are not limited by residential construction exclusions regarding any and all work performed under the agreement."

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Erickson

construction, LLC

SEDGEBROOK MEPS QUALITY CONTROL INITIATIVE

It is the intent of Erickson Construction LLC at the Sedgebrook Campus to furnish and install the MEPS systems completely in accordance with the Contract Documents. This work is performed by subcontractors for Erickson Construction, LLC. Each subcontractor has the responsibility for Quality Control of their own work as well as coordination with other subcontractors. The Contract Documents including the Plans and Specifications and Subcontract agreement outline some specific Quality Control requirements but not necessarily all. Local Governing authorities such as Health Department, Building Department, Fire Department, etc. may have testing requirements that exceed those in the Contract Documents. The intent of this Quality Control Initiative is to highlight the most frequent Quality Control issues as experienced by Erickson Construction, LLC, and therefore not intended to be a complete Quality Control Manual. In addition to the Quality Control efforts by the Subcontractors and Erickson Construction LLC, Erickson Retirement Communities (Ownership) will employ Architects, Engineers Consultants, Inspectors, and staff to assure project Quality. These agents of the owner may also attend inspections and testing as required by Ownership.

GENERAL MEPS QUALITY CONTROL ISSUES:

Assure that all Materials and Equipment are installed in accordance with the Contract Documents as well as the Manufacturer's recommendations and requirements. When a conflict arises between the Contract Documents and the Manufacturer's recommendations and requirements, the installing subcontractor is to submit notice of this conflict to Erickson Construction in writing for review by the Architect, Engineer and Owner.

Assure that the subcontractor has included enough time in his schedule to perform at testing, flushing, start up, and balancing in accordance with Contract Documents, prior to turn over of the portions of the building utilizing completed systems. Several of these operations must be scheduled with and witnessed by Operations and video taped by Erickson Construction.

Assure that all backflow preventors have been tested and certified in accordance with the requirements of the local building and health departments and provide documentation of this certification to Erickson Construction LLC.

Assure that all floor and wall penetrations are fire caulked or fire stopped in accordance with the requirements of the local building and Fire Departments as well as the Contract Documents.

Assure that all subcontractors are performing required testing in accordance with the Contract Documents and Local Governing authorities (Village of Lincolnshire) requirements. Assure that Erickson Construction receives copies of all testing reports with in 24 hours of the testing.

The MEPS subcontractors are to submit detailed shop drawings for review by the Architect & Engineer. These subcontractors are aware of the need to perform all of the work under the scope of this subcontract per the Contract Documents including the Plans and Specifications. When submitting their shop drawings the subcontractor(s) are responsible to note any deviations from this requirement in writing to Erickson Construction, LLC with an explanation of said deviations. Errors by the subcontractor(s) on their shop drawings or submittals are the responsibility of the subcontractor(s). The MEPS subcontractor's submittals are to clearly describe where each product is to be utilized. Additionally the subcontractors are to submit all product data at one time to allow the Architect & Engineer to review all items together. The MEPS subcontractors are to submit product data for all items that are to be installed regardless of approval on previous projects. Failure to follow this procedure will not be cause to allow for schedule delay or added costs.

Assure that all items being installed have been submitted for this project and reviewed by the Architect/Engineer.

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Assure that all dissimilar metals are appropriately isolated from each other.

Assure that the subcontractors' foreman is maintaining as built drawings, and that copies of these drawings are being turned over to Erickson Construction on a floor by floor basis.

Assure that all MEPS items such as valves & panels are labeled prior to building occupancy inspections.

Assure that all MEPS subcontractors have coordinated with the other MEPS subcontractors. Assure that this coordination includes but is not limited to the following: Attendance and participation at required coordination meetings held by Erickson Construction, LLC.

Submittal of each of the MEPS subcontractors shop drawings including the Composite Bar Joists & Deck system. Sign off on the coordinated MEPS shop drawings and including the Composite Bar Joists & Deck system shop drawings.

The Composite Bar Joist & Deck System Material supplier will attend the MEPS coordination meetings and will adjust locations of bar joists with the MEPS subcontractors. The MEPS subcontractors are responsible for pipe adjustments & offsets associated with the bar joists. Erickson Construction LLC will not entertain change orders associated with bar joist coordination.

Assure that the MEPS subcontractors perform all of the necessary equipment startups, witnessed by the owner's representatives. MEPS subcontractors include training of the Owner's Operations team in the use of all equipment installed under the scope of their subcontract. This training shall be video recorded by Erickson Construction, LLC others for the owners use.

Assure that four weeks prior to initial occupancy of the building, the MEPS subcontractors submit all required accurate "As Built" Shop Drawings, Operation & Maintenance manuals to the Erickson Construction, LLC Project Management office.

The MEPS subcontractors have submitted detailed shop drawings for all equipment housekeeping and isolation pads. Assure that the equipment fits on the pad and that the pads do not cover the floor drains. Assure the pads are installed in accordance with the details shown on the Contract Documents. Concrete and steel angle are not by the MEPS subcontractors but should be inspected by them prior to equipment installation.

Testing of MEPS Systems not witnessed by representative of Erickson Construction or Erickson Retirement Communities, will not be accepted and need to be re-performed by the MEPS subcontractor.

Assure that all MEPS subcontractors involved in the Renaissance Gardens Project are aware that all facets of the MEPS work will be inspected by the Illinois Department of Public Health and incorporate IDPH requirements into their work.

HVAC DUCTWORK

1. Assure that the supply and discharge duct size to the heat pumps are in accordance with the Contract Documents.
2. Assure the sound lining is installed in accordance with Contract Documents.
3. Assure that the flex connections are installed with the Contract Documents.
4. Assure the vibration isolation is installed on the equipment (fans heat pumps, air handling equipment etc.) in accordance with the Contract Documents.
5. Assure that the turning vanes are installed on square elbows.
6. Assure that the duct installation does not prevent maintenance access to equipment (heat pumps VAV boxes, dampers, fire dampers, coils etc.).
7. Assure that there are filters installed in accordance with the Contract Documents, specifically specification section 158800. Assure that any temporary filters are removed and install clean final filters for occupancy. This change out must be witnessed by Erickson Construction, LLC. Assure that filters are easily accessed for replacement.

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8. Assure that the duct fittings square on both sides or curved on both sides.
9. Assure that all ducts are being sealed in accordance with the Contract Documents, specifically specification section 15840. Erickson Construction is to witness the duct pressure test performed by the HVAC subcontractor in accordance with the Contract Documents, specifically specification section 15840.
10. Assure that the duct openings are protected by the HVAC subcontractor during delivery, prior to and after installation. Assure that no debris are inside the duct at the time of MEPS trim. This includes bathroom and dryer vents on the exterior of the building.
11. Assure that the dryer exhaust ducts are installed in accordance with the Contract Documents. Do not allow the dryer exhaust ducts to be installed in un-approved locations such as the attic. Assure that the beam penetrations are in the proper locations prior to steel fireproofing.
12. Testing of HVAC systems not witnessed by representative of Erickson Construction, will not be accepted and need to be re-performed by the HVAC subcontractor.
13. Assure that the dryer vents are caulked to the drywall partitions as well as the masonry walls in accordance with the requirements of the local building and Fire Departments.
14. Assure that all fire dampers are accessible to Operations after the building is complete. Assure that testing of the fire dampers and resetting of the fusible links is possible through the access panels provided by the HVAC subcontractor.
15. Assure the fire dampers at the Apartment Heat Pumps are sized appropriately to allow for Operations to perform annual inspections.
16. Assure that the size of grilles and registers in the Apartment ceilings do not exceed the UL allowed size. Assure fire dampers are installed where required by the Contract Documents.

HVAC PIPING

1. Assure that the supply and return lines are not crossed and are installed in accordance with the Contract Documents.
2. Assure that the piping rough-in for the base board radiators are installed in accordance with the Contract Documents.
3. Assure that the piping of the heat pumps and the air handling units is installed in accordance with the details shown on the Contract Documents. Assure that the pipes are installed with a minimum 7'-0" clearance above finished floor. Assure that pipe installation does not prevent maintenance access to equipment.
4. Assure that the pipe cleaning/water treatment in the HVAC piping system has been performed by the HVAC subcontractor in accordance with the Contract Documents, specifically specification section 15300. Erickson Construction is to witness the commencement and completion of the water treatment operation performed by the HVAC subcontractor. This water treatment typically takes a minimum of 24 hour period, and the temporary pump must be monitored by the HVAC subcontractor continuously during that period.
5. Assure that all condensate lines are installed in accordance with the details shown on the Contract Documents. Note that the underground condensate lines may be installed by the Plumbing Subcontractor and must be inspected as well.
6. Assure that all the apartment unit heat pumps are installed on the rubber isolators and shimmed as required.
7. The HVAC subcontractor has submitted detailed shop drawings for all HVAC equipment housekeeping and isolation pads. Assure that the equipment fits on the pad and that the pad does not cover the floor drains. Assure that the isolation pads are installed in accordance with the details shown on the Contract Documents including the Regu Foam Pad and continuous perimeter angles (Regu Foam Pad and perimeter angles are installed by others but are to be inspected with this scope of work).
8. Assure that the split case or horizontal pumps are installed in accordance with the details shown on the Contract Documents and the Manufacturers recommendations
9. Assure that all future piping connections are installed in accordance with the Contract Documents.
10. Assure that the temporary strainers are installed and ultimately removed as required by the project schedule and pipe cleaning/water treatment.

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11. Assure that all air vents and drains are installed in accordance with the details shown on the Contract Documents.
12. Assure that all gages, thermometers, PT plugs etc., are installed in accordance with the details shown on the Contract Documents. Assure that these items are accessible for maintenance after turn over to Operations.

PIPING GENERAL

1. Assure that the installation of the hangars/supports are in accordance with the Contract Documents, specifically specification section 15080. The MEPS subcontractors have submitted detailed shop drawings as well as product data for all of the hangars/supports for the Architect/Engineer to review. Assure that the structure can support the piping and consult the Architect/Engineer to review this loading if necessary. Hangers in the corridors are to be welded to the CTFC structural angles in the composite deck
2. Assure the vibration isolators are installed in accordance with the details shown on the Contract Documents, specifically specification section 15200 and the Manufacturers recommendations.
3. Assure that the pipe insulation is installed in accordance with Contract Documents, specifically specification section 15250 and the Manufacturers recommendations. The pipe insulation is to be installed continuous through the inside of the hangar and through wall penetrations.
4. Assure that all copper pipe is appropriately isolated from all dissimilar metals with rubber isolation materials.
5. Assure that all flex connectors are made of reinforced spherical molded rubber in accordance with Contract Documents. Assure that these flex connectors are installed in accordance with Contract Documents.
6. Assure that all valves (including balancing valves) are accessible to operate. Assure that all valve drains are accessible and orientated to allow for pipe drainage.
7. Assure that all of the strainers have ball valves for blowing down and draining.
8. Assure that all of the equipment and PRV's are protected with strainers.
9. Assure that the installation of the Central Plant equipment and all MEPS systems are in accordance with the Contract Documents Manufacturers recommendations and approved shop drawings.
10. Assure that all equipment is piped in accordance with the Contract Documents Manufacturers recommendations and approved shop drawings.
11. Assure that Operations can access all the equipment for service.

PLUMBING

1. Assure that the hot and cold water lines are not crossed. Assure that each faucet is hot or cold as indicated on the Contract Documents.
2. Assure that the Holby Valve is installed in accordance with the Manufacturers recommendations. Assure that the Manufacturers recommendations are being started when starting up the valve.
3. Assure that the pipe insulation is installed in accordance with Contract Documents, specifically specification section 15250 and the Manufacturers recommendations. Assure that the pipe insulation is to be installed continuous through the inside of the hangar and through wall penetrations. Assure that the insulation is glued or taped per the Manufacturers recommendations to prevent air from contacting the pipe.
4. Assure that the water hammer arrestors/shock absorbers are furnished and installed in accordance with Contract Documents, specifically specification section 15050.
5. Assure that the installation of the recirculation pumps (including the pipe isolators) are in accordance with Contract Documents and the Manufacturers recommendations.
6. Assure that the pipe sizes are installed in accordance with Contract Documents.
7. Assure that prior to the connection of the building to the domestic water main the connections are chlorinated in accordance with the requirements of the local health departments as well as the Contract Documents. Provide documentation of this chlorination to Erickson Construction LLC.

Sub: Westside Mechanical, Inc.
Cost Code: 517BC10 - 48400-155000

8. Assure that flushing testing and sterilization of the domestic water lines has been performed in accordance with Contract Documents, specifically specification section 15300. Erickson Construction is to witness the sterilization of the domestic water lines and water sample taking performed by the Plumbing subcontractor. Testing is to be in accordance with the requirements of the local health departments as well as the Contract Documents. Provide documentation of this domestic water testing to Erickson Construction LLC.
9. Assure that all sanitary sewer and storm sewer lines (openings) are free from debris.
10. Assure the plumbing lines (water, waste & vent) are supported and isolated as necessary to prevent sagging or deflection.
11. Assure that all clean outs and valves are accessible to Operations.
12. Assure that the hot water boilers and tanks have been certified as required by local building and health departments as well as the Contract Documents.
13. Assure that all underground plumbing has been installed at correct (or minimum) depths and backfilled with compacted granular fill.

FIRE SPRINKLER SYSTEM

1. Assure that a fire pump test has been performed in accordance with the requirements of the local building and Fire Departments. Provide documentation of this Fire Pump Test to Erickson Construction LLC. Erickson Construction is to witness the Fire Pump test performed by the Fire Sprinkler subcontractor.
2. Assure that vibration isolation has been installed in accordance with Contract Documents.
3. Assure the Attic Dry Sprinkler System has been pre-tested prior to Fire Department testing. Erickson Construction is to witness the Attic Dry Sprinkler System pre-test performed by the Fire Sprinkler subcontractor. This test when successful will be repeated for the Lincolnshire/Riverwoods Fire Department. This test is performed with the Fire Alarm subcontractor.
4. Assure the Fire Sprinkler System has been pre-tested prior to Fire Department testing. Erickson Construction is to witness the Fire Sprinkler System pre-test performed by the Fire Sprinkler subcontractor. This test when successful will be repeated for the Lincolnshire/Riverwoods Fire Department. This test is performed with the Fire Alarm subcontractor.

ELECTRICAL SYSTEMS

1. Assure the Electrical subcontractor has submitted shop drawings which include detailed, fully dimensioned electrical cabinets located as located on the plans. The electrical subcontractor is to verify these units fit within wall space as located on plans. Assure that the electrical panel height is per local building codes as well as the Contract Documents.
2. Assure that the electrical equipment is protected from the weather prior to and after installation.
3. Existing Generator - Assure that Generator Tests have been performed in accordance with the requirements of the local building and Fire Departments. Provide documentation of these Generator Tests to Erickson Construction LLC. Erickson Construction is to witness the Generator Tests performed by the Electrical Subcontractor, with Operations. . Provide documentation of this Generator testing to Erickson Construction LLC.
4. New Generator - Assure that the Generator and the Switch Gear are installed accordance with Contract Documents and the Manufacturers recommendations. Assure the Generator and Switch Gear are tested as outlined above. Provide documentation of this Generator testing to Erickson Construction LLC.
5. Assure that the Switch Gear are installed accordance with Contract Documents and the Manufacturers recommendations. Assure the Switch Gear are tested by the electrical Contractor. . Provide documentation of this Generator testing to Erickson Construction LLC.
6. Assure that all electrical outlets in demising partitions have putty packs installed in accordance with the requirements of the local building and Fire Departments.
7. Assure that the exterior lights are connected to the building automation system and working in accordance with Contract Documents.

Sub: Westside Mechanical, Inc.
Cost Code: 517EC10 - 48400-155000

8. Assure that all switches and outlets are installed in accordance with Contract Documents, including a plumb and flush installation. Assure that all outlets are above (or below) the cabinets, counter tops vanities, sink tops, medicine cabinets etc. Assure that the routing of the MC cable to electrical boxes does not interfere with the installation of medicine cabinets, plumbers gray boxes, thermostats, access panels, etc.
9. Assure that all panel identification is installed in accordance with Contract Documents prior to building occupancy inspections.
10. Assure that all electrical boxes installed in masonry and EIFS are installed securely so that they do not fall out.
11. Assure that all ceiling outlets are secured for the load of a chandelier or ceiling fan.
12. Assure that all electrical systems including low voltage systems have been tested and that documentation of this testing has be provide to Erickson Construction.
13. Assure that the Fire Alarm System has been pre-tested prior to Fire Department testing. Erickson Construction is to witness the Fire Alarm System pre-test performed by the Electrical Subcontractor. This test when successful will be repeated for the Lincolnshire/Riverwoods Fire Department. This test is performed with the Fire Sprinkler subcontractor. This test may be repeated on a floor by floor basis as the occupancy of the building is phased by floor(s).
14. Assure that the Fire Alarm System is coordinated with the HVAC system so that all automatic shut downs and damper closures work with the fire Alarm panel. This includes Heat Detection, Carbon Dioxide Detection and Smoke Detection.
15. Assure that the E-call system is installed and tested in accordance with the with Contract Documents. Provide documentation of this E-call System domestic water testing to Erickson Construction LLC.
16. Assure proper operation of the Oil Minder Sump Pump furnished and installed by the plumbing contractor.
17. Assure that the elevator shunt trip is operational and the elevators operate on Generator Power and Battery Back up.

Quality Control Initiative Plan Program

EXPECT WHAT YOU INSPECT

**SUBCONTRACTOR'S SUPPLEMENTAL 770 ILCS 60/21, 60/24 & 60/28
NOTICE OF CLAIM FOR MECHANICS LIEN**

**BY CERTIFIED MAIL, RETURN RECEIPT
REQUESTED, RESTRICTED DELIVERY,
BY FEDERAL EXPRESS AND REGULAR MAIL**

To:

Owner and Lessor:

Lincolnshire Campus, LLC
c/o C T Corporation System
208 South LaSalle Street, Suite 814
Chicago, Illinois 60604
Attn: Registered Agent

Lincolnshire Campus, LLC
701 Maiden Choice Lane
Baltimore, Maryland 21228
Attn: Michael J. Erickson, Registered Agent

Developer:

Erickson Retirement Communities, LLC
c/o C T Corporation System
208 South LaSalle Street, Suite 814
Chicago, Illinois 60604
Attn: Registered Agent

Erickson Retirement Communities, LLC
701 Maiden Choice Lane
Baltimore, Maryland 21228
Attn: Gerald F. Doherty, Executive Vice
President, General Counsel and Secretary

Lender:

✓ Illinois Finance Authority
180 North Stetson Avenue
Chicago, IL 60601
Attn: John B. Filan, Executive Director

General Contractor:

Erickson Construction, LLC
c/o C T Corporation System
208 South LaSalle Street, Suite 814
Chicago, Illinois 60604
Attn: Registered Agent

Erickson Construction, LLC
701 Maiden Choice Lane
Baltimore, Maryland 21228
Attn: David Tague, Vice President

Lender:

Manufacturers and Traders Trust Company,
as Bond Trustee
25 South Charles Street, 22nd Floor
Baltimore, Maryland 21201
Attn: Ralph V. Partlow, III

Lessee, Lender, Operator and Optionee:
Sedgebrook, Inc.
c/o C T Corporation System
208 South LaSalle Street, Suite 814
Chicago, Illinois 60604
Attn: Registered Agent

Sedgebrook, Inc.
701 Maiden Choice Lane
Baltimore, Maryland 21228
Attn: Ronald E. Walker, President



PLEASE TAKE NOTICE:

1. Westside Mechanical Group, Inc. f/k/a Westside Mechanical, Inc. ("Westside"), an Illinois corporation with an office at 2007 Corporate Lane, Naperville, Illinois, was a subcontractor to the prime contractor, Erickson Construction, LLC ("Erickson" or the "Prime Contractor"), on a project commonly known as the Sedgebrook Renaissance Gardens 1.0, being part of a project known as Sedgebrook, Inc. (a retirement community), in Lincolnshire, Illinois (the "Project"). The Project has a street address of 800 Audubon Way, and possibly other addresses, Lincolnshire, Illinois.

2. On information and belief, Erickson entered into a contract (the "Prime Contract") with Lincolnshire Campus, LLC ("Owner"), Owner's agent, or one authorized or knowingly permitted to contract for improvement of the Real Estate as described below to construct the Project.

3. Westside entered into a written subcontract (the "Westside Subcontract") with Erickson. Pursuant to the Westside Subcontract, Westside provided labor, materials and equipment for the heating, ventilation, air conditioning and related work for the Project, as more fully described in the Subcontract.

4. The Prime Contract and the Westside Subcontract are for construction on the real estate, which real estate including all land and improvements thereon (the "Real Estate") in Lake County, Illinois is commonly known as the Sedgebrook Renaissance Gardens 1.0, being part of a project known as Sedgebrook, Inc. (a retirement community), at 800 Audubon Way, and possibly other addresses, Lincolnshire, Illinois, and legally described as follows:

Lot 1 in Sedgebrook Subdivision, being a subdivision of part of the Southwest 1/4 of Section 22 and of the Southwest 1/4 of Section 23 and of the Northwest 1/4 of Section 26 and of the Northeast 1/4 of Section 27, all in Township 43 North, Range 11 East of the Third Principal Meridian, Lake County, Illinois, according to the Plat thereof recorded October 5, 2005 as document number 5870940.

The Permanent Real Estate Tax Numbers of the Real Estate are: 15-23-302-001 and 15-22-406-001.

A copy of the Plat is attached as Exhibit A.

5. The Westside Subcontract was for an original subcontract price of \$3,840,000 subject to increase for changed or extra work.

6. There is presently due to Westside, after allowing all credits, the principal amount of \$498,569.60, with interest, for which Westside claims a lien (a) against the Real Estate, (b) against the interest(s) of Owner, (c) against the interest of any person claiming an interest in the Real Estate by, through, or under Owner, (d) against the Prime Contractor, and (e) against the monies or other consideration due or to become due from Owner to Erickson, together with interest.

7. All of the labor, materials, equipment and work performed by Westside was performed and furnished with the knowledge and consent of Owner, Lincolnshire Campus, LLC, and Owner knowingly permitted Erickson and Erickson's subcontractors to enter into contracts for the improvement of the Real Estate, including the Westside Subcontract. Erickson's Prime Contract with the Owner and Erickson's subcontract with Westside were for the improvement of the Real Estate.

8. The last work and materials for which Westside claims a mechanics lien was provided on May 7, 2009.

9. Westside hereby revokes any waiver of rights given in advance of payment for which payment was not made.

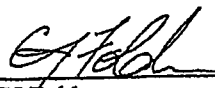
10. This Supplemental Notice supplements the Subcontractor's Notice of Claim for Mechanics Lien dated July 17, 2009 and previously served upon you. Except for the additional information regarding the claimant's corporate name, the July 17, 2009 Subcontractor's Notice of Claim for Mechanics Lien remains in full force and effect.

NOTICE TO OWNER

**DO NOT PAY ERICKSON CONSTRUCTION, LLC FOR WORK OR MATERIALS
DELIVERED UNLESS YOU HAVE RECEIVED SATISFACTORY EVIDENCE OF
PAYMENT TO WESTSIDE MECHANICAL GROUP, INC.**

Date: July 23, 2009.

WESTSIDE MECHANICAL GROUP, INC.

By: 
CJ Folden
Chief Financial Officer

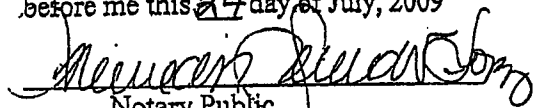
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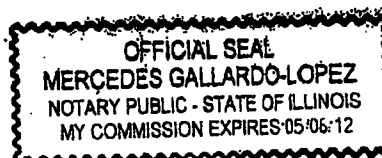
STATE OF ILLINOIS)
)SS
COUNTY OF COOK)

I, Edward B. Keidan, an attorney, being first duly sworn, on oath, deposes and state that on July 24, 2009, I caused to be served the attached Subcontractor's Supplemental Section 21, 24 & 28 Notice of Claim for Mechanics Lien by sending a duplicate original thereof to each person and entity listed on the Notice by certified mail, return receipt requested, and delivery limited to addressee only, by federal express and by regular mail.

By: 
Edward B. Keidan

SUBSCRIBED AND SWORN TO
before me this 24 day of July, 2009

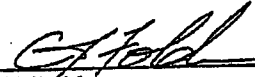

Notary Public



AFFIDAVIT

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, CJ Folden, being first duly sworn on oath, depose and state that I am Chief Financial Officer of Westside Mechanical Group, Inc. f/ka/ Westside Mechanical, Inc., am authorized as agent to execute this Subcontractor's Supplemental 770 ILCS 60/21, 770 ILCS 60/24, and 770 ILCS 60/28 Notice of Claim for Mechanics Lien, that I have read the foregoing Subcontractor's Supplemental 770 ILCS 60/21, 770 ILCS 60/24, and 770 ILCS 60/28 Notice of Claim for Mechanics Lien and know the contents thereof, and that the statements of fact contained therein are true.

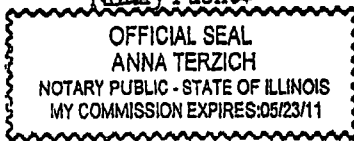


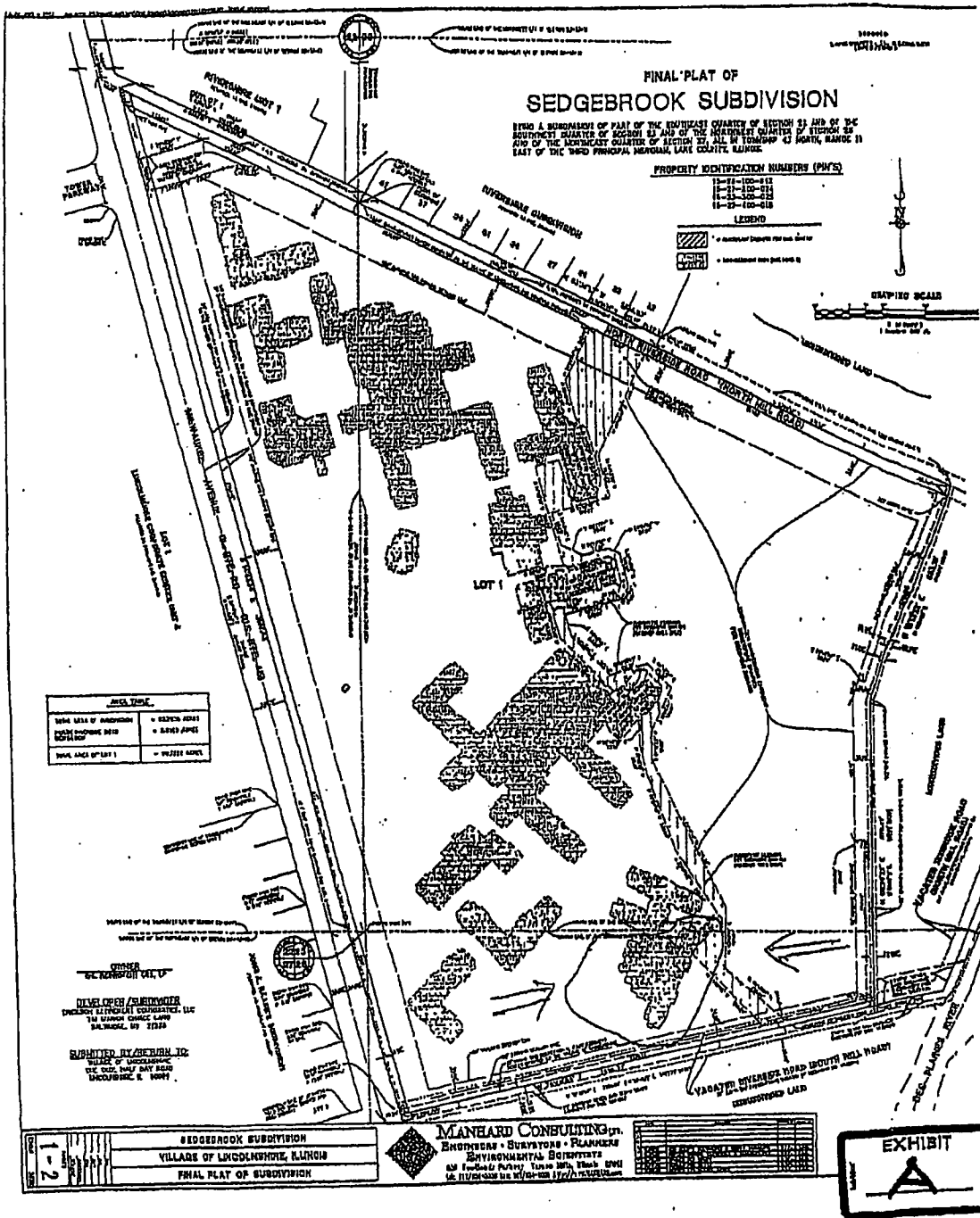
CJ Folden

SUBSCRIBED AND SWORN TO
before me this 23rd day of July, 2009.



Notary Public





**SUBCONTRACTOR'S 770 ILCS 60/21, 60/24 & 60/28
NOTICE OF CLAIM FOR MECHANICS LIEN**

**BY CERTIFIED MAIL, RETURN RECEIPT
REQUESTED, RESTRICTED DELIVERY,
BY FEDERAL EXPRESS AND REGULAR MAIL**

To:

Owner and Lessor:

Lincolnshire Campus, LLC
c/o C T Corporation System
208 South LaSalle Street, Suite 814
Chicago, Illinois 60604
Attn: Registered Agent

Lincolnshire Campus, LLC
701 Maiden Choice Lane
Baltimore, Maryland 21228
Attn: Michael J. Erickson, Registered Agent

Developer:

Erickson Retirement Communities, LLC
c/o C T Corporation System
208 South LaSalle Street, Suite 814
Chicago, Illinois 60604
Attn: Registered Agent

Erickson Retirement Communities, LLC
701 Maiden Choice Lane
Baltimore, Maryland 21228
Attn: Gerald F. Doherty, Executive Vice
President, General Counsel and Secretary

Lender:

Illinois Finance Authority
180 North Stetson Avenue
Chicago, IL 60601
Attn: John B. Filan, Executive Director

General Contractor:

Erickson Construction, LLC
c/o C T Corporation System
208 South LaSalle Street, Suite 814
Chicago, Illinois 60604
Attn: Registered Agent

Erickson Construction, LLC
701 Maiden Choice Lane
Baltimore, Maryland 21228
Attn: David Tague, Vice President

Lender:

Manufacturers and Traders Trust Company,
as Bond Trustee
25 South Charles Street, 22nd Floor
Baltimore, Maryland 21201
Attn: Ralph V. Partlow, III

Lessee, Lender, Operator and Optionee:

Sedgebrook, Inc.
c/o C T Corporation System
208 South LaSalle Street, Suite 814
Chicago, Illinois 60604
Attn: Registered Agent

Sedgebrook, Inc.
701 Maiden Choice Lane
Baltimore, Maryland 21228
Attn: Ronald E. Walker, President

PLEASE TAKE NOTICE:

1. Westside Mechanical, Inc. ("Westside"), an Illinois corporation with an office at 2007 Corporate Lane, Naperville, Illinois, was a subcontractor to the prime contractor, Erickson Construction, LLC ("Erickson" or the "Prime Contractor"), on a project commonly known as the Sedgebrook Renaissance Gardens 1.0, being part of a project known as Sedgebrook, Inc. (a retirement community), in Lincolnshire, Illinois (the "Project"). The Project has a street address of 800 Audubon Way, and possibly other addresses, Lincolnshire, Illinois.

2. On information and belief, Erickson entered into a contract (the "Prime Contract") with Lincolnshire Campus, LLC ("Owner"), Owner's agent, or one authorized or knowingly permitted to contract for improvement of the Real Estate as described below to construct the Project.

3. Westside entered into a written subcontract (the "Westside Subcontract") with Erickson. Pursuant to the Westside Subcontract, Westside provided labor, materials and equipment for the heating, ventilation, air conditioning and related work for the Project, as more fully described in the Subcontract.

4. The Prime Contract and the Westside Subcontract are for construction on the real estate, which real estate including all land and improvements thereon (the "Real Estate") in Lake County, Illinois is commonly known as the Sedgebrook Renaissance Gardens 1.0, being part of a project known as Sedgebrook, Inc. (a retirement community), at 800 Audubon Way, and possibly other addresses, Lincolnshire, Illinois, and legally described as follows:

Lot 1 in Sedgebrook Subdivision, being a subdivision of part of the Southwest 1/4 of Section 22 and of the Southwest 1/4 of Section 23 and of the Northwest 1/4 of Section 26 and of the Northeast 1/4 of Section 27, all in Township 43 North, Range 11 East of the Third Principal Meridian, Lake County, Illinois, according to the Plat thereof recorded October 5, 2005 as document number 5870940.

The Permanent Real Estate Tax Numbers of the Real Estate are: 15-23-302-001 and 15-22-406-001.

A copy of the Plat is attached as Exhibit A.

5. The Westside Subcontract was for an original subcontract price of \$3,840,000 subject to increase for changed or extra work.

6. There is presently due to Westside, after allowing all credits, the principal amount of \$498,569.60, with interest, for which Westside claims a lien (a) against the Real Estate, (b) against the interest(s) of Owner, (c) against the interest of any person claiming an interest in the Real Estate by, through, or under Owner, (d) against the Prime Contractor, and (e) against the monies or other consideration due or to become due from Owner to Erickson, together with interest.

7. All of the labor, materials, equipment and work performed by Westside was performed and furnished with the knowledge and consent of Owner, Lincolnshire Campus, LLC, and Owner knowingly permitted Erickson and Erickson's subcontractors to enter into contracts for the improvement of the Real Estate, including the Westside Subcontract. Erickson's Prime Contract with the Owner and Erickson's subcontract with Westside were for the improvement of the Real Estate.

8. The last work and materials for which Westside claims a mechanics lien was provided on May 7, 2009.

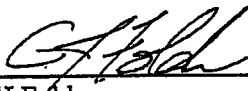
9. Westside hereby revokes any waiver of rights given in advance of payment for which payment was not made.

NOTICE TO OWNER

**DO NOT PAY ERICKSON CONSTRUCTION, LLC FOR WORK OR MATERIALS
DELIVERED UNLESS YOU HAVE RECEIVED SATISFACTORY EVIDENCE OF
PAYMENT TO WESTSIDE MECHANICAL, INC.**

Date: July 17th, 2009.

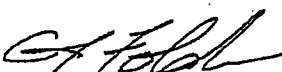
WESTSIDE MECHANICAL, INC.

By: 
CJ Folden
Chief Financial Officer

AFFIDAVIT

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

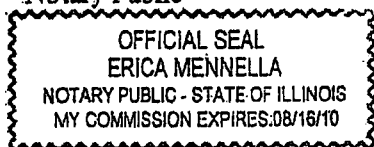
I, CJ Folden, being first duly sworn on oath, depose and state that I am Chief Financial Officer of Westside Mechanical, Inc., am authorized as agent to execute this Subcontractor's 770 ILCS 60/21, 770 ILCS 60/24, and 770 ILCS 60/28 Notice of Claim for Mechanics Lien, that I have read the foregoing Subcontractor's 770 ILCS 60/21, 770 ILCS 60/24, and 770 ILCS 60/28 Notice of Claim for Mechanics Lien and know the contents thereof, and that the statements of fact contained therein are true.


CJ Folden

SUBSCRIBED AND SWORN TO
before me this 17 day of July, 2009.



Notary Public



AFFIDAVIT

STATE OF ILLINOIS)
)SS
COUNTY OF COOK)

I, Edward B. Keidan, an attorney, being first duly sworn, on oath, deposes and state that on July 17, 2009, I caused to be served the attached Subcontractor's Section 21, 24 & 28 Notice of Claim for Mechanics Lien by sending a duplicate original thereof to each person and entity listed on the Notice by certified mail, return receipt requested, and delivery limited to addressee only, by federal express and by regular mail.

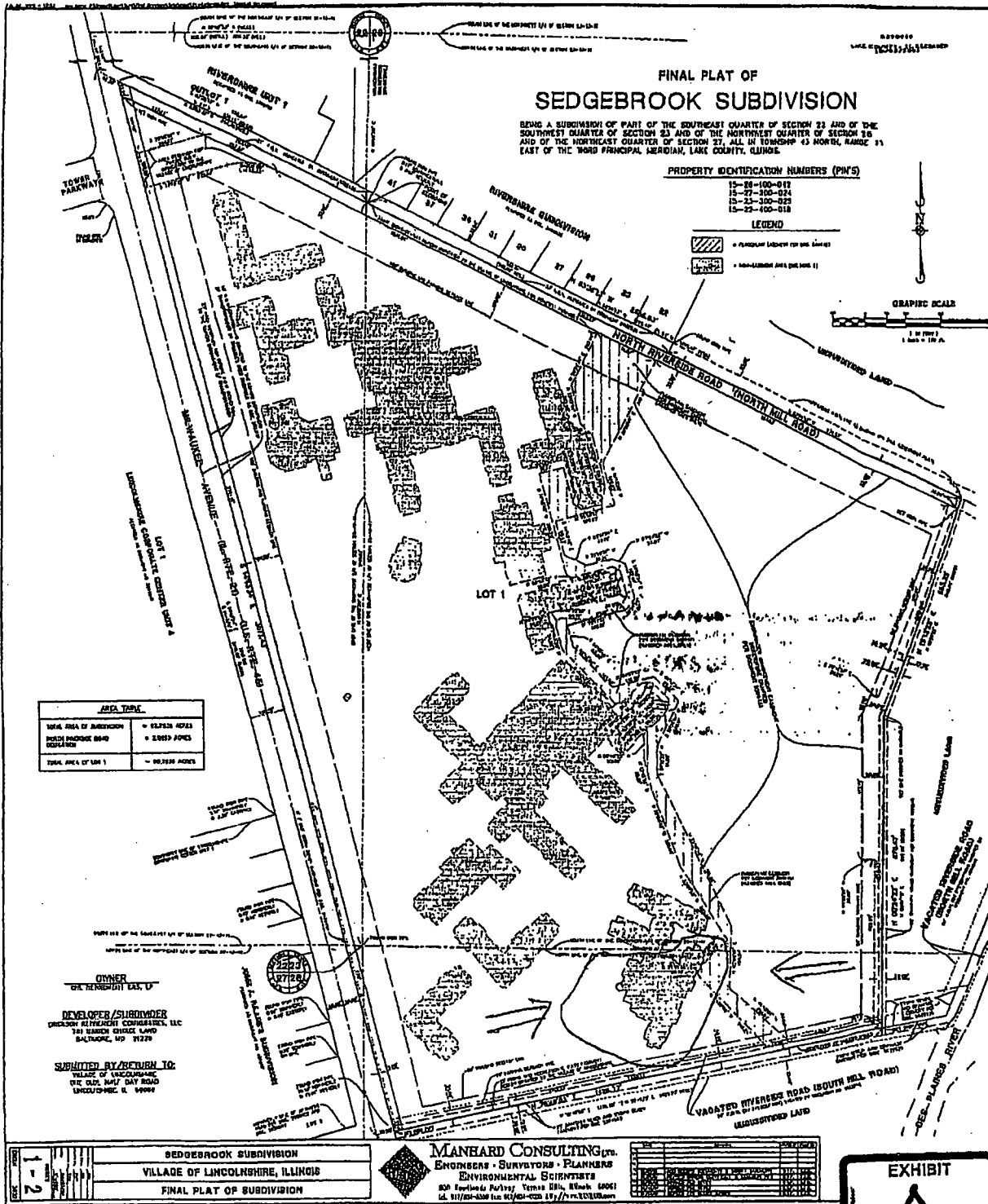
By: EBK
Edward B. Keidan

SUBSCRIBED AND SWORN TO
before me this 17 day of July, 2009

Mercades Gallardo-Lopez
Notary Public



5870940 10-5-05



COPY

THIS INSTRUMENT WAS PREPARED BY
AND AFTER RECORDING SHOULD BE
RETURNED TO:

Edward B. Keidan
Conway & Mrowiec
20 South Clark Street, Suite 1000
Chicago, Illinois 60603
(312) 658-1100

Image# 045100860006 Type: LNM
Recorded: 08/04/2009 at 10:36:39 AM
Receipt#: 2009-00037036
Total Amt: \$41.00 Page 1 of 6
IL Rental Housing Fund: \$10.00
Lake County IL Recorder
Mary Ellen Vanderventer Recorder
File 6506700

SUBCONTRACTOR'S CLAIM FOR MECHANICS LIEN

STATE OF ILLINOIS

)
) SS.
)

COUNTY OF COOK

The claimant, Westside Mechanical Group, Inc. f/k/a Westside Mechanical, Inc. ("Westside"), an Illinois corporation with offices at 2007 Corporate Lane, Naperville, Illinois 60563, hereby files its Subcontractor's Claim for Mechanics Lien and claims a mechanics lien (a) against the Real Estate (as hereinafter described), (b) against the interest(s) of Lincolnshire Campus, LLC (the "Owner"), with an address at 701 Maiden Choice Lane, Baltimore, Maryland, in the Real Estate, (c) against the interest(s) of Erickson Retirement Communities, LLC ("Developer"), with an address at 701 Maiden Choice Lane, Baltimore, Maryland, in the Real Estate, (d) against the interest(s) of Sedgebrook, Inc. ("Operator"), with an address at 701 Maiden Choice Lane, Baltimore, Maryland, in the Real Estate, (e) against the interest of any person claiming an interest in the Real Estate by, through, or under Owner, Developer and Operator, (f) against the prime contractor, Erickson Construction, LLC ("Erickson" or "Prime Contractor"), with an address at 701 Maiden Choice Lane, Baltimore, Maryland, and (g) against the monies or other consideration due or to become due from Owner and/or Developer and/or Operator to Prime Contractor under any contract between Owner and/or Developer and/or Operator and Prime Contractor relating to the Project (as hereinafter described), all as more fully stated below.

Westside states:

Pin Numbers: 15-23-302-001 and 15-22-406-001

Address: 800 Audubon Way, and other addresses, Lincolnshire, Illinois

EXHIBIT

C

1. Westside, 2007 Corporate Lane, Naperville, Illinois, 60563, was a subcontractor to the Prime Contractor on a project commonly known as the Sedgebrook Renaissance Gardens 1.0, being part of a project known as Sedgebrook, Inc. (a retirement community), in Lincolnshire, Illinois (the "Project"). The Project has a street address of 800 Audubon Way, and other addresses, Lincolnshire, Illinois. Prime Contractor was the original contractor for the construction of the Project under Prime Contractor's Prime Contract.

2. Westside, pursuant to a written agreement with Prime Contractor dated as of February 1, 2008 (the "Westside Subcontract"), provided labor, materials and equipment for the HVAC portion of Prime Contractor's prime contract for the Project, as more fully described in the Westside Subcontract.

3. Since at least August 17, 2007, Owner has owned interest(s) as fee simple owner, and possibly otherwise, in the real estate, including all land and improvements thereon (the "Real Estate") commonly known as 800 Audubon Way and other addresses, Lincolnshire, in Lake County, Illinois, legally described as follows:

Lot 1 in Sedgebrook Subdivision, being a subdivision of part of the Southwest 1/4 of Section 22 and of the Southwest 1/4 of Section 23 and of the Northwest 1/4 of Section 26 and of the Northeast 1/4 of Section 27, all in Township 43 North, Range 11 East of the Third Principal Meridian, Lake County, Illinois, according to the Plat thereof recorded October 5, 2005 as document number 5870940.

The permanent Real Estate Tax Numbers of the Real Estate are: 15-23-302-001 and 15-22-406-001.

A copy of the Plat is attached as Exhibit A, indicating the location of the Project.

4. The original Westside subcontract amount was \$3,840,000 subject to increase for changed or extra work. The Subcontract Sum, adjusted for additional work and changes, is \$4,020,977.

5. At Prime Contractor's special instance and request, Westside performed additional and changed work to the extent and value of \$180,977.

6. There is presently due to Westside, after allowing all credits, the principal amount of \$498,569.60 for which, with interest, Westside, claims a lien.

Pin Number: 15-23-302-001 and 15-22-406-001

Address: 800 Audubon Way, and other addresses, Lincolnshire, Illinois

7. All of the labor, materials, equipment and work performed by Westside was performed and furnished with the knowledge and consent of Owner, Developer and Operator, and Owner, Developer and Operator knowingly permitted Prime Contractor and Prime Contractor's subcontractors to enter into contracts for the improvement of the Real Estate, including the Westside Subcontract. Prime Contractor's prime contract with Owner and/or Developer and/or Operator and Prime Contractor's subcontract with Westside were for the improvement of the Real Estate.

8. Westside last performed its work under the Westside Subcontract on May 7, 2009.

9. Westside hereby revokes any waiver of rights given in advance of payment for which payment was not made.

10. Westside claims a lien in the total principal amount of \$498,569.60 together with interest at the statutory rate of ten percent (10%) per annum (a) against the Real Estate, (b) against the interest(s) of Owner in the Real Estate, (c) against the interest(s) of Developer in the Real Estate, (d) against the interest(s) of Operator in the Real Estate, (e) against the interest of any person claiming an interest in the Real Estate by, through, or under Owner, Developer and Operator, (f) against Prime Contractor, and (g) against the monies or other consideration due or to become due from Owner and/or Developer and/or Operator to Prime Contractor under any contract between Owner and/or Developer and/or Operator and Prime Contractor relating to the Project.

Pin Number: 15-23-302-001 and 15-22-406-001

Address: 800 Audubon Way, and other addresses, Lincolnshire, Illinois

Dated: July 27, 2009.

WESTSIDE MECHANICAL GROUP, INC.

By: CJ Folden
CJ Folden
Chief Financial Officer

THIS INSTRUMENT WAS PREPARED BY
AND AFTER RECORDING SHOULD BE
RETURNED TO:

Edward B. Keidan
Conway & Mirowiec
20 South Clark Street, Suite 1000
Chicago, Illinois 60603
(312) 658-1100

Pin Number: 15-23-302-001 and 15-22-406-001
Address: 800 Audubon Way, and other addresses, Lincolnshire, Illinois

AFFIDAVIT

STATE OF ILLINOIS

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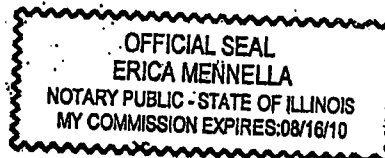
COUNTY OF COOK

I, CJ Folden, being first duly sworn on oath, depose and state that I am Chief Financial Officer of Westside Mechanical Group, Inc., am authorized as agent to execute this Subcontractor's Claim for Mechanics Lien, that I have read the foregoing Subcontractor's Claim for Mechanics Lien and know the contents thereof, and that the statements of fact contained therein are true.

CJ Folden
CJ Folden

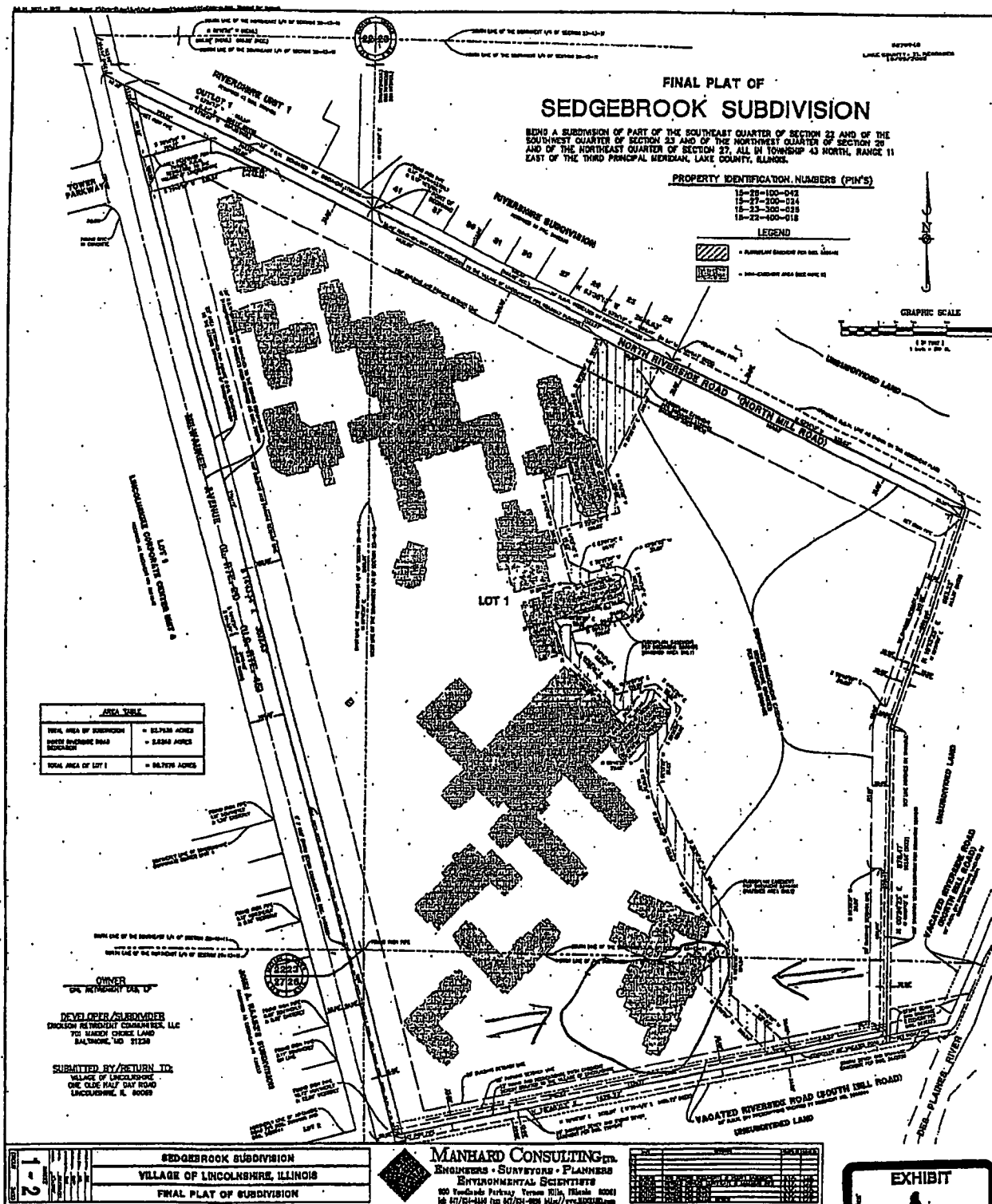
SUBSCRIBED AND SWORN TO
before me this 29th day of July, 2009.

Erica Mennella
Notary Public



Pin Number: 15-23-302-001 and 15-22-406-001
Address: 800 Audubon Way, and other addresses, Lincolnshire, Illinois

5870940 10-5-05



Contract Number: 006

Sub: Westside Mechanical, Inc.
Post Code: 517-RB1.4-48400-15-5000

SUBCONTRACT BETWEEN CONTRACTOR AND SUBCONTRACTOR

THIS SUBCONTRACT BETWEEN CONTRACTOR AND SUBCONTRACTOR (this "Agreement") is made as of 9/28/2005 by and between ERICKSON CONSTRUCTION, LLC (the "Contractor"), having an address of 703 Maiden Choice Road, Baltimore, Maryland 21228, Attn: Storm Harper; and Westside Mechanical, Inc. (the "Subcontractor"), having an address of 2007 Corporate Lane, Naperville, IL, 60563.

RECITALS

A. The Contractor has made a contract for construction dated as of (the "Prime Contract") with Lincolnshire Campus, LLC (the "Owner"), having an address of 701 Maiden Choice Lane, Baltimore, Maryland 21228. A copy of the Prime Contract containing all provisions applicable to Subcontractor shall be made available to the Subcontractor, upon request, in Contractor's general offices.

B. The Prime Contract is for the provision of labor, materials and services in connection with the construction of Sedgebrook Residential Building 1.4, 50 Riverside Road, being part of a project known as Sedgebrook, Inc., located in Lincolnshire, Illinois (the "Project").

C. The Architect for the Work (as such term is defined in Section 2.1 below) is Nordstrom Samson Associates (the "Architect"), having an address of 23761 Research Drive, Farmington Hills, MI, 48335.

D. The Developer of the Project is Erickson Retirement Communities, LLC (the "Developer"), having an address of 701 Maiden Choice Lane, Baltimore, Maryland 21228.

E. The Operator of the Project is Sedgebrook, Inc. (the "Operator"), having an address of 701 Maiden Choice Lane, Baltimore, Maryland 21228.

NOW THEREFORE, for good and adequate consideration, the receipt and sufficiency of which is hereby acknowledged, the Contractor hereby agrees to hire the Subcontractor to perform the Work, and the Subcontractor hereby agrees to perform the Work, on the terms and conditions hereinafter set forth in this Subcontract.

1. THE SUBCONTRACT DOCUMENTS.

1.1. The Subcontract Documents consist of (1) this Subcontract; (2) provisions of the Prime Contract applicable to the Work, (including all General Conditions to the Prime Contract, and all Drawings and Specifications, as such terms are defined in the Prime Contract); (3) other documents listed in Section 1.2 below; and (4) modifications to this Subcontract issued after execution of this Subcontract. To the extent any terms of this Subcontract are in conflict with the terms of the Prime Contract, the terms of this Subcontract shall control. The Subcontract Documents form the Subcontract, and are as fully a part of this Subcontract as if attached to this Subcontract or repeated herein. The Subcontract represents the entire and integrated Subcontract between the parties hereto and supersedes all prior negotiations, representations or Subcontracts, either written or oral. All initially capitalized terms used herein, unless otherwise defined in this Subcontract, shall have the meanings given such terms in the Prime Contract.

1.2. To the extent not listed directly above, the Subcontract Documents, except for Modifications issued after execution of this Subcontract, are enumerated as follows: (on Exhibit A attached hereto)

2. THE WORK OF THIS SUBCONTRACT.

2.1. The term "Work" shall mean and refer to all labor, supervision, materials and services scaffolding, tools, equipment, supplies, hoisting, vertical transportation and all other things necessary for the construction and completion of the work described in Exhibit B and work incidental thereto, in strict accordance and full compliance with the terms of the Subcontract Documents (which are hereby incorporated by reference) and this Subcontract and to the satisfaction of Contractor and the Owner.

2.2. The Subcontractor shall execute the Work described below (or if noted below, on Exhibit B attached hereto), including but not limited to, all labor, materials, equipment, services and other items required to complete such portion of the Work, except to the extent specifically indicated in the Subcontract to be the responsibility, of others:

- Exhibit B, Description of work, attached.
- The Work consists of Mechanical.

2.3. Subcontractor shall carefully examine the Subcontract Documents and shall promptly notify Contractor in writing of any deficiencies, discrepancies, ambiguities or errors before proceeding with the Work.

Sub: Westside Mechanical, Inc.
Est Code: 517-RB1.4-48400-15-5000

Contract Number: 006

2.4 Subcontractor represents that it is fully qualified to perform this Subcontract, and acknowledges that, prior to the execution of this Subcontract, it has (a) by its own independent investigation ascertained (i) the Work required by this Subcontract, (ii) the conditions involved in performing the Work, and (iii) the obligations of this Subcontract and the Contract Documents; and (b) verified all information furnished by Contractor or others satisfying itself as to the correctness and accuracy of that information. Any failure by Subcontractor to investigate independently and become fully informed will not relieve Subcontractor from its responsibilities hereunder.

3. CONSTRUCTION SCHEDULE.

3.1. DATE OF COMMENCEMENT. The date of commencement shall be the date of this Subcontract, as first written above, unless a different date is stated below or provision is made for the date to be fixed in a notice to proceed issued by the Contractor:

Date of Commencement: 9/15/2005

3.1.1. From time to time throughout the term of this Subcontract, the Contractor shall provide the Subcontractor with copies of the Contractor's construction schedule and schedule of submittals, together with such additional scheduling details as will enable the Subcontractor to plan and perform the Work properly. The Subcontractor shall be notified promptly of subsequent changes in the construction and submittal schedules and additional scheduling details.

3.1.2. If requested by Contractor, Subcontractor shall submit detailed schedules for performance of the Subcontract, in a form acceptable to Contractor, which shall comply with all scheduling requirements of the Subcontract Documents. Contractor may from time to time, at its sole discretion, direct Subcontractor to make reasonable modifications and revisions in such schedules.

3.1.3. Subcontractor will proceed with the Work in a prompt and diligent manner, in accordance with Contractor's schedules as reasonably amended from time to time. Subcontractor shall be liable to Contractor for failure to adhere to Contractor's construction schedules including amendments even if such schedules differ from schedules set forth in the Subcontract Documents or the time of completion called for by the Subcontract Documents.

3.1.4. Subcontractor shall be entitled to additional compensation for compliance with schedule amendments or damages for delay only to the extent the Subcontract Documents entitle Contractor to damages or to a contract adjustment increasing the price of the Prime Contract.

3.2. SUBMITTALS. Subcontractor shall make all submittals required by this Subcontract, including shop drawings, test reports, and certificates, within seven (7) days following the Date of Commencement. Subcontractor must revise and resubmit any submittals within seven (7) days after such items are returned to Subcontractor for correction.

3.3. SUBSTANTIAL COMPLETION.

3.3.1. The Project shall be substantially completed not later than, *June 1, 2006* ("Substantial Completion") subject to adjustments as provided in the Subcontract Documents (see Exhibit B attached hereto for details). Subcontractor must complete its Work on the Project in the necessary time sequence to assure that the Project, including the Work and the work of Contractor and all other subcontractors on the Project, is substantially completed by the date listed above in this Section 3.3.1.

3.4. TIME IS OF THE ESSENCE. Time is of the essence of this Subcontract, subject to any applicable notice and cure periods provided in the Subcontract.

4. SUBCONTRACT SUM.

4.1. SUBCONTRACT SUM. The Contractor shall pay the Subcontractor in current funds for performance of the Subcontract the Subcontract Sum of One million four hundred forty-four thousand two hundred dollars (\$1,444,200.00) subject to additions and deductions as provided in the Subcontract.

4.2. ALTERNATES.

4.2.1. The Subcontract Sum includes the following alternates, (or if noted below, as set forth on Exhibit C attached hereto), if any, which are described in the Subcontract and have been accepted by the Owner and the Contractor:

 X See Exhibit C attached.

 Alternates are included in Exhibit C attached:

EC: *[Signature]* Sub: *[Signature]*

Sub: Westside Mechanical, Inc.
Est Code: 517-RB1.4-48400-15-5000

Contract Number: 006

4.2.2. Contractor reserves the right to have Subcontractor provide the following alternates (or, if noted, as set forth on Exhibit C attached hereto, which alternates are not included in the Subcontract Sum.

 X See Exhibit C attached.

 Reserved Alternates defined in Exhibit C attached:

4.3. UNIT PRICES. Unit prices, if any (inclusive of overhead and prices), are as follows (or, if noted, as set forth on Exhibit C attached hereto):

 X See Exhibit C attached.

 Unit Prices are detailed in Exhibit C attached:

4.4. ESTIMATED COST OF THE WORK. The schedule of values breakdown of the amount of the Subcontract Sum is attached hereto as Exhibit C, unless noted otherwise below in this Section 4.4. The schedule of values shall be used by Subcontractor to apply for all payments due to Subcontractor under this Subcontract. If the Schedule of Values is not attached hereto, Subcontractor shall submit to Contractor the Schedule of Values in form similar to AIA G703 format within ten (10.) days of request of Contractor for Contractor's approval. When approved, the Schedule of Values shall be used by Subcontractor to apply for all payments due to Subcontractor under this Subcontract.

 X Estimated Cost of Work is not attached hereto.

5. CONTRACTOR.

5.1. SERVICES PROVIDED BY THE CONTRACTOR.

5.1.1. The Contractor shall provide suitable areas for storage of the Subcontractor's materials and equipment during the course of the Work, to the extent such areas are readily available, from time to time.

5.1.2. If Contractor has available and Subcontractor elects to use Contractor's equipment or facilities, an agreed price in writing must be made before such use. Subcontractor shall make its own determination before commencing to use such equipment or facilities that such equipment or facilities are adequate and safe for the Work to be performed. Such equipment and facilities shall be accepted by Subcontractor in "AS-IS" condition without warranty or representation by Contractor as to their condition or adequacy to perform the respective function. Subcontractor agrees that all personnel operating or using such equipment or facilities shall be qualified and properly trained in the operation and use of such equipment or facilities. Subcontractor agrees to return the equipment and facilities to Contractor at the conclusion of the use in as good a condition as received. In the event that any such equipment is damaged while in the possession of Subcontractor, Contractor shall be entitled to exercise Contractor's remedies under Section 8.3 of this Agreement.

6. SUBCONTRACTOR.

6.1. LICENSE. The Subcontractor represents to Contractor that Subcontractor is duly licensed to perform the Work in the jurisdiction where the Project is located. Subcontractor represents that Subcontractor's License Number is , Registration Number , and Sales or Tax Registration Number is 36-2700462, and that all such licenses and registrations shall be maintained in full force and effect throughout the term of Subcontractor's obligations under the Subcontract, including any warranty obligations.

6.2. EXECUTION AND PROGRESS OF THE WORK.

6.2.1. The Subcontractor shall cooperate with the Contractor in scheduling and performing the Subcontractor's Work to avoid conflict, delay in or interference with the work of the Contractor, other subcontractors or Owner's own forces. Subcontractor is obligated to assure that all workmen of Subcontractor work in harmony with all other workmen on the Project.

6.2.2. The Subcontractor shall promptly submit Shop Drawings, Product Data, Samples and similar submittals required by the Subcontract with reasonable promptness and in such sequence as to cause no delay in the Work or in the activities of the Contractor or other subcontractors.

6.2.3. The Subcontractor shall furnish to the Contractor periodic progress reports on the Work of this Subcontract upon request of Contractor, including information on the status of materials and equipment which may be in the course of preparation or manufacture.

6.2.4. The Subcontractor shall complete all of its work in a good and workmanlike manner. The Subcontractor agrees that the Owner will have the authority to reject Work which does not conform to the Prime Contract or to the Subcontract. The Subcontractor shall, at Subcontractor's cost, replace or, if approved by the Owner, repair any defective work and repeat tests as necessary, at Subcontractor's cost, until all Work is proven satisfactory.

Sub: Westside Mechanical, Inc.
It Code: 517-RB1.4-48400-15-5000

Contract Number: 006

6.2.5. The Subcontractor shall, at Subcontractor's sole cost and expense, supply adequate tools and equipment, and shall also at all times supply and promptly pay for a sufficient number of properly skilled workmen and for a sufficient amount of materials and supplies of proper quality to prosecute efficiently and promptly the Work in accordance with the requirements of the Subcontract and in accordance with a mutually agreed upon schedule. Subcontractor hereby acknowledges that the Project will be built on an accelerated basis and Subcontractor acknowledges that it has taken such accelerated schedule into account for meeting the requirements of this Subcontract. If, in Contractor's reasonable opinion, Subcontractor fails to maintain the progress of its Work in accordance with the agreed upon schedule, Contractor may require Subcontractor to accelerate Subcontractor's performance by use of overtime work, work on Saturdays, Sundays, and Holidays, all without additional compensation, if, in the reasonable opinion of Contractor, such additional work is necessary to maintain proper progress of Subcontractor's Work. Upon request of Contractor, Subcontractor shall submit evidence satisfactory to Contractor evidencing the Subcontractor's ability to comply with the agreed upon schedule. No overtime or charges for an accelerated Construction Schedule shall be paid by Contractor unless specifically agreed to in writing by an executive officer of Contractor before the overtime is performed.

6.2.6. The Subcontractor shall take necessary precautions to protect the work of other subcontractors from damage caused by operations by the Subcontractor. Subcontractor shall be responsible for and protect the Work in place from the elements and all other causes of damage until completion and final acceptance by Contractor and shall adequately store and protect its own materials and materials furnished it by Owner, Contractor and other suppliers. Subcontractor will use without unreasonable waste any materials or equipment furnished by the Owner, Contractor or other suppliers and will pay for any damage to such material or equipment sustained during Subcontractor's use or possession.

6.2.7. Subcontractor shall install all necessary equipment and materials in the necessary time sequence, (except at scheduled temporary omissions and leapfrog areas), and prior to close-in of any area so as to maintain the progress of the Work and the Project and eliminate any rework to install materials or equipment out of sequence. The Subcontractor shall bear any cost related to installation of materials or equipment that is installed out of sequence, unless such out of sequence work is directed or authorized in writing by Contractor. The Subcontractor shall participate in the preparation of coordinated drawings in areas of congestion, specifically noting and advising the Contractor of potential conflicts between the Work of the Subcontractor, the Contractor, and other subcontractors or the Owner's own forces. Subcontractor shall be represented on the Project while the Work is in progress by a competent full-time supervisor satisfactory to Contractor.

6.2.8. Should Subcontractor's performance of the Work be delayed by any acts of Contractor, Contractor's other contractors or Contractor's suppliers, Subcontractor shall receive an equitable extension of time for the performance of the Work, but shall not be entitled to any increase in the Subcontract Sum or to damages or additional compensation as a consequence of such delays, and Subcontractor hereby waives any claim for any such increase, damages or additional compensation.

6.2.9. Subcontractor shall complete all Work in accordance with the mutually agreed upon schedule. No extensions of time or provision for additional costs will be allowed for weather related delays unless Subcontractor submits in writing within seven (7) days from the date incurred, a claim for delay resulting from inclement weather. Contractor may, in its sole discretion, approve or disapprove a claim for delay.

6.3. LAWS, PERMITS, FEES AND NOTICES.

6.3.1. The Subcontractor shall provide all notices and comply with all Federal, state or local laws, ordinances, building codes, rules, regulations and orders of public authorities bearing on performance of the Work of this Subcontract. The Subcontractor shall secure and pay for all permits and governmental fees, licenses and inspections necessary for proper execution and completion of the Subcontractor's Work, the furnishing of which is required of the Contractor by the Prime Contract.

6.3.2. Subcontractor shall be liable to Contractor, Developer, Operator and the Owner for all loss, cost and expense attributable to any acts of commission or omission by Subcontractor, its employees and agents, and lower-tier subcontractors resulting from failure to comply with any Federal, state or local laws, building codes, ordinances or regulations including, but not limited to, any fines, penalties or corrective measures.

6.3.3. Except as otherwise provided by the Subcontract Documents, Subcontractor agrees to pay, comply with, and hold Contractor, Developer and Operator harmless from all social security, state unemployment, welfare fees, and all other Federal, State and local taxes (including sales and use taxes) and fees of every nature applicable to the Work including penalties or any interest.

6.4. SAFETY PRECAUTIONS AND PROCEDURES.

6.4.1. The Subcontractor shall take all appropriate precautions with respect to performance of this Subcontract, shall comply with safety measures initiated by the Owner or the Contractor, and shall comply with all applicable laws, ordinances, rules, regulations and orders of public authorities for the safety of persons or property. The Subcontractor shall report to the Contractor within twenty-four (24) hours an injury to any employee or agent of the Subcontractor which occurred at the site. Subcontractor shall be solely responsible for providing a safe place to work for its agents, employees and sub-subcontractors. Subcontractor shall implement and enforce a health and safety program for its employees and sub-subcontractors on the site, which program shall be at least as effective as the Health and Safety Program of Contractor. Subcontractor's employees and sub-subcontractors on the site shall obey the directives of Contractor's

Sub: Westside Mechanical, Inc.
Est Code: 517-RB1.4-48400-15-5000

Contract Number: 006

Project Manager, Superintendent and Safety Director. All of Subcontractor's employees, agents and contractors must attend the safety meetings held by Contractor's Safety Director, or, in lieu of such attendance, Subcontractor must provide to Contractor the minutes and attendance of all safety meetings conducted by Subcontractor, within two (2) days following the completion of such safety meetings.

6.4.2. If hazardous substances of a type of which an employer is required by law to notify its employees are being used on the site by the Subcontractor, the Subcontractor's sub-subcontractors, or anyone directly or indirectly employed by them, the Subcontractor shall, at least three (3) days before bringing such substances onto the Site, provide Contractor with a materials data sheet for such substances, and give written notice of the chemical composition of such substances to Contractor. Subcontractor will comply with all laws regarding Subcontractor's use and handling of such hazardous substances by Subcontractor or Subcontractor's sub-subcontractors, agents and employees.

6.4.3. Contractor reserves the right to require Subcontractor to perform from time to time, at Subcontractor's cost, drug testing of all or any of Subcontractor's agents, employees and sub-subcontractors. Such testing must be done with testing companies selected or approved by Contractor. Subcontractor must prohibit from the Work Site any persons that test positively for drug use. Contractor shall be entitled to prohibit from the site any persons that Contractor deems to be disruptive to the smooth construction of the Project.

6.5. CLEANING UP. The Subcontractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations performed under this Subcontract. Subcontractor shall at all times keep the Subcontractor's work area; keep the premises free from rubbish, debris and waste and surplus materials resulting from its operations; and shall turn over the work area in such condition as to permit the next succeeding work to be commenced without further cleaning. If Subcontractor fails to comply with the provisions of this Section, Contractor shall have the right itself or through others to perform such cleaning and to charge the cost thereof to Subcontractor, plus overhead charges of twenty-five percent (25%), provided the Subcontractor is given a twenty-four (24) hour written notice of such delinquency and fails to remedy same. Subcontractor shall not damage the work of others by its performance of its obligations under the Subcontract and shall indemnify Contractor for damage caused by Subcontractor or its agents to the work of Contractor, and other contractors, including court costs and attorney's fees.

6.6. WARRANTY. In addition to any product warranties required by the Subcontract, the Subcontractor warrants to Contractor that all material and equipment incorporated in the Work will be new unless otherwise specified, and that all Work will be of good quality, free from faults and defect and in conformance with the Prime Contract and the Subcontract. All Work not conforming to these requirements may be considered defective. Subcontractor shall, promptly upon request of Contractor, furnish all labor, materials and supervision necessary to correct or replace any defective or nonconforming Work and any damage caused by such defect or fault, at no cost to Contractor or Owner, for a period of one (1) year ~~from the date of Final Payment~~, except for latent defects, which shall be for a period of six (6) months following the discovery of such latent defect. This warranty shall run to and be enforceable by Owner, Contractor, and their successors and assigns. This warranty shall be in addition *from substantial completion* and not in limitation of any other warranty or remedy provided by law or by the Subcontract.

6.7. INDEMNIFICATION. To the fullest extent permitted by law, the Subcontractor shall indemnify, defend and hold harmless the Owner, Contractor, Operator, Developer, their respective parent and subsidiaries, and their respective agents, officers, employees, members and directors of any of them from and against claims, damages, losses and expenses, including but not limited to attorney's fees and court costs, arising out of or resulting from performance of the Subcontractor's Work under this Subcontract, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, including loss of use resulting therefrom, but only to the extent caused in whole or in part by negligent or intentional acts or omissions of the Subcontractor, the Subcontractor's sub-subcontractors, materialmen or suppliers, anyone directly or indirectly employed by them or anyone for whose acts they may be liable. Such obligation shall not be construed to negate, abridge, or otherwise reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this Section 6.7.

7. CHANGES IN THE WORK.

7.1. CONTRACTOR CHANGES. Contractor may at any time make changes in the Work either:

- (a) By written change order signed by Contractor and Subcontractor prior to commencement specifying the changes to be made and the increase or decrease in the Subcontract Sum and extension of time, if any; or
- (b) By written direction to Subcontractor to proceed with changes in the Work, specifying the changes to be made and specifically stating that an equitable adjustment in the Subcontract Sum will be made, based on the time and materials to perform such changes; or
- (c) By written direction to Subcontractor to proceed with changes in the Work, specifying the changes to be made and specifically stating that the Subcontract Sum shall be adjusted based on actual costs of performing such changes based on time and materials, plus a fixed fee, to be set in such change order.

7.2. OBLIGATION TO PROCEED. Subcontractor shall proceed with the changes ordered so as not to delay the Work. In the event Contractor changes the Work pursuant to 7.1(b) above, Subcontractor shall file with Contractor within seven (7) days from the

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date of such order Subcontractor's written itemized estimate for the cost of performing the changes to be made. If mutual agreement on the cost is reached, Subcontractor and Contractor will execute a written change order executed by the authorized officers or designees of Contractor and Subcontractor. If mutual agreement cannot be reached and the changes are required by Contractor, the Work shall proceed and Subcontractor shall be entitled to a reasonable adjustment in the Subcontractor sum and in the time for performance of the work to the extent such adjustments are focused by the Contractor's written change order. If the extra Work or changes are required by Contractor, Subcontractor does not waive its right by proceeding under protest provided it so notifies Contractor in writing within five (5) days from submittal of the itemized estimate referred to above.

7.3. COST AND TIME. Subcontractor shall respond to a proposed change within seven (7) days of request by Contractor. In the event that a Subcontractor change order response is not delivered to the Contractor by the date required, it shall be conclusively presumed that such proposed change does not result in a change in Subcontractor's cost or construction time, and all work and materials called for by the proposed change order shall be provided by Subcontractor at no additional cost or delay to Contractor. For changes in the work for which contractual unit prices, if any, do not apply, the Subcontractor shall submit an itemized breakdown of his estimated cost for such changes with the following percentages for overhead and profit combined: Fifteen percent (15%) on work performed by Subcontractor's own forces or by sub-subcontractors and five percent (5%) on work performed on behalf of Subcontractor by a sub-subcontractor.

8. TERMINATION, REMEDIES FOR DEFAULT AND ASSIGNMENT OF THE SUBCONTRACT.

8.1. TERMINATION BY THE SUBCONTRACTOR. The Subcontractor may terminate the Subcontract if Contractor fails to pay to Subcontractors any sums due to Subcontractor within forty-five (45) days following the date such sums were due and payable to Subcontractor. Such termination shall only be effective if Subcontractor makes written demand for such payment to Contractor following the expiration of such forty-five (45) day period and Contractor fails to pay all sums then due and payable within ten (10) days following receipt of Subcontractor's demand. In the event of such termination by the Subcontractor, the Subcontractor shall be entitled to recover from the Contractor payment for Work executed to date of termination and for proven loss with respect to materials, equipment, tools, and construction equipment and machinery (but not for anticipated profits).

8.2. TERMINATION BY THE CONTRACTOR.

8.2.1. If the Subcontractor (i) fails or neglects to carry out the Work in accordance with the Subcontract or otherwise to perform in accordance with this Subcontract; and (ii) fails within thirty-six (36) hours after receipt of notice to correct such default or neglect, the Contractor, in addition to Contractor's remedies under Section 8.3 and 8.4 of this Subcontract, may immediately and without further notice to Subcontractor terminate the Subcontract.

8.2.2. For its convenience, the Contractor shall have the right to terminate this Subcontract for any reason by giving the Subcontractor written notice of termination. Such termination for the Contractor's convenience shall be effective upon Subcontractor's receipt of written notice of such termination. Termination for default, if wrongfully made, shall be treated as a termination for convenience. In the event that the Subcontractor is terminated for the convenience of the Contractor, the Subcontractor shall be paid a pro rata percentage of the Subcontract Sum equal to the percentage of Work in place, less payments theretofore received by the Subcontractor. In no event shall the Subcontractor be entitled to receive payment for anticipated profits for unperformed Work.

8.3. CONTRACTOR'S REMEDIES. Should Subcontractor (a) fail to correct, replace and/or re-execute faulty or defective Work and/or materials furnished under the Subcontract; (b) fail to complete or diligently proceed with the Work in accordance with the agreed upon schedule; (c) fail to correct or repair any damage to the Project caused by the acts or omissions of Subcontractor; or (d) otherwise be in default of any provision of the Subcontract, if such failure or default is not corrected, then Contractor shall have the right to correct, replace or otherwise remedy and such defect, deficiencies or delayed performance by any reasonable and expedient means, including taking over or supplementing Subcontractor's Work and materials and employing such additional labor, equipment and materials as may be necessary to cure the default and achieve compliance with the Subcontract. In such event, Contractor may deduct from any sums due to Subcontractor the cost of performing such work and correcting such deficiencies, plus overhead of fifteen percent (15%) of such cost. If payments then or thereafter due Subcontractor are not sufficient to cover such amount, Subcontractor shall promptly pay the difference to Contractor. The remedies of Contractor under this subparagraph are in addition to any other remedies available to Contractor under the Subcontract or available at law or in equity.

8.4. CONTRACTOR'S ADDITIONAL REMEDIES. Subcontractor shall reimburse Contractor for any loss, damage or extra expense paid or incurred by Contractor which is due to Subcontractor's failure to supply materials, labor, or to properly perform the Work in accordance with the Subcontractor Documents. Subcontractor's failure to perform shall include the failure of its lower-tier subcontractors to perform. Subcontractor's liability shall include but not be limited to (1) damages and other delay costs payable by Contractor to the Owner; (2) Contractor's increased costs of performance, such as extended overhead and increased performance costs resulting from Subcontractor-caused delays or improper Subcontractor Work; (3) warranty and rework costs; (4) liability to third parties; (5) excess procurement costs; (6) consultants' fees; and (7) attorneys' fees and court costs. Contractor may take over any of Subcontractor's outstanding sub-subcontracts and purchase orders and take possession of all tools, equipment, scaffolds, material and supplies of Subcontractor which are on the Project site, in transit to, or especially manufactured for, the Work for use in completion of the Project. Contractor is hereby granted a lien on all such property to secure Subcontractor's performance under this Subcontract. Subcontractor shall, upon request of Contractor, execute and deliver to Contractor all documents and take all such steps to effect the legal assignment of Subcontractor's contractual rights under such sub-subcontracts and purchase orders, but Contractor shall not be required to

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assume any of Subcontractor's outstanding obligations thereunder.

8.5. ASSIGNMENT OF THE SUBCONTRACT.

8.5.1. In the event of termination of the Prime Contract by the Owner, the Contractor may assign this Subcontract to the Owner, with the Owner's agreement, subject to the provisions of the Prime Contract and to the prior rights of the surety, if any, obligated under bonds relating to the Prime Contract.

8.5.2. The Subcontractor shall not assign this Subcontract without the written consent of the Contractor, nor subcontract the whole or any portion of this Subcontract without the written consent of the Contractor.

9. MUTUAL RIGHTS AND RESPONSIBILITIES.

The Contractor and Subcontractor shall be mutually bound by the terms of this Subcontract and, to the extent that provisions of the Prime Contract apply to the Work of the Subcontractor, the Contractor shall assume toward the Subcontractor all obligations and responsibilities that the Owner, under the Prime Contract, assumes toward the Contractor, and the Subcontractor shall assume toward the Contractor all obligations and responsibilities which the Contractor, under the Prime Contract, assumes toward the Owner and the Architect. The Contractor shall have the benefit of all rights, remedies and redress against the Subcontractor which the Owner, under the Prime Contract, has against the Contractor, and the Subcontractor shall have the benefit of all rights, remedies and redress against the Contractor which the Contractor, under the Prime Contract, has against the Owner, insofar as applicable to this Subcontract. Where a provision of the Prime Contract is inconsistent with a provision of this Subcontract, this Subcontract shall govern.

10. PROGRESS PAYMENTS.

10.1. APPLICATIONS FOR PAYMENT.

SUBCONTRACTOR SHALL SUBMIT ALL REQUISITIONS AND APPLICATIONS FOR PAYMENT FOR PAYMENT PROCESSING TO: ERICKSON CONSTRUCTION, LLC; Storm Harper 50 Riverside Road, Lincolnshire, IL, 60069 OR TO SUCH OTHER ADDRESS AS CONTRACTOR MAY DIRECT.

10.1.1. Based upon applications for payment submitted to the Contractor by the Subcontractor, corresponding to Applications for Payment submitted by the Contractor to the Owner, and Certificates for Payment issued by the Owner, the Contractor shall make progress payments on account of the Subcontract Sum to the Subcontractor as provided below and elsewhere in the Subcontract. Each application for payment shall be in the form attached hereto as Exhibit D, or such other form as may otherwise be requested by Owner, and must include a Partial Release of Liens in either the form attached hereto as Exhibit E, or such other form as may otherwise be requested by Owner, and with such detail substantiating Subcontractors right to payment. With each application for payment, Owner will require a Sworn Statement in compliance with Illinois Mechanics Lien Statute, 770 ILCS 60/5 and lien waivers and releases valid under Illinois law in the form attached hereto as Exhibit E or Exhibit F, as applicable, or such other form as may otherwise be requested by Owner.

10.1.2. The period covered by each application for payment submitted by Subcontractor shall be one (1) calendar month ending on the last day of the calendar month. Each application for payment must be based on actual work performed by or under Subcontractor through the 19th day of the month, and the reasonably estimated work to be performed by or under Subcontractor during the balance of the month.

10.1.3. Provided an application for payment is received by the Contractor not later than the 20th day of a month, the Contractor shall include the Subcontractor's Work covered by that application in the next Application for Payment which the Contractor is entitled to submit to the Owner. Subcontractor's progress payments shall be due and payable within ten (10) working days after the Contractor receives payment for the Subcontractor's Work from the Owner. If the Owner or Architect fails to issue a Certificate for Payment or the Owner fails to pay Contractor for Subcontractor's Work within forty-five (45) days following the applicable Application for Payment, and such failure is not the fault of the Subcontractor or Subcontractor's sub-subcontractors, the Contractor shall pay the Subcontractor, within ten (10) days following demand, a progress payment computed as provided in Section 10.2 of this Subcontract. Notwithstanding the foregoing, payments to Subcontractor may be withheld on account of (i) defective Work not remedied, (ii) claims filed, (iii) damage to Contractor or another subcontractor or (iv) failure to carry out the Work in accordance with the Subcontract.

10.1.4. If an application for payment is received by the Contractor on or after the 21st day of any calendar month, the Subcontractor's Work covered by such application shall be included by the Contractor in the next Application for Payment submitted to the Owner.

10.1.5. Each application for payment shall be based upon the most recent schedule of values approved by the Contractor in accordance with Section 4.4 of this Subcontract. Applications for payment submitted by the Subcontractor shall indicate the percentage of completion of each portion of the Work as of the end of the period covered by the Subcontractor's application for payment.

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10.1.6. Subcontractor shall pay all claimants for all costs and expenses resulting from the performance of the Work and for all labor and materials used. Subcontractor is liable for and shall hold Contractor and Owner harmless from and indemnify Contractor and Owner for all court costs, attorney's fees and damages resulting from claims by sub-subcontractors and Subcontractor's suppliers and all liens and all claims of persons furnishing material or labor on behalf of Subcontractor in connection with the Work. Subcontractor shall deliver to Contractor with each application for payment recordable affidavits and lien releases or waivers acceptable to Contractor from Subcontractor and Subcontractor's sub-subcontractors and suppliers. In the event any person or entity claiming by, through or under Subcontractor notifies Contractor of any non-payment or seeks to encumber funds held by Contractor and payable to Subcontractor or files a lien or other claim against the Project, or Contractor's interest therein, Subcontractor shall within three (3) days notify Contractor if Subcontractor disputes such claim. If at any time a lien has been filed against Contractor, the Owner, the Project or any sums held by Contractor by any person or entity claiming through Subcontractor, Subcontractor shall, within seven (7) days of receipt of notice of such lien pay the claim and cause the lien to be released or shall file a bond in lieu of the payment of such lien and shall cause the lien to be released from the project.

10.1.7. Notwithstanding the foregoing, if such lien or claim is due solely to sums wrongfully held by Contractor, Subcontractor shall not have any obligation to hold harmless or indemnify Contractor against such lien or claim.

10.2. PROGRESS PAYMENTS. Subject to the provisions of the Subcontract, the amount of each progress payment shall be computed as follows:

10.2.1. Take that portion of the Subcontract Sum properly allocable to completed Work as determined by multiplying the percentage completion of each portion of the Subcontractor's Work by the share of the total Subcontract Sum allocated to that portion of the Subcontractor's Work in the schedule of values, less that percentage actually retained, if any, from payments to the Contractor on account of the Work of the Subcontractor;

10.2.2. Add that portion of the Subcontract Sum properly allocable to materials and equipment delivered and suitably stored at the site by the Subcontractor for subsequent incorporation in the Subcontractor's Work or, if approved in advance in writing by the Owner, suitably stored off the site at a location agreed upon in writing, less the same percentage retainage required by the Prime Contract to be applied to such materials and equipment in the Contractor's Application for Payment;

10.2.3. Subtract the aggregate of previous payments made by the Contractor; and

10.2.4. Subtract amounts, if any, calculated under Subparagraph 10.2.1 or 10.2.2 which are related to Work of the Subcontractor for which the Architect has withheld or nullified, in whole or in part, a Certificate of Payment for a cause which is the fault of the Subcontractor or Subcontractor's sub-subcontractors.

10.2.5. All periodic payments by Contractor shall be subject to a retainage, to be held by Contractor, of ten percent (10%) of the amount billed by Subcontractor. To the extent approved or permitted by Owner and any lender providing financing for all or any part of the Work, and if Subcontractor is in compliance with the terms of the Subcontract, the aggregate amount of the retainage, subject to offset for defects and deficiencies, shall be reduced to five percent (5%) upon the Work achieving fifty percent (50%) completion and acceptance thereof by Contractor and Owner. No periodic payment by Contractor shall be deemed to constitute acceptance of any faulty or defective Work.

10.3. STORED MATERIALS. Notwithstanding the provisions of Subsection 10.2., payment for stored materials may be conditioned on delivery to the Owner of bills of sale (which shall include a complete description, including photographs, bills of lading, serial numbers, warehouse receipts and/or inventories, as appropriate for Owner to identify the stored materials) and such other procedures satisfactory to Owner to establish the Owner's title and to insure and otherwise protect the Owner's interest in and to such stored materials, unless requested otherwise by Contractor. Subcontractor shall schedule the materials to prevent the arrival of major items well in advance of their incorporation into the improvements.

10.4. SUBSTANTIAL COMPLETION. When the Work or a designated portion thereof is substantially complete in accordance with the requirements of the Prime Contract, the Contractor shall, upon application by the Subcontractor, make prompt application for payment for such Work. Within thirty (30) days following issuance by the Owner of the Certificate for Payment covering such substantially completed Work, the Contractor shall, to the full extent allowed in the Prime Contract, make payment to the Subcontractor, deducting any portion of the funds for the Work withheld in accordance with the Certificate of Payment to cover costs of items to be completed or corrected by the Subcontractor. Such payment to the Subcontractor shall be the entire unpaid balance of the Subcontract Sum if a full release of retainage is allowed under the Prime Contract for the Work prior to the completion of the entire Project. If the Prime Contract does not allow for a full release of retainage, then such payment shall be an amount which, when added to previous payments to the Subcontractor, will reduce the retainage on the Subcontractor's substantially completed Work to the same percentage of retainage as that on the Contractor's work covered by the Certificate of Payment.

11. FINAL PAYMENT.

11.1. TIME. Subject to the provisions of Section 10.4, final payment, constituting the entire unpaid balance of the Subcontract Sum, shall be made by the Contractor to the Subcontractor when the Work is fully performed in accordance with the

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requirements of the Subcontract, Subcontractor has filed a final application for payment, the Owner has issued a Certificate for Payment covering the Subcontractor's completed Work and the Contractor has received payment from the Owner. If a Certificate for Payment is not issued within forty-five (45) days of Contractor's application for payment, or the Contractor does not receive from the Owner payment within forty-five (45) days of Contractor's application for payment, and such payment is otherwise due to Subcontractor and such failure is not due to any fault of Subcontractor, final payment to the Subcontractor shall be made upon demand.

11.2. LIEN WAIVERS. Final payment shall not be due until Subcontractor has delivered to Contractor a complete, recordable affidavit and release of all liens arising out of this Subcontract, in the form attached hereto as Exhibit F, or such other form as may otherwise be requested by Owner, covering all labor, materials and equipment for which a lien could be filed, or a bond satisfactory to the Contractor indemnifying Contractor and the Project against any and all lien(s). If any lien remains unsatisfied after all payments are made, Subcontractor shall refund to Contractor all monies the latter may be compelled to pay in discharging such lien, including all court costs and expenses and reasonable attorney's fees. The acceptance of final payment shall constitute a release of all claims by Subcontractor except those previously made in writing and identified by Subcontractor as unsettled at the time of the final application for payment.

11.3. EVIDENCE OF PAYMENT. Before issuance of the final payment, the Subcontractor, if required, shall submit evidence satisfactory to the Contractor that all payrolls, bills for materials and equipment, and all known indebtedness connected with the Subcontractor's Work have been satisfied.

11.4. SUB-SUBCONTRACTORS AND PROVIDERS. Subcontractor shall keep Contractor informed of all sub-subcontractors, and all materials and/or service providers of any tier who provide materials or service for any part of the Work in excess of One Thousand Dollars (\$1,000.00) by completing, submitting and updating as appropriate Exhibit G attached hereto.

12. INSURANCE AND BONDS.

12.1. COVERAGES.

12.1.1. Before the Subcontractor commences any Work pursuant to this Subcontract, the Subcontractor shall obtain and maintain throughout the term of the Subcontract, insurance of the types and in the minimum amounts set forth on Exhibit H. Self-insured retentions and/or deductibles may not be more than Ten Thousand Dollars (\$10,000.00). Acceptance of any insurance by Contractor shall not relieve or decrease the liability of the Subcontractor.

12.1.2. Coverages must be maintained with financially secure insurance companies licensed to do business in the State where the Project is located, have a Best's Guide Rating of not less than A-VI and must otherwise be acceptable to Owner and Contractor. Coverage must be maintained without interruption from date of commencement of the Work until date of final payment, and Contractor, Developer, Owner, and the Operator, their parent and subsidiary companies, together with their employees, officers agents, members and directors shall be named as additional insureds under Subcontractor's Commercial General Liability policy, Automobile liability policy, Products/Completed Operations Coverage and the Umbrella/Excess Insurance. The additional insured coverage is to be provided by ISO form CG20100704, CG20370704, or CG2011, or its equivalent form, a copy of which will be provided with the certificate of insurance. All such policies shall apply as primary and non-contributory insurance with respect to any other insurance or self-insurance programs afforded to the indemnitied and/or additional insured's identified within this agreement.

12.1.3. Certificates of insurance acceptable to the Contractor, together with all appropriate endorsements, shall be filed with the Contractor prior to commencement of the Subcontractor's Work, and at least ten (10) days prior to the expiration of any policy. These certificates and the insurance policies required by this Article 12 shall contain an endorsement that coverages afforded under the policies will not be canceled or allowed to expire until at least thirty (30) days prior written notice has been given to the Contractor. If any of the foregoing insurance coverages are required to remain in force after final payment and are reasonably available, an additional certificate evidencing continuation of such coverage shall be submitted with the final application for payment as required in Article 11. If requested by Contractor, Subcontractor shall provide certified copies of all such policies to Contractor within ten (10) days of such request. Subcontractor must immediately notify Contractor of any reduction or restriction in the required insurance that takes place during the term of the Subcontract, and/or in the event the insurer notifies the Subcontractor of its intent not to renew coverage.

12.1.4. The Contractor shall furnish to the Subcontractor upon demand, satisfactory evidence of insurance required of the Contractor under the Prime Contract.

12.1.5. If Subcontractor fails to secure and maintain the required insurance, Contractor shall have the right (without any obligation to do so, however) to secure same in the name and for the account of the Subcontractor in which event the Subcontractor shall pay the costs thereof to Contractor upon demand and furnish upon demand all information that may be required in connection therewith.

12.1.6. The insurance provisions of this Subcontract shall not be construed as a limitation on the Subcontractor's responsibilities and liabilities pursuant to the terms and conditions of the Subcontract, including, but not limited to, liability for claims in excess of the insurance limits and coverages set forth herein.

12.1.7. The Subcontractor shall not make changes in or allow the required insurance coverages to lapse without the Contractor's prior written approval thereto.

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12.2. **WAIVERS OF SUBROGATION.** The Contractor and Subcontractor waive all rights against (1) each other and any of their Subcontractors, sub-subcontractors, agents, employees, officers, members and directors, each of the other, and (2) the Owner, Developer, Operator, and any of their Subcontractors, sub-subcontractors, agents, employees, officers, members and directors, for damages caused by fire of other perils to the extent covered by property insurance provided under the Prime Contract or other property insurance applicable to the Work, except such rights as they may have to proceeds of such insurance held by the Owner as fiduciary. The Subcontractor shall require of the Subcontractor's sub-subcontractors, agents and employees, by appropriate agreements, written where legally required for validity, similar waivers in favor of other parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

12.3. The Contractor shall promptly, upon request of the Subcontractor, furnish a copy or permit a copy to be made of any bond covering payment of obligations arising under the Subcontract.

12.4. **Performance Bond and Payment Bond:**

Bond Required for the payment and performance bonds. All bonds must be in the AIA312 format or equal. Cost of bond is on bonding company's invoice at standard rates. Subcontractor must include the names of the Owner and Lender on all bonds as a dual obligee. Subcontractor can provide this information through a dual obligee rider. Two original copies of all bonds are required and should be forwarded to the Corporate Office located at 991 Corporate Boulevard, Linthicum, MD 21090.

Unless waived by Contractor in this Subsection 12.4, prior to the commencement of the Work, Subcontractor shall pay for and deliver to Owner acceptable, statutory payment and performance bonds in the full amount of the Subcontract sum issued by a surety acceptable to Owner.

13. **SETTLEMENT OF DISPUTES.**

13.1. In the event of any dispute involving the Work performed or to be performed, Contractor shall issue a decision which shall be followed by Subcontractor, without interruption, deficiency, or delay. If Subcontractor does not agree with such decision, Subcontractor may make a claim under Section 7.3. and the matter shall be resolved as set forth in Article 13.2. or 13.3. as applicable. If the Subcontractor prevails, Subcontractor's sole remedy shall be an equitable adjustment determined as provided in Section 13.2. or 13.3. as applicable. In addition to notice required by Article 9 or the Subcontract Documents, notification of any claim for the equitable adjustment must be asserted in writing not later than ten (10) days after Subcontractor's knowledge of the claim, and if Section 13.2. is applicable, within sufficient time to allow Contractor to give notice to the Owner under the Subcontract Documents.

13.2. In case of any dispute between Contractor and Subcontractor, in any way relating to or arising from any act or omission of the Owner or involving the Subcontract Documents, Subcontractor agrees to be bound to Contractor to the same extent that Contractor is bound to the Owner, by the terms of the Subcontract Documents, and by any and all preliminary and final decisions or determinations made thereunder by the party, board or court so authorized in the Subcontract Documents or by law, whether or not Subcontractor is a party to such proceedings. In case of such dispute, Subcontractor will comply with all provisions of the Subcontract Documents allowing a reasonable time for Contractor to analyze and forward to the Owner any required communications or documentation. Contractor will, at its option, (1) present to the Owner, in Contractor's name, or (2) authorize Subcontractor to present to the Owner, in Contractor's name, all of Subcontractor's claims and answer the Owner's claims involving Subcontractor's Work, whenever Contractor is permitted to do so by the terms of the Subcontract Documents. Contractor will further invoke on behalf of Subcontractor, or allow Subcontractor to invoke, those provisions in the Subcontract Documents for determining disputes. If such dispute is prosecuted or defended by Contractor, Subcontractor, at its own expense, agrees to furnish all documents, statements, witnesses, and other information required by Contractor and to pay or reimburse Contractor for all costs incurred by Contractor in connection with the dispute including attorneys' fees and court costs.

13.3. To the extent not resolved under Section 13.2 above, any dispute between Contractor and Subcontractor shall, at Contractor's sole option, be decided by litigation. In the event of any lawsuit under this clause, the Courts of Illinois shall have sole and exclusive jurisdiction. DUE TO THE SPECIALIZED NATURE OF CONSTRUCTION LITIGATION, EACH PARTY HEREBY WAIVES ITS RIGHT TO A TRIAL BY JURY.

14. **MISCELLANEOUS PROVISIONS.**

14.1. **GENERAL CONDITIONS.** Where reference is made in this Agreement to a provision of the General Conditions or another Subcontract Document, the reference refers to that provision as expressly amended or supplemented by other provisions of the Subcontract Documents.

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14.2. PRIVACY. Until Subcontractor's obligations under this Subcontract are completely fulfilled, Subcontractor agrees not to perform any Work directly for the Owner or deal directly with the Owner's representatives in connection with the Project, unless otherwise directed in writing by Contractor. All Work for this Project performed by Subcontractor shall be processed and handled exclusively by Contractor.

14.3. VEHICLES. All vehicles are to be operated in accordance with the traffic and parking rules and regulations of the Operator and the Contractor. Violation of these rules may result in the vehicle being towed at the owner's expense, and the vehicle and operator being banned from the site. All workers authorized to park within the site must obtain parking passes from the Contractor's office and must display the parking passes whenever the vehicle is on the site. Subcontractor's employees, agents and sub-subcontractors may park vehicles only in areas on or off-site as designated for parking by Owner or Contractor.

14.4. RESIDENTS OF RETIREMENT COMMUNITY. The safety and protection of the residents of the Project is of paramount importance to the Contractor. Subcontractor, its workers, suppliers, and sub-subcontractors must adhere to all traffic regulations, noise restrictions, and other safety standards established by the Contractor and the Operator. Residents of the Project must be treated with courtesy and respect at all times. In the event that the buildings are occupied while the Subcontractor is performing work on the Project, all courtesy is to be extended to the residents and precautions taken to avoid any disruption or inconvenience during this usage.

14.5. SIGNS. No signs may be placed on any portion of the site and/or building without written permission of Owner.

14.6. COMMUNICATIONS. It is agreed and understood that all communications by or through Subcontractor to the Architect, Engineer, Owner, Developer or any representative thereof shall be made through Contractor.

14.7. EXAMINATION OF PRIOR WORK. Subcontractor shall carefully examine the work of others which may affect the Work and shall notify Contractor in writing, completely detailing and supporting any apparent deficiencies therein before performing the Work; otherwise, such other Work shall be deemed acceptable to Subcontractor and Subcontractor shall be deemed to have waived all claims with respect thereto.

14.8. INVALIDITY. If any provision of the Subcontract is found to be invalid, unenforceable or unlawful, such provision shall be enforced in such manner as shall most nearly affect the intent of the parties and yet conform to the law applicable thereto and the remainder of the Subcontract Documents shall remain in full force and effect.

14.9. NOTICES. Except as stated in Section 10.1 of this Agreement, all notices, requests, approvals and other communications required or permitted to be delivered under the Subcontract must be in writing and shall be effective upon: (a) the date of delivery if hand-delivered to the other party or forwarded by facsimile to a number provided and authorized for delivery of notices by the receiving party; (b) the date of transmission if sent by telegram; (c) the date after mailing if sent by overnight commercial carrier; or (d) three (3) business days after mailing if sent by U.S. mail. Except for the use of facsimiles, if permitted, all notices must be sent to the addresses listed in the introductory paragraph of this Agreement, or to such other address as may be expressly designated in writing by either party as the correct address for notices, requests, approvals and other communications.

14.10. INDEPENDENT CONTRACTOR. Subcontractor is an independent contractor and hereby assumes all of the rights, duties, obligations and liabilities thereby arising.

14.11. WAIVER. Any failure by Contractor at any time or from time to time to enforce or require the strict performance of any of the terms or conditions hereof shall not affect or impair Contractor's right to at any time thereafter avail itself of the remedies available for the subsequent breach of such terms or conditions.

14.12. GOVERNING LAW. The Subcontract shall be governed by the law of the State in which the Project is located. No presumption shall be deemed to exist in favor of or against either party as a result of the preparation and/or negotiation of the Subcontract. The Subcontract and Subcontract Documents are subject to the Contract between the Owner and Contractor, the General Conditions, and the Additional Supplementary General Conditions.

14.13. EQUAL OPPORTUNITY. Subcontractor agrees not to discriminate against any employee or applicant for employment because of race, religion, sex, handicap or national origin.

14.14. EXHIBITS. The following exhibits are attached hereto:

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Type	Description
Exhibit A	Illinois Drawing Log
Exhibit B	Illinois Scope of Work
Exhibit C	Illinois SOV
Exhibit D	Illinois Pay Application
Exhibit D-1	Illinois Payment Instructions
Exhibit E-1 & F-1	Illinois Release Instructions
Exhibit G	Illinois Tier Sub List
Exhibit G-1	Illinois Tier List Instructions
Exhibit H Sch B	Illinois Exhibit H Sch B
Exhibit I	Illinois Payment Bond
Exhibit J	Illinois Performance Bond
Exhibit E Sed. Partial	Illinois Sed Partial Release
Exhibit F Sed. Final	Illinois Sed Final Release

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

WITNESS:

Julie Adolphi

CONTRACTOR
ERICKSON CONSTRUCTION, LLC

By: David Tague

David Tague
Vice President of Construction

Dated: DEC 13 2009

Kim Pua

SUBCONTRACTOR

By: Jeffrey Lukitsch

Westside Mechanical, Inc.
Jeffrey Lukitsch
Sales Engineer President

Dated: 11/30/09

Subcontractor: Westside Mechanical, Inc.
Cost Code: 517-RB1.4 - 48400-15-5000

EXHIBIT "B"

SUBCONTRACTOR SCOPE OF WORK

This Subcontractor agrees to furnish at its own cost and expense, all labor, materials, tools, equipment and facilities necessary to safely and fully complete the work described in accordance with the construction documents; Said work is generally described as **RESIDENTIAL BUILDING RB1.4 HVAC / MECHANICAL** and as more specifically described including but not limited to the following:

- Furnish and install all HVAC systems.
- Furnish and install all above ground condensate piping systems. *TO OPEN SITE DRAIN BY PLUMBER*
- Furnish and install all dryer vent systems.
- Furnish and install the FMC Control Systems as per Y.E.M.
- Furnish and install all scheduled HVAC equipment per the documents.
- Dryer venting to be coordinated to have the most direct route to the outside of the building without multiple bends. *FINAL CONNECTION BY ~~PLUMBER~~ WESTSIDE*
- Furnish and mount all motors, motor controllers for all HVAC equipment. Final connection to be by others.
- Furnish and install the bathroom combination exhaust fans. Final electrical connection by others.
- *#* Furnish and install all air system accessories and devices including grilles, diffusers, registers, dampers, operable louvers, stats, fire dampers, etc.
- Furnish and install all required hangers, brackets, fasteners, anchors, shims, etc., for your scope of work.
- Furnish and install all required slip assemblies, expansion control, and bracing required for your scope of work.
- Furnish and install all required insulation, including pipe and blanket insulation, rigid duct liners, acoustic liners, etc.
- Furnish and install all required fire safing, intumescent caulking, collars, sleeves, etc. for your work.
- All required patching for HVAC penetrations is included.
- Furnish all required access panels for your scope of work and turn over to the drywall contractor for installation.
- Furnish and install all exterior building dryer vents.
- *#* Final connection for all public dryers. *No. Included in scope.*
- Installation of ventless hoods are included. *OK 82*
- Provide all required system identification and marking.
- Testing and Balancing of the public and common areas are included.
- Equipment start-ups, coordinated building commissioning and operations staff training is included.
- Pipe cleaning specification section has been reviewed and included.
- Coordination with the Vescom joist system is included.
- Hoisting, lifting, staging, and scaffolding requirements for your scope of work.
- *#* Utilize the Pro-Press system for fittings where applicable. *NOT USING PRO-PRESS 82*
- Provide all required closeout documentation, O & M manuals, record drawings, etc.
- Daily clean-up of your scope of work. All areas are to be construction clean after every work day.
- Full Payment and Performance Bond.
- Sales taxes.

The mechanical work shall not include the following:

- Testing and Balancing of each of the apartment units.
- Overtime.
- Dumpsters.
- Building permit fees.

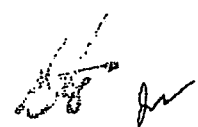
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General Scope

- Construction entrance is at the north entrance to the campus using Riverside road. DO NOT USE THE MAIN COMMUNITY GATED ENTRANCE OFF OF MILWAUKEE AVE.
- Preliminary Erickson Construction, L.L.C. schedule has been reviewed and is attached.
- A detailed CPM schedule will be forwarded once established.
- Submittals, samples, and shop drawings as required by specifications.
- Jobsite safety manual must be completed & reviewed prior to the start of any construction.
- All labor rates are to be held through June 2006.
- Contractor daily reports to be turned in at the end of each work week to superintendent as required.
- Pre-installation conference meeting to be held with Erickson Construction prior to start of work.
- Coordinate all deliveries with Erickson Construction superintendent.
- Attend weekly construction progress meetings with Site superintendent.
- Subcontractor's Application's for Payment are due to the job trailer no later than the 18th of each month.
- All associated required Insurance's with additionally insureds' as noted below:
 - Erickson Retirement Communities – Lincolnshire Campus, LLC. (Owner/Developer)
 - Mercantile Safe Deposit & Trust (Lender)
 - CNL retirement ER5, LP (Lender)
 - Nordstrom Samson Associates (Architects/Engineers)
 - Desai Nasr Consulting Engineers (Structural Engineer)
 - V3 Consultants (Civil Engineer)
 - TVA Fire & Life Safety, Inc. (Fire Protection Consultant)
- The additional insured coverage is to be provided in one of the following coverage forms:
 - ISO Form CG2010 11-85.
 - ISO Form CG2026.
 - A combination of forms ISO Form CG2010 of a later version and CG2037.
 - Other insurance form equivalent in coverage.

Project Schedule

- 1) The following schedule has been tentatively established for the project:
 - a. Construction starts October 2005.
 - b. Foundations completed by November 25, 2005.
 - c. Structural steel erection December 2005 – January 2006.
 - d. Elevated concrete deck pours in February 2006.
 - e. Exterior wall framing and masonry work start March 2006.
 - f. Overall project duration eleven (11) months.

A handwritten signature in the bottom right corner of the page, consisting of stylized cursive letters.

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SUBCONTRACT BETWEEN CONTRACTOR AND SUBCONTRACTOR

THIS SUBCONTRACT BETWEEN CONTRACTOR AND SUBCONTRACTOR (this "Agreement") is made as of 9/20/2006 by and between ERICKSON CONSTRUCTION, LLC (the "Contractor"), having an address of 703 Maiden Choice Road, Baltimore, Maryland 21228, Attn: Jim Richards; and Westside Mechanical, Inc. (the "Subcontractor"), having an address of 2007 Corporate Lane, Naperville, IL, 60563.

RECITALS

A. The Contractor has made a contract for construction dated as of 10/2/2006 (the "Prime Contract") with Lincolnshire Campus, LLC (the "Owner"), having an address of 701 Maiden Choice Lane, Baltimore, Maryland 21228. A copy of the Prime Contract containing all provisions applicable to Subcontractor shall be made available to the Subcontractor, upon request, in Contractor's general offices.

B. The Prime Contract is for the provision of labor, materials and services in connection with the construction of Sedgebrook Residential Building 1.5, 50 Riverside Road, being part of a project known as Sedgebrook, Inc., located in Lincolnshire, Illinois (the "Project").

C. The Architect for the Work (as such term is defined in Section 2.1 below) is NSA Architects, Engineers, Planners (the "Architect"), having an address of 23761 Research Drive, Farmington Hills, MI, 48335.

D. The Developer of the Project is Erickson Retirement Communities, LLC (the "Developer"), having an address of 701 Maiden Choice Lane, Baltimore, Maryland 21228.

E. The Operator of the Project is Sedgebrook, Inc. (the "Operator"), having an address of 701 Maiden Choice Lane, Baltimore, Maryland 21228.

NOW THEREFORE, for good and adequate consideration, the receipt and sufficiency of which is hereby acknowledged, the Contractor hereby agrees to hire the Subcontractor to perform the Work, and the Subcontractor hereby agrees to perform the Work, on the terms and conditions hereinafter set forth in this Subcontract.

1. THE SUBCONTRACT DOCUMENTS.

1.1. The Subcontract Documents consist of (1) this Subcontract; (2) provisions of the Prime Contract applicable to the Work, (including all General Conditions to the Prime Contract, and all Drawings and Specifications, as such terms are defined in the Prime Contract); (3) other documents listed in Section 1.2 below; and (4) modifications to this Subcontract issued after execution of this Subcontract. To the extent any terms of this Subcontract are in conflict with the terms of the Prime Contract, the terms of this Subcontract shall control. The Subcontract Documents form the Subcontract, and are as fully a part of this Subcontract as if attached to this Subcontract or repeated herein. The Subcontract represents the entire and integrated Subcontract between the parties hereto and supersedes all prior negotiations, representations or Subcontracts, either written or oral. All initially capitalized terms used herein, unless otherwise defined in this Subcontract, shall have the meanings given such terms in the Prime Contract.

1.2. To the extent not listed directly above, the Subcontract Documents, except for Modifications issued after execution of this Subcontract, are enumerated as follows: (on Exhibit A attached hereto)

2. THE WORK OF THIS SUBCONTRACT.

2.1. The term "Work" shall mean and refer to all labor, supervision, materials and services scaffolding, tools, equipment, supplies, hoisting, vertical transportation and all other things necessary for the construction and completion of the work described in Exhibit B and work incidental thereto, in strict accordance and full compliance with the terms of the Subcontract Documents (which are hereby incorporated by reference) and this Subcontract and to the satisfaction of Contractor and the Owner.

2.2. The Subcontractor shall execute the Work described below (or if noted below, on Exhibit B attached hereto), including but not limited to, all labor, materials, equipment, services and other items required to complete such portion of the Work, except to the extent specifically indicated in the Subcontract to be the responsibility, of others:

- Exhibit B, Description of work, attached.
- The Work consists of Mechanical.

2.3. Subcontractor shall carefully examine the Subcontract Documents and shall promptly notify Contractor in writing of any deficiencies, discrepancies, ambiguities or errors before proceeding with the Work.

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2.4 Subcontractor represents that it is fully qualified to perform this Subcontract, and acknowledges that, prior to the execution of this Subcontract, it has (a) by its own independent investigation ascertained (i) the Work required by this Subcontract, (ii) the conditions involved in performing the Work, and (iii) the obligations of this Subcontract and the Contract Documents; and (b) verified all information furnished by Contractor or others satisfying itself as to the correctness and accuracy of that information. Any failure by Subcontractor to investigate independently and become fully informed will not relieve Subcontractor from its responsibilities hereunder.

3. CONSTRUCTION SCHEDULE.

3.1. DATE OF COMMENCEMENT. The date of commencement shall be the date of this Subcontract, as first written above, unless a different date is stated below or provision is made for the date to be fixed in a notice to proceed issued by the Contractor:

Date of Commencement: 10/2/2006

3.1.1. From time to time throughout the term of this Subcontract, the Contractor shall provide the Subcontractor with copies of the Contractor's construction schedule and schedule of submittals, together with such additional scheduling details as will enable the Subcontractor to plan and perform the Work properly. The Subcontractor shall be notified promptly of subsequent changes in the construction and submittal schedules and additional scheduling details.

3.1.2. If requested by Contractor, Subcontractor shall submit detailed schedules for performance of the Subcontract, in a form acceptable to Contractor, which shall comply with all scheduling requirements of the Subcontract Documents. Contractor may from time to time, at its sole discretion, direct Subcontractor to make reasonable modifications and revisions in such schedules.

3.1.3. Subcontractor will proceed with the Work in a prompt and diligent manner, in accordance with Contractor's schedules as reasonably amended from time to time. Subcontractor shall be liable to Contractor for failure to adhere to Contractor's construction schedules including amendments even if such schedules differ from schedules set forth in the Subcontract Documents or the time of completion called for by the Subcontract Documents.

3.1.4. Subcontractor shall be entitled to additional compensation for compliance with schedule amendments or damages for delay only to the extent the Subcontract Documents entitle Contractor to damages or to a contract adjustment increasing the price of the Prime Contract.

3.2. SUBMITTALS. Subcontractor shall make all submittals required by this Subcontract, including shop drawings, test reports, and certificates, within seven (7) days following the Date of Commencement. Subcontractor must revise and resubmit any submittals within seven (7) days after such items are returned to Subcontractor for correction.

3.3. SUBSTANTIAL COMPLETION.

3.3.1. The Project shall be substantially completed not later than, ("Substantial Completion") subject to adjustments as provided in the Subcontract Documents (see Exhibit B attached hereto for details). Subcontractor must complete its Work on the Project in the necessary time sequence to assure that the Project, including the Work and the work of Contractor and all other subcontractor's on the Project, is substantially completed by the date listed above in this Section 3.3.1.

3.4. TIME IS OF THE ESSENCE. Time is of the essence of this Subcontract, subject to any applicable notice and cure periods provided in the Subcontract.

4. SUBCONTRACT SUM.

4.1. SUBCONTRACT SUM. The Contractor shall pay the Subcontractor in current funds for performance of the Subcontract the Subcontract Sum of One million sixty thousand dollars (\$1,060,000.00) subject to additions and deductions as provided in the Subcontract.

4.2. ALTERNATES.

4.2.1. The Subcontract Sum includes the following alternates, (or if noted below, as set forth on Exhibit C attached hereto), if any, which are described in the Subcontract and have been accepted by the Owner and the Contractor:

☒ See Exhibit C attached.

☐ Alternates are included in Exhibit C attached:

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4.2.2. Contractor reserves the right to have Subcontractor provide the following alternates (or, if noted, as set forth on Exhibit C attached hereto, which alternates are not included in the Subcontract Sum.

 X See Exhibit C attached.

 Reserved Alternates defined in Exhibit C attached:

4.3. UNIT PRICES. Unit prices, if any (inclusive of overhead and prices), are as follows (or, if noted, as set forth on Exhibit C attached hereto):

 X See Exhibit C attached.

 Unit Prices are detailed in Exhibit C attached:

4.4. ESTIMATED COST OF THE WORK. The schedule of values breakdown of the amount of the Subcontract Sum is attached hereto as Exhibit C, unless noted otherwise below in this Section 4.4. The schedule of values shall be used by Subcontractor to apply for all payments due to Subcontractor under this Subcontract. If the Schedule of Values is not attached hereto, Subcontractor shall submit to Contractor the Schedule of Values in form similar to AIA G703 format within ten (10.) days of request of Contractor for Contractor's approval. When approved, the Schedule of Values shall be used by Subcontractor to apply for all payments due to Subcontractor under this Subcontract.

 X Estimated Cost of Work is not attached hereto.

5. CONTRACTOR.

5.1. SERVICES PROVIDED BY THE CONTRACTOR.

5.1.1. The Contractor shall provide suitable areas for storage of the Subcontractor's materials and equipment during the course of the Work, to the extent such areas are readily available, from time to time.

5.1.2. If Contractor has available and Subcontractor elects to use Contractor's equipment or facilities, an agreed price in writing must be made before such use. Subcontractor shall make its own determination before commencing to use such equipment or facilities that such equipment or facilities are adequate and safe for the Work to be performed. Such equipment and facilities shall be accepted by Subcontractor in "AS-IS" condition without warranty or representation by Contractor as to their condition or adequacy to perform the respective function. Subcontractor agrees that all personnel operating or using such equipment or facilities shall be qualified and properly trained in the operation and use of such equipment or facilities. Subcontractor agrees to return the equipment and facilities to Contractor at the conclusion of the use in as good a condition as received. In the event that any such equipment is damaged while in the possession of Subcontractor, Contractor shall be entitled to exercise Contractor's remedies under Section 8.3 of this Agreement.

6. SUBCONTRACTOR.

6.1. LICENSE. The Subcontractor represents to Contractor that Subcontractor is duly licensed to perform the Work in the jurisdiction where the Project is located. Subcontractor represents that Subcontractor's License Number is , Registration Number , and Sales or Tax Registration Number is 1004-3011, and that all such licenses and registrations shall be maintained in full force and effect throughout the term of Subcontractor's obligations under the Subcontract, including any warranty obligations.

6.2. EXECUTION AND PROGRESS OF THE WORK.

6.2.1. The Subcontractor shall cooperate with the Contractor in scheduling and performing the Subcontractor's Work to avoid conflict, delay in or interference with the work of the Contractor, other subcontractors or Owner's own forces. Subcontractor is obligated to assure that all workmen of Subcontractor work in harmony with all other workmen on the Project.

6.2.2. The Subcontractor shall promptly submit Shop Drawings, Product Data, Samples and similar submittals required by the Subcontract with reasonable promptness and in such sequence as to cause no delay in the Work or in the activities of the Contractor or other subcontractors.

6.2.3. The Subcontractor shall furnish to the Contractor periodic progress reports on the Work of this Subcontract upon request of Contractor, including information on the status of materials and equipment which may be in the course of preparation or manufacture.

6.2.4. The Subcontractor shall complete all of its work in a good and workmanlike manner. The Subcontractor agrees that the Owner will have the authority to reject Work which does not conform to the Prime Contract or to the Subcontract. The Subcontractor shall, at Subcontractor's cost, replace or, if approved by the Owner, repair any defective work and repeat tests as necessary, at Subcontractor's cost, until all Work is proven satisfactory.

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6.2.5. The Subcontractor shall, at Subcontractor's sole cost and expense, supply adequate tools and equipment, and shall also at all times supply and promptly pay for a sufficient number of properly skilled workmen and for a sufficient amount of materials and supplies of proper quality to prosecute efficiently and promptly the Work in accordance with the requirements of the Subcontract and in accordance with a mutually agreed upon schedule. Subcontractor hereby acknowledges that the Project will be built on an accelerated basis and Subcontractor acknowledges that it has taken such accelerated schedule into account for meeting the requirements of this Subcontract. If, in Contractor's reasonable opinion, Subcontractor fails to maintain the progress of its Work in accordance with the agreed upon schedule, Contractor may require Subcontractor to accelerate Subcontractor's performance by use of overtime work, work on Saturdays, Sundays, and Holidays, all without additional compensation, if, in the reasonable opinion of Contractor, such additional work is necessary to maintain proper progress of Subcontractor's Work. Upon request of Contractor, Subcontractor shall submit evidence satisfactory to Contractor evidencing the Subcontractor's ability to comply with the agreed upon schedule. No overtime or charges for an accelerated Construction Schedule shall be paid by Contractor unless specifically agreed to in writing by an executive officer of Contractor before the overtime is performed.

6.2.6. The Subcontractor shall take necessary precautions to protect the work of other subcontractors from damage caused by operations by the Subcontractor. Subcontractor shall be responsible for and protect the Work in place from the elements and all other causes of damage until completion and final acceptance by Contractor and shall adequately store and protect its own materials and materials furnished it by Owner, Contractor and other suppliers. Subcontractor will use without unreasonable waste any materials or equipment furnished by the Owner, Contractor or other suppliers and will pay for any damage to such material or equipment sustained during Subcontractor's use or possession.

6.2.7. Subcontractor shall install all necessary equipment and materials in the necessary time sequence, (except at scheduled temporary omissions and leapfrog areas), and prior to close-in of any area so as to maintain the progress of the Work and the Project and eliminate any rework to install materials or equipment out of sequence. The Subcontractor shall bear any cost related to installation of materials or equipment that is installed out of sequence, unless such out of sequence work is directed or authorized in writing by Contractor. The Subcontractor shall participate in the preparation of coordinated drawings in areas of congestion, specifically noting and advising the Contractor of potential conflicts between the Work of the Subcontractor, the Contractor, and other subcontractors or the Owner's own forces. Subcontractor shall be represented on the Project while the Work is in progress by a competent full-time supervisor satisfactory to Contractor.

6.2.8. Should Subcontractor's performance of the Work be delayed by any acts of Contractor, Contractor's other contractors or Contractor's suppliers, Subcontractor shall receive an equitable extension of time for the performance of the Work, but shall not be entitled to any increase in the Subcontract Sum or to damages or additional compensation as a consequence of such delays, and Subcontractor hereby waives any claim for any such increase, damages or additional compensation.

6.2.9. Subcontractor shall complete all Work in accordance with the mutually agreed upon schedule. No extensions of time or provision for additional costs will be allowed for weather related delays unless Subcontractor submits in writing within seven (7) days from the date incurred, a claim for delay resulting from inclement weather. Contractor may, in its sole discretion, approve or disapprove a claim for delay.

6.3. LAWS, PERMITS, FEES AND NOTICES.

6.3.1. The Subcontractor shall provide all notices and comply with all Federal, state or local laws, ordinances, building codes, rules, regulations and orders of public authorities bearing on performance of the Work of this Subcontract. The Subcontractor shall secure and pay for all ~~permits and~~ governmental fees, licenses and inspections necessary for proper execution and completion of the Subcontractor's Work, the furnishing of which is required of the Contractor by the Prime Contract.

6.3.2. Subcontractor shall be liable to Contractor, Developer, Operator and the Owner for all loss, cost and expense attributable to any acts of commission or omission by Subcontractor, its employees and agents, and lower-tier subcontractors resulting from failure to comply with any Federal, state or local laws, building codes, ordinances or regulations including, but not limited to, any fines, penalties or corrective measures.

6.3.3. Except as otherwise provided by the Subcontract Documents, Subcontractor agrees to pay, comply with, and hold Contractor, Developer and Operator harmless from all social security, state unemployment, welfare fees, and all other Federal, State and local taxes (including sales and use taxes) and fees of every nature applicable to the Work including penalties or any interest.

6.4. SAFETY PRECAUTIONS AND PROCEDURES.

6.4.1. The Subcontractor shall take all appropriate precautions with respect to performance of this Subcontract, shall comply with safety measures initiated by the Owner or the Contractor, and shall comply with all applicable laws, ordinances, rules, regulations and orders of public authorities for the safety of persons or property. The Subcontractor shall report to the Contractor within twenty-four (24) hours an injury to any employee or agent of the Subcontractor which occurred at the site. Subcontractor shall be solely responsible for providing a safe place to work for its agents, employees and sub-subcontractors. Subcontractor shall implement and enforce a health and safety program for its employees and sub-subcontractors on the site, which program shall be at least as effective as the Health and Safety Program of Contractor. Subcontractor's employees and sub-subcontractors on the site shall obey the directives of Contractor's

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Project Manager, Superintendent and Safety Director. All of Subcontractor's employees, agents and contractors must attend the safety meetings held by Contractor's Safety Director, or, in lieu of such attendance, Subcontractor must provide to Contractor the minutes and attendance of all safety meetings conducted by Subcontractor, within two (2) days following the completion of such safety meetings.

6.4.2. If hazardous substances of a type of which an employer is required by law to notify its employees are being used on the site by the Subcontractor, the Subcontractor's sub-subcontractors, or anyone directly or indirectly employed by them, the Subcontractor shall, at least three (3) days before bringing such substances onto the Site, provide Contractor with a materials data sheet for such substances, and give written notice of the chemical composition of such substances to Contractor. Subcontractor will comply with all laws regarding Subcontractor's use and handling of such hazardous substances by Subcontractor or Subcontractor's sub-subcontractors, agents and employees.

6.4.3. Contractor reserves the right to require Subcontractor to perform from time to time, at Subcontractor's cost, drug testing of all or any of Subcontractor's agents, employees and sub-subcontractors. Such testing must be done with testing companies selected or approved by Contractor. Subcontractor must prohibit from the Work Site any persons that test positively for drug use. Contractor shall be entitled to prohibit from the site any persons that Contractor deems to be disruptive to the smooth construction of the Project.

6.5. **CLEANING UP.** The Subcontractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations performed under this Subcontract. Subcontractor shall at all times keep the Subcontractor's work area; keep the premises free from rubbish, debris and waste and surplus materials resulting from its operations; and shall turn over the work area in such condition as to permit the next succeeding work to be commenced without further cleaning. If Subcontractor fails to comply with the provisions of this Section, Contractor shall have the right itself or through others to perform such cleaning and to charge the cost thereof to Subcontractor, plus overhead charges of twenty-five percent (25%), provided the Subcontractor is given a twenty-four (24) hour written notice of such delinquency and fails to remedy same. Subcontractor shall not damage the work of others by its performance of its obligations under the Subcontract and shall indemnify Contractor for damage caused by Subcontractor or its agents to the work of Contractor, and other contractors, including court costs and attorney's fees.

6.6. **WARRANTY.** In addition to any product warranties required by the Subcontract, the Subcontractor warrants to Contractor that all material and equipment incorporated in the Work will be new unless otherwise specified, and that all Work will be of good quality, free from faults and defect and in conformance with the Prime Contract and the Subcontract. All Work not conforming to these requirements may be considered defective. Subcontractor shall, promptly upon request of Contractor, furnish all labor, materials and supervision necessary to correct or replace any defective or nonconforming Work and any damage caused by such defect or fault, at no cost to Contractor or Owner, for a period of one (1) year from the date of ~~Final Payment~~, except for latent defects, which shall be for a period of six (6) months following the discovery of such latent defect. This warranty shall run to and be enforceable by Owner, Contractor, and their successors and assigns. This warranty shall be in addition to and not in limitation of any other warranty or remedy provided by law or by the Subcontract.

6.7. **INDEMNIFICATION.** To the fullest extent permitted by law, the Subcontractor shall indemnify, defend and hold harmless the Owner, Contractor, Operator, Developer, their respective parent and subsidiaries, and their respective agents, officers, employees, members and directors of any of them from and against claims, damages, losses and expenses, including but not limited to attorney's fees and court costs, arising out of or resulting from performance of the Subcontractor's Work under this Subcontract, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, including loss of use resulting therefrom, but only to the extent caused in whole or in part by negligent or intentional acts or omissions of the Subcontractor, the Subcontractor's sub-subcontractors, materialmen or suppliers, anyone directly or indirectly employed by them or anyone for whose acts they may be liable. Such obligation shall not be construed to negate, abridge, or otherwise reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this Section 6.7.

7. CHANGES IN THE WORK.

7.1. **CONTRACTOR CHANGES.** Contractor may at any time make changes in the Work either:

- (a) By written change order signed by Contractor and Subcontractor prior to commencement specifying the changes to be made and the increase or decrease in the Subcontract Sum and extension of time, if any; or
- (b) By written direction to Subcontractor to proceed with changes in the Work, specifying the changes to be made and specifically stating that an equitable adjustment in the Subcontract Sum will be made, based on the time and materials to perform such changes; or
- (c) By written direction to Subcontractor to proceed with changes in the Work, specifying the changes to be made and specifically stating that the Subcontract Sum shall be adjusted based on actual costs of performing such changes based on time and materials, plus a fixed fee, to be set in such change order.

7.2. **OBLIGATION TO PROCEED.** Subcontractor shall proceed with the changes ordered so as not to delay the Work. In the event Contractor changes the Work pursuant to 7.1(b) above, Subcontractor shall file with Contractor within seven (7) days from the

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date of such order Subcontractor's written itemized estimate for the cost of performing the changes to be made. If mutual agreement on the cost is reached, Subcontractor and Contractor will execute a written change order executed by the authorized officers or designees of Contractor and Subcontractor. If mutual agreement cannot be reached and the changes are required by Contractor, the Work shall proceed and Subcontractor shall be entitled to a reasonable adjustment in the Subcontract sum and in the time for performance of the work to the extent such adjustments are focused by the Contractor's written change order. If the extra Work or changes are required by Contractor, Subcontractor does not waive its right by proceeding under protest provided it so notifies Contractor in writing within five (5) days from submittal of the itemized estimate referred to above.

7.3. **COST AND TIME.** Subcontractor shall respond to a proposed change within seven (7) days of request by Contractor. In the event that a Subcontractor change order response is not delivered to the Contractor by the date required, it shall be conclusively presumed that such proposed change does not result in a change in Subcontractor's cost or construction time, and all work and materials called for by the proposed change order shall be provided by Subcontractor at no additional cost or delay to Contractor. For changes in the work for which contractual unit prices, if any, do not apply, the Subcontractor shall submit an itemized breakdown of his estimated cost for such changes with the following percentages for overhead and profit combined: Fifteen percent (15%) on work performed by Subcontractor's own forces or by sub-subcontractors and five percent (5%) on work performed on behalf of Subcontractor by a sub-subcontractor.

8. TERMINATION, REMEDIES FOR DEFAULT AND ASSIGNMENT OF THE SUBCONTRACT.

8.1. **TERMINATION BY THE SUBCONTRACTOR.** The Subcontractor may terminate the Subcontract if Contractor fails to pay to Subcontractors any sums due to Subcontractor within forty-five (45) days following the date such sums were due and payable to Subcontractor. Such termination shall only be effective if Subcontractor makes written demand for such payment to Contractor following the expiration of such forty-five (45) day period and Contractor fails to pay all sums then due and payable within ten (10) days following receipt of Subcontractor's demand. In the event of such termination by the Subcontractor, the Subcontractor shall be entitled to recover from the Contractor payment for Work executed to date of termination and for proven loss with respect to materials, equipment, tools, and construction equipment and machinery (but not for anticipated profits).

8.2. TERMINATION BY THE CONTRACTOR.

8.2.1. If the Subcontractor (i) fails or neglects to carry out the Work in accordance with the Subcontract or otherwise to perform in accordance with this Subcontract; and (ii) fails within thirty-six (36) hours after receipt of notice to correct such default or neglect, the Contractor, in addition to Contractor's remedies under Section 8.3 and 8.4 of this Subcontract, may immediately and without further notice to Subcontractor terminate the Subcontract.

8.2.2. For its convenience, the Contractor shall have the right to terminate this Subcontract for any reason by giving the Subcontractor written notice of termination. Such termination for the Contractor's convenience shall be effective upon Subcontractor's receipt of written notice of such termination. Termination for default, if wrongfully made, shall be treated as a termination for convenience. In the event that the Subcontractor is terminated for the convenience of the Contractor, the Subcontractor shall be paid a pro rata percentage of the Subcontract Sum equal to the percentage of Work in place, less payments theretofore received by the Subcontractor. In no event shall the Subcontractor be entitled to receive payment for anticipated profits for unperformed Work.

8.3. **CONTRACTOR'S REMEDIES.** Should Subcontractor (a) fail to correct, replace and/or re-execute faulty or defective Work and/or materials furnished under the Subcontract; (b) fail to complete or diligently proceed with the Work in accordance with the agreed upon schedule; (c) fail to correct or repair any damage to the Project caused by the acts or omissions of Subcontractor; or (d) otherwise be in default of any provision of the Subcontract, if such failure or default is not corrected, then Contractor shall have the right to correct, replace or otherwise remedy and such defect, deficiencies or delayed performance by any reasonable and expedient means, including taking over or supplementing Subcontractor's Work and materials and employing such additional labor, equipment and materials as may be necessary to cure the default and achieve compliance with the Subcontract. In such event, Contractor may deduct from any sums due to Subcontractor the cost of performing such work and correcting such deficiencies, plus overhead of fifteen percent (15%) of such cost. If payments then or thereafter due Subcontractor are not sufficient to cover such amount, Subcontractor shall promptly pay the difference to Contractor. The remedies of Contractor under this subparagraph are in addition to any other remedies available to Contractor under the Subcontract or available at law or in equity.

8.4. **CONTRACTOR'S ADDITIONAL REMEDIES.** Subcontractor shall reimburse Contractor for any loss, damage or extra expense paid or incurred by Contractor which is due to Subcontractor's failure to supply materials, labor, or to properly perform the Work in accordance with the Subcontractor Documents. Subcontractor's failure to perform shall include the failure of its lower-tier subcontractors to perform. Subcontractor's liability shall include but not be limited to (1) damages and other delay costs payable by Contractor to the Owner; (2) Contractor's increased costs of performance, such as extended overhead and increased performance costs resulting from Subcontractor-caused delays or improper Subcontractor Work; (3) warranty and rework costs; (4) liability to third parties; (5) excess reprourement costs; (6) consultants' fees; and (7) attorneys' fees and court costs. Contractor may take over any of Subcontractor's outstanding sub-subcontracts and purchase orders and take possession of all tools, equipment, scaffolds, material and supplies of Subcontractor which are on the Project site, in transit to, or especially manufactured for, the Work for use in completion of the Project. Contractor is hereby granted a lien on all such property to secure Subcontractor's performance under this Subcontract. Subcontractor shall, upon request of Contractor, execute and deliver to Contractor all documents and take all such steps to effect the legal assignment of Subcontractor's contractual rights under such sub-subcontracts and purchase orders, but Contractor shall not be required to

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assume any of Subcontractor's outstanding obligations thereunder.

8.5. ASSIGNMENT OF THE SUBCONTRACT.

8.5.1. In the event of termination of the Prime Contract by the Owner, the Contractor may assign this Subcontract to the Owner, with the Owner's agreement, subject to the provisions of the Prime Contract and to the prior rights of the surety, if any, obligated under bonds relating to the Prime Contract.

8.5.2. The Subcontractor shall not assign this Subcontract without the written consent of the Contractor, nor subcontract the whole or any portion of this Subcontract without the written consent of the Contractor.

9. MUTUAL RIGHTS AND RESPONSIBILITIES.

The Contractor and Subcontractor shall be mutually bound by the terms of this Subcontract and, to the extent that provisions of the Prime Contract apply to the Work of the Subcontractor, the Contractor shall assume toward the Subcontractor all obligations and responsibilities that the Owner, under the Prime Contract, assumes toward the Contractor, and the Subcontractor shall assume toward the Contractor all obligations and responsibilities which the Contractor, under the Prime Contract, assumes toward the Owner and the Architect. The Contractor shall have the benefit of all rights, remedies and redress against the Subcontractor which the Owner, under the Prime Contract, has against the Contractor, and the Subcontractor shall have the benefit of all rights, remedies and redress against the Contractor which the Contractor, under the Prime Contract, has against the Owner, insofar as applicable to this Subcontract. Where a provision of the Prime Contract is inconsistent with a provision of this Subcontract, this Subcontract shall govern.

10. PROGRESS PAYMENTS.

10.1. APPLICATIONS FOR PAYMENT.

SUBCONTRACTOR SHALL SUBMIT ALL REQUISITIONS AND APPLICATIONS FOR PAYMENT FOR PAYMENT PROCESSING TO: ERICKSON CONSTRUCTION, LLC; Jim Richards 50 Riverside Road, Lincolnshire, IL, 60069 OR TO SUCH OTHER ADDRESS AS CONTRACTOR MAY DIRECT.

10.1.1. Based upon applications for payment submitted to the Contractor by the Subcontractor, corresponding to Applications for Payment submitted by the Contractor to the Owner, and Certificates for Payment issued by the Owner, the Contractor shall make progress payments on account of the Subcontract Sum to the Subcontractor as provided below and elsewhere in the Subcontract. Each application for payment shall be in the form attached hereto as Exhibit D, or such other form as may otherwise be requested by Owner, and must include a Partial Release of Liens in either the form attached hereto as Exhibit E, or such other form as may otherwise be requested by Owner, and with such detail substantiating Subcontractors right to payment. With each application for payment, Owner will require a Sworn Statement in compliance with Illinois Mechanics Lien Statute, 770 ILCS 60/5 and lien waivers and releases valid under Illinois law in the form attached hereto as Exhibit E or Exhibit F, as applicable, or such other form as may otherwise be requested by Owner.

10.1.2. The period covered by each application for payment submitted by Subcontractor shall be one (1) calendar month ending on the last day of the calendar month. Each application for payment must be based on actual work performed by or under Subcontractor through the 19th day of the month, and the reasonably estimated work to be performed by or under Subcontractor during the balance of the month.

10.1.3. Provided an application for payment is received by the Contractor not later than the 20th day of a month, the Contractor shall include the Subcontractor's Work covered by that application in the next Application for Payment which the Contractor is entitled to submit to the Owner. Subcontractor's progress payments shall be due and payable within ten (10) working days after the Contractor receives payment for the Subcontractor's Work from the Owner. If the Owner or Architect fails to issue a Certificate for Payment or the Owner fails to pay Contractor for Subcontractor's Work within forty-five (45) days following the applicable Application for Payment, and such failure is not the fault of the Subcontractor or Subcontractor's sub-subcontractors, the Contractor shall pay the Subcontractor, within ten (10) days following demand, a progress payment computed as provided in Section 10.2 of this Subcontract. Notwithstanding the foregoing, payments to Subcontractor may be withheld on account of (i) defective Work not remedied, (ii) claims filed, (iii) damage to Contractor or another subcontractor or (iv) failure to carry out the Work in accordance with the Subcontract.

10.1.4. If an application for payment is received by the Contractor on or after the 21st day of any calendar month, the Subcontractor's Work covered by such application shall be included by the Contractor in the next Application for Payment submitted to the Owner.

10.1.5. Each application for payment shall be based upon the most recent schedule of values approved by the Contractor in accordance with Section 4.4 of this Subcontract. Applications for payment submitted by the Subcontractor shall indicate the percentage of completion of each portion of the Work as of the end of the period covered by the Subcontractor's application for payment.

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10.1.6. Subcontractor shall pay all claimants for all costs and expenses resulting from the performance of the Work and for all labor and materials used. Subcontractor is liable for and shall hold Contractor and Owner harmless from and indemnify Contractor and Owner for all court costs, attorney's fees and damages resulting from claims by sub-subcontractors and Subcontractor's suppliers and all liens and all claims of persons furnishing material or labor on behalf of Subcontractor in connection with the Work. Subcontractor shall deliver to Contractor with each application for payment recordable affidavits and lien releases or waivers acceptable to Contractor from Subcontractor and Subcontractor's sub-subcontractors and suppliers. In the event any person or entity claiming by, through or under Subcontractor notifies Contractor of any non-payment or seeks to encumber funds held by Contractor and payable to Subcontractor or files a lien or other claim against the Project, or Contractor's interest therein, Subcontractor shall within three (3) days notify Contractor if Subcontractor disputes such claim. If at any time a lien has been filed against Contractor, the Owner, the Project or any sums held by Contractor by any person or entity claiming through Subcontractor, Subcontractor shall, within seven (7) days of receipt of notice of such lien pay the claim and cause the lien to be released or shall file a bond in lieu of the payment of such lien and shall cause the lien to be released from the project.

10.1.7. Notwithstanding the foregoing, if such lien or claim is due solely to sums wrongfully held by Contractor, Subcontractor shall not have any obligation to hold harmless or indemnify Contractor against such lien or claim.

10.2. PROGRESS PAYMENTS. Subject to the provisions of the Subcontract, the amount of each progress payment shall be computed as follows:

10.2.1. Take that portion of the Subcontract Sum properly allocable to completed Work as determined by multiplying the percentage completion of each portion of the Subcontractor's Work by the share of the total Subcontract Sum allocated to that portion of the Subcontractor's Work in the schedule of values, less that percentage actually retained, if any, from payments to the Contractor on account of the Work of the Subcontractor;

10.2.2. Add that portion of the Subcontract Sum properly allocable to materials and equipment delivered and suitably stored at the site by the Subcontractor for subsequent incorporation in the Subcontractor's Work or, if approved in advance in writing by the Owner, suitably stored off the site at a location agreed upon in writing, less the same percentage retainage required by the Prime Contract to be applied to such materials and equipment in the Contractor's Application for Payment;

10.2.3. Subtract the aggregate of previous payments made by the Contractor; and

10.2.4. Subtract amounts, if any, calculated under Subparagraph 10.2.1 or 10.2.2 which are related to Work of the Subcontractor for which the Architect has withheld or nullified, in whole or in part, a Certificate of Payment for a cause which is the fault of the Subcontractor or Subcontractor's sub-subcontractors.

10.2.5. All periodic payments by Contractor shall be subject to a retainage, to be held by Contractor, often percent (10%) of the amount billed by Subcontractor. To the extent approved or permitted by Owner and any lender providing financing for all or any part of the Work, and if Subcontractor is in compliance with the terms of the Subcontract, the aggregate amount of the retainage, subject to offset for defects and deficiencies, shall be reduced to five percent (5%) upon the Work achieving fifty percent (50%) completion and acceptance thereof by Contractor and Owner. No periodic payment by Contractor shall be deemed to constitute acceptance of any faulty or defective Work.

10.3. STORED MATERIALS. Notwithstanding the provisions of Subsection 10.2., payment for stored materials may be conditioned on delivery to the Owner of bills of sale (which shall include a complete description, including photographs, bills of lading, serial numbers, warehouse receipts and/or inventories, as appropriate for Owner to identify the stored materials) and such other procedures satisfactory to Owner to establish the Owner's title and to insure and otherwise protect the Owner's interest in and to such stored materials, unless requested otherwise by Contractor. Subcontractor shall schedule the materials to prevent the arrival of major items well in advance of their incorporation into the improvements.

10.4. SUBSTANTIAL COMPLETION. When the Work or a designated portion thereof is substantially complete in accordance with the requirements of the Prime Contract, the Contractor shall, upon application by the Subcontractor, make prompt application for payment for such Work. Within thirty (30) days following issuance by the Owner of the Certificate for Payment covering such substantially completed Work, the Contractor shall, to the full extent allowed in the Prime Contract, make payment to the Subcontractor, deducting any portion of the funds for the Work withheld in accordance with the Certificate of Payment to cover costs of items to be completed or corrected by the Subcontractor. Such payment to the Subcontractor shall be the entire unpaid balance of the Subcontract Sum if a full release of retainage is allowed under the Prime Contract for the Work prior to the completion of the entire Project. If the Prime Contract does not allow for a full release of retainage, then such payment shall be an amount which, when added to previous payments to the Subcontractor, will reduce the retainage on the Subcontractor's substantially completed Work to the same percentage of retainage as that on the Contractor's work covered by the Certificate of Payment.

11. FINAL PAYMENT.

11.1. TIME. Subject to the provisions of Section 10.4, final payment, constituting the entire unpaid balance of the Subcontract Sum, shall be made by the Contractor to the Subcontractor when the Work is fully performed in accordance with the

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requirements of the Subcontract, Subcontractor has filed a final application for payment, the Owner has issued a Certificate for Payment covering the Subcontractor's completed Work and the Contractor has received payment from the Owner. If a Certificate for Payment is not issued within forty-five (45) days of Contractor's application for payment, or the Contractor does not receive from the Owner payment within forty-five (45) days of Contractor's application for payment, and such payment is otherwise due to Subcontractor and such failure is not due to any fault of Subcontractor, final payment to the Subcontractor shall be made upon demand.

11.2. **LIEN WAIVERS.** Final payment shall not be due until Subcontractor has delivered to Contractor a complete, recordable affidavit and release of all liens arising out of this Subcontract, in the form attached hereto as Exhibit F, or such other form as may otherwise be requested by Owner, covering all labor, materials and equipment for which a lien could be filed, or a bond satisfactory to the Contractor indemnifying Contractor and the Project against any and all lien(s). If any lien remains unsatisfied after all payments are made, Subcontractor shall refund to Contractor all monies the latter may be compelled to pay in discharging such lien, including all court costs and expenses and reasonable attorney's fees. The acceptance of final payment shall constitute a release of all claims by Subcontractor except those previously made in writing and identified by Subcontractor as unsettled at the time of the final application for payment.

11.3. **EVIDENCE OF PAYMENT.** Before issuance of the final payment, the Subcontractor, if required, shall submit evidence satisfactory to the Contractor that all payrolls, bills for materials and equipment, and all known indebtedness connected with the Subcontractor's Work have been satisfied.

11.4. **SUB-SUBCONTRACTORS AND PROVIDERS.** Subcontractor shall keep Contractor informed of all sub-subcontractors, and all materials and/or service providers of any tier who provide materials or service for any part of the Work in excess of One Thousand Dollars (\$1,000.00) by completing, submitting and updating as appropriate Exhibit G attached hereto.

12. INSURANCE AND BONDS.

12.1. COVERAGES.

12.1.1. Before the Subcontractor commences any Work pursuant to this Subcontract, the Subcontractor shall obtain and maintain throughout the term of the Subcontract, insurance of the types and in the minimum amounts set forth on Exhibit H. Self-insured retentions and/or deductibles may not be more than Ten Thousand Dollars (\$10,000.00). Acceptance of any insurance by Contractor shall not relieve or decrease the liability of the Subcontractor.

12.1.2. Coverages must be maintained with financially secure insurance companies licensed to do business in the State where the Project is located, have a Best's Guide Rating of not less than A-VI and must otherwise be acceptable to Owner and Contractor. Coverage must be maintained without interruption from date of commencement of the Work until date of final payment, and Contractor, Developer, Owner, and the Operator, their parent and subsidiary companies, together with their employees, officers agents, members and directors shall be named as additional insureds and Lender where required, under Subcontractor's Commercial General Liability policy, Automobile liability policy, Products/Completed Operations Coverage and the Umbrella/Excess Insurance. The additional insured coverage is to be provided by ISO form CG20100704, CG20370704, or equivalent forms, a copy of which will be provided with the certificate of insurance. All such policies shall apply as primary and non-contributory insurance with respect to any other insurance or self-insurance programs afforded to the indemnities and/or additional insured's identified within this agreement.

12.1.3. Certificates of insurance acceptable to the Contractor, together with all appropriate endorsements, shall be filed with the Contractor prior to commencement of the Subcontractor's Work, and at least ten (10) days prior to the expiration of any policy. These certificates and the insurance policies required by this Article 12 shall contain an endorsement that coverages afforded under the policies will not be canceled or allowed to expire until at least thirty (30) days prior written notice has been given to the Contractor. If any of the foregoing insurance coverages are required to remain in force after final payment and are reasonably available, an additional certificate evidencing continuation of such coverage shall be submitted with the final application for payment as required in Article 11. If requested by Contractor, Subcontractor shall provide certified copies of all such policies to Contractor within ten (10) days of such request. Subcontractor must immediately notify Contractor of any reduction or restriction in the required insurance that takes place during the term of the Subcontract, and/or in the event the insurer notifies the Subcontractor of its intent not to renew coverage.

12.1.4. The Contractor shall furnish to the Subcontractor upon demand, satisfactory evidence of insurance required of the Contractor under the Prime Contract.

12.1.5. If Subcontractor fails to secure and maintain the required insurance, Contractor shall have the right (without any obligation to do so, however) to secure same in the name and for the account of the Subcontractor in which event the Subcontractor shall pay the costs thereof to Contractor upon demand and furnish upon demand all information that may be required in connection therewith..

12.1.6. The insurance provisions of this Subcontract shall not be construed as a limitation on the Subcontractor's responsibilities and liabilities pursuant to the terms and conditions of the Subcontract, including, but not limited to, liability for claims in excess of the insurance limits and coverages set forth herein.

12.1.7. The Subcontractor shall not make changes in or allow the required insurance coverages to lapse without the Contractor's prior written approval thereto.

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12.2. **WAIVERS OF SUBROGATION.** The Contractor and Subcontractor waive all rights against (1) each other and any of their Subcontractors, sub-subcontractors, agents, employees, officers, members and directors, each of the other, and (2) the Owner, Developer, Operator, and any of their Subcontractors, sub-subcontractors, agents, employees, officers, members and directors, for damages caused by fire or other perils to the extent covered by property insurance provided under the Prime Contract or other property insurance applicable to the Work, except such rights as they may have to proceeds of such insurance held by the Owner as fiduciary. The Subcontractor shall require of the Subcontractor's sub-subcontractors, agents and employees, by appropriate agreements, written where legally required for validity, similar waivers in favor of other parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

12.3. The Contractor shall promptly, upon request of the Subcontractor, furnish a copy or permit a copy to be made of any bond covering payment of obligations arising under the Subcontract.

12.4. **Performance Bond and Payment Bond:**

Bond Required for the payment and performance bonds. All bonds must be in the AIA312 format or equal. Cost of bond is on bonding company's invoice at standard rates. Subcontractor must include the names of the Owner and Lender on all bonds as a dual obligee. Subcontractor can provide this information through a dual obligee rider. Two original copies of all bonds are required and should be forwarded to the Corporate Office located at 991 Corporate Boulevard, Linthicum, MD 21090.

Unless waived by Contractor in this Subsection 12.4, prior to the commencement of the Work, Subcontractor shall pay for and deliver to Owner acceptable, statutory payment and performance bonds in the full amount of the Subcontract sum issued by a surety acceptable to Owner.

13. **SETTLEMENT OF DISPUTES.**

13.1. In the event of any dispute involving the Work performed or to be performed, Contractor shall issue a decision which shall be followed by Subcontractor, without interruption, deficiency, or delay. If Subcontractor does not agree with such decision, Subcontractor may make a claim under Section 7.3. and the matter shall be resolved as set forth in Article 13.2. or 13.3. as applicable. If the Subcontractor prevails, Subcontractor's sole remedy shall be an equitable adjustment determined as provided in Section 13.2. or 13.3. as applicable. In addition to notice required by Article 9 or the Subcontract Documents, notification of any claim for the equitable adjustment must be asserted in writing not later than ten (10) days after Subcontractor's knowledge of the claim, and if Section 13.2. is applicable, within sufficient time to allow Contractor to give notice to the Owner under the Subcontract Documents.

13.2. In case of any dispute between Contractor and Subcontractor, in any way relating to or arising from any act or omission of the Owner or involving the Subcontract Documents, Subcontractor agrees to be bound to Contractor to the same extent that Contractor is bound to the Owner, by the terms of the Subcontract Documents, and by any and all preliminary and final decisions or determinations made thereunder by the party, board or court so authorized in the Subcontract Documents or by law, whether or not Subcontractor is a party to such proceedings. In case of such dispute, Subcontractor will comply with all provisions of the Subcontract Documents allowing a reasonable time for Contractor to analyze and forward to the Owner any required communications or documentation. Contractor will, at its option, (1) present to the Owner, in Contractor's name, or (2) authorize Subcontractor to present to the Owner, in Contractor's name, all of Subcontractor's claims and answer the Owner's claims involving Subcontractor's Work, whenever Contractor is permitted to do so by the terms of the Subcontract Documents. Contractor will further invoke on behalf of Subcontractor, or allow Subcontractor to invoke, those provisions in the Subcontract Documents for determining disputes. If such dispute is prosecuted or defended by Contractor, Subcontractor, at its own expense, agrees to furnish all documents, statements, witnesses, and other information required by Contractor and to pay or reimburse Contractor for all costs incurred by Contractor in connection with the dispute including attorneys' fees and court costs.

13.3. To the extent not resolved under Section 13.2 above, any dispute between Contractor and Subcontractor shall, at Contractor's sole option, be decided by litigation. In the event of any lawsuit under this clause, the Courts of Illinois shall have sole and exclusive jurisdiction. DUE TO THE SPECIALIZED NATURE OF CONSTRUCTION LITIGATION, EACH PARTY HEREBY WAIVES ITS RIGHT TO A TRIAL BY JURY.

14. **MISCELLANEOUS PROVISIONS.**

14.1. **GENERAL CONDITIONS.** Where reference is made in this Agreement to a provision of the General Conditions or another Subcontract Document, the reference refers to that provision as expressly amended or supplemented by other provisions of the Subcontract Documents.

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14.2. PRIVACY. Until Subcontractor's obligations under this Subcontract are completely fulfilled, Subcontractor agrees not to perform any Work directly for the Owner or deal directly with the Owner's representatives in connection with the Project, unless otherwise directed in writing by Contractor. All Work for this Project performed by Subcontractor shall be processed and handled exclusively by Contractor.

14.3. VEHICLES. All vehicles are to be operated in accordance with the traffic and parking rules and regulations of the Operator and the Contractor. Violation of these rules may result in the vehicle being towed at the owner's expense, and the vehicle and operator being banned from the site. All workers authorized to park within the site must obtain parking passes from the Contractor's office and must display the parking passes whenever the vehicle is on the site. Subcontractor's employees, agents and sub-subcontractors may park vehicles only in areas on or off-site as designated for parking by Owner or Contractor.

14.4. RESIDENTS OF RETIREMENT COMMUNITY. The safety and protection of the residents of the Project is of paramount importance to the Contractor. Subcontractor, its workers, suppliers, and sub-subcontractors must adhere to all traffic regulations, noise restrictions, and other safety standards established by the Contractor and the Operator. Residents of the Project must be treated with courtesy and respect at all times. In the event that the buildings are occupied while the Subcontractor is performing work on the Project, all courtesy is to be extended to the residents and precautions taken to avoid any disruption or inconvenience during this usage.

14.5. SIGNS. No signs may be placed on any portion of the site and/or building without written permission of Owner.

14.6. COMMUNICATIONS. It is agreed and understood that all communications by or through Subcontractor to the Architect, Engineer, Owner, Developer or any representative thereof shall be made through Contractor.

14.7. EXAMINATION OF PRIOR WORK. Subcontractor shall carefully examine the work of others which may affect the Work and shall notify Contractor in writing, completely detailing and supporting any apparent deficiencies therein before performing the Work; otherwise, such other Work shall be deemed acceptable to Subcontractor and Subcontractor shall be deemed to have waived all claims with respect thereto.

14.8. INVALIDITY. If any provision of the Subcontract is found to be invalid, unenforceable or unlawful, such provision shall be enforced in such manner as shall most nearly affect the intent of the parties and yet conform to the law applicable thereto and the remainder of the Subcontract Documents shall remain in full force and effect.

14.9. NOTICES. Except as stated in Section 10.1 of this Agreement, all notices, requests, approvals and other communications required or permitted to be delivered under the Subcontract must be in writing and shall be effective upon: (a) the date of delivery if hand-delivered to the other party or forwarded by facsimile to a number provided and authorized for delivery of notices by the receiving party; (b) the date of transmission if sent by telegram; (c) the date after mailing if sent by overnight commercial carrier, or (d) three (3) business days after mailing if sent by U.S. mail. Except for the use of facsimiles, if permitted, all notices must be sent to the addresses listed in the introductory paragraph of this Agreement, or to such other address as may be expressly designated in writing by either party as the correct address for notices, requests, approvals and other communications.

14.10. INDEPENDENT CONTRACTOR. Subcontractor is an independent contractor and hereby assumes all of the rights, duties, obligations and liabilities thereby arising.

14.11. WAIVER. Any failure by Contractor at any time or from time to time to enforce or require the strict performance of any of the terms or conditions hereof shall not affect or impair Contractor's right to at any time thereafter avail itself of the remedies available for the subsequent breach of such terms or conditions.

14.12. GOVERNING LAW. The Subcontract shall be governed by the law of the State in which the Project is located. No presumption shall be deemed to exist in favor of or against either party as a result of the preparation and/or negotiation of the Subcontract. The Subcontract and Subcontract Documents are subject to the Contract between the Owner and Contractor, the General Conditions, and the Additional Supplementary General Conditions.

14.13. EQUAL OPPORTUNITY. Subcontractor agrees not to discriminate against any employee or applicant for employment because of race, religion, sex, handicap or national origin.

14.14. EXHIBITS. The following exhibits are attached hereto:

Type	Description
Exhibit A	Illinois Drawing Log
Exhibit B	Illinois Scope of Work
Exhibit C	Illinois SOV
Exhibit D	Illinois Pay Application
Exhibit D-1	Illinois Payment Instructions
Exhibit E-1 & F-1	Illinois Release Instructions
Exhibit G	Illinois Tier Sub List

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Exhibit G-1	Illinois Tier List Instructions
Exhibit H Sch B	Illinois Exhibit H Sch B
Exhibit I	Illinois Payment Bond
Exhibit J	Illinois Performance Bond
Exhibit E Sed. Partial	Illinois Sed Partial Release
Exhibit F Sed. Final	Illinois Sed Final Release

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

WITNESS:

CONTRACTOR
ERICKSON CONSTRUCTION, LLC

By: _____

David Tague
Vice President of Construction

Dated: _____

SUBCONTRACTOR

By: _____

Westside Mechanical, Inc.
Jim Rice-Ross
President

Dated: _____

John Doe

Subcontractor: Westside Mechanical, Inc.
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EXHIBIT "B"

SUBCONTRACTOR SCOPE OF WORK

This Subcontractor agrees to furnish at its own cost and expense, all labor, materials, tools, equipment and facilities necessary to safely and fully complete the work described in accordance with the construction documents; Said work is generally described as **RESIDENTIAL BUILDING RB1.5 HVAC / MECHANICAL** and as more specifically described including but not limited to the following clarifying items:

1. This subcontractor to submit to Erickson Construction, LLC Project Management Office all required Shop Drawings, Material Data, Product Data and Samples for approval with in 4 weeks of award or September 29, 2006. This subcontractor is to submit product data for all items that are to be installed regardless of approval on previous projects. Seven (7) copies are required. HVAC shop drawings are to be in accordance with local codes and intent of the contract documents. This subcontractors shop drawings are to be detailed, with fully dimensioned sleeve & coring plan for coordination with the steel wall panel contractor.
2. This subcontractor's Certificate of Insurance and MSDS data sheets must be submitted to Erickson Construction LLC before any work can be performed on site, no later than four weeks from award or September 29, 2006.
3. Furnish and install all HVAC systems per the Contract Documents, complete with test and balance performed by and independent contractor. *TEST & BALANCE OF COMMON AREAS ONLY. TEST & BALANCE OF APARTMENTS NOT INCLUDED.*
4. This subcontractor to provide all sleeves, coring, and fire safing as required for this subcontractors work. Additionally, this subcontractor to include providing all covers at cored holes and openings created by his work in order to insure safety on the jobsite. This includes all required fire safing before or after drywall installation, and caulking at the drier duct to the walls.
5. This subcontractor is aware that the building will be occupied in a phased occupancy and will work with Erickson Construction, LLC and the Village of Lincolnshire to achieve this phased occupancy. This subcontractor is to have all valves and pipes labeled for these phased occupancy inspections.
6. This subcontractor to coordinate all HVAC work with Erickson Construction, LLC, all subcontractors (specifically but not limited to Metal Wall Panel, Electrical, Mechanical & Sprinkler subcontractors), Architect, Structural Engineer and Owner.
7. This subcontractor to include coordination with other MEP packages. Coordination to include, but not limited to the following: Attendance and participation at required coordination meetings held by Erickson Construction, LLC and attended by representatives from other MEP contractors. Costs resulting from remedial work associated with pipe/duct/conduit/cable tray conflicts will be borne by the contractor failing to attend the coordination meetings and/or install his material at the coordinated elevation or location.
8. This subcontractor to include Daily cleanup for debris with removal to dumpsters (provided by Erickson Construction LLC.) debris generated by this work, including labor. Clean up that is not performed promptly will be performed by others and back-charged to your contract accordingly. This subcontractor is aware that the campus is in operation and will maintain a clean site through out the progress of their work.
9. This subcontractor to perform intermediate and final testing of the HVAC system and submit test reports on forms signed by an authorized agent of the subcontractor.

Subcontractor: Westside Mechanical, Inc.
Cost Code: 517-RB1.5 - 48400-15-5000

10. This subcontractor to include furnishing only of all access panels required for this work. Coordinate placement with Drywall/Acoustical subcontractor. Access panels will be installed by others and shown on this subcontractors shop drawings. This subcontractor is to submit product data for Access Panels. Access panels are not allowed in corridor doghouses.
11. This subcontractor includes all of the necessary equipment startups, witnessed by the owner's representatives. This subcontractor includes training of the Owner's Operations team in the use of all equipment installed under the scope of this subcontract. This training shall be video recorded by others for the owners use. This subcontractor is to have all system identification, as well as valves and pipes labeled for occupancy inspections. Four weeks prior to initial occupancy of the building, this subcontractor to submit all required accurate "As Built" Shop Drawings, operation & maintenance manuals to the Erickson Construction, LLC project management office. The value of the "As Built Drawings" "Test & Balance" and Owner Training shall be defined as 1% of the contract value in the subcontractor's schedule of values, and shall not be billed for until these items are complete to the owner & architect's satisfaction. Retention will not be released prior the Architect's approval of these "As Built" drawings. This subcontractor to provide all required system identification and marking.
12. Concrete pads for equipment are by others. This subcontractor to provide dimensional drawings showing size and locations of all required equipment pads.
13. This subcontractor to provide the necessary layout for own work from control points and bench mark provided by others.
14. This subcontractor includes hoisting of materials laterally and vertically. Use of the adjacent parking deck is prohibited, with out prior approval from Erickson Construction, LLC. This subcontractor includes on site storage trailers for materials & equipment.
15. This subcontractor to furnish and install all above ground condensate piping systems.
16. This subcontractor Furnish and install all dryer vent systems including all exterior building dryer vents. Dryer venting to be coordinated to have the most direct route to the outside of the building without multiple bends. This subcontractor includes temporary protection (covers) over the duct at the exterior building face during construction as well as furnish and install all exterior building dryer vents. Caulking the dryer vents to the masonry is not included.
17. This subcontractor to furnish and install the exhaust fans as well as bathroom combination exhaust fans. Final electrical connection by others. Furnish and install all bathroom vent systems including all exterior building vents. Bathroom venting to be coordinated to have the most direct route to the outside of the building without multiple bends. This subcontractor includes Broan ILO NuTone. This subcontractor is to submit product data for these items irregardless that they were submitted and approved on previous projects.
18. This subcontractor is to furnish and install the FMC Control Systems as per Y.E.M.
19. This subcontractor to furnish and install all scheduled HVAC equipment (exhaust fans, heat pumps in ILU's Heat Pumps in common areas, Dectron unit, starter for Dectron) per the Contract Documents including gas piping.
20. This subcontractor to furnish and mount all motors, motor controllers for all HVAC equipment. Final connection to be by others.
21. This subcontractor to furnish and install all air system accessories and devices including grilles, diffusers, registers, dampers, ~~operable louvers~~, stats, fire dampers, etc.
22. This subcontractor to furnish and install all required hangers, brackets, fasteners, anchors, shims, etc., for your scope of work.

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23. This subcontractor to furnish and install all required slip assemblies, expansion control, and bracing required for your scope of work. ~~XXXXXX~~ D.O. J.R.
24. This subcontractor to furnish and install all required insulation, including pipe and blanket insulation, rigid duct liners, acoustic liners, etc.
25. This subcontractor to furnish and install all required fire safing, intumescent caulking, collars, sleeves, etc. for your work. This subcontractor includes all required patching for HVAC penetrations.
26. This subcontractor to furnish all required access panels for your scope of work and turn over to the drywall contractor for installation. D.O. J.R.
27. This subcontractor includes final connection to driers as well as caulking the drier vent to the walls. ~~XXXXXX~~
28. This subcontractor to Testing and Balancing of the public and common areas are included.
29. This subcontractor to perform pipe cleaning per specifications, including chemicals, around the clock supervision and pump.
30. This subcontractor includes changing of the filter in the unit heat pumps, witnessed by a representative of Erickson Construction, LLC.
31. This subcontractor to Coordination with the Vescom joist system in included. D.O. J.R.
32. This subcontractor includes furnish and installation of access panel and register for access to fire damper in the heat pumps. ~~XXXXXX~~ OK PM J.R. 5/11/07 11:10 AM
33. Delivery of HVAC equipment:
Climate Master Heat Pumps 16 weeks from approval, prior to April 1, 2007
Dectron Unit 12 weeks from approval, prior to February 20, 2007
34. Subcontract Alternates:
Add two transfer registers for each ILU, add \$ 5,700.00
Add to protect ductwork if installed prior to the building being dry add \$10,250.00
35. Hourly Rates:
- | | Straight Time | Over Time |
|------------------------|---------------|-----------|
| Pipe Fitter Journeyman | \$ 89.17 | \$ 122.58 |
| Sheet Metal Journeyman | \$ 89.17 | \$ 122.58 |
36. This subcontractor includes Full Payment and Performance Bond.
37. This subcontractor includes Sales taxes.

The mechanical work shall not include the following:

1. Testing and Balancing of each of the apartment units
2. Dumpsters.
3. Building permit fees
4. Power wiring
5. Temp Heaters for construction
6. Architectural Louvers
7. Expansion Joints not shown on the Contract Documents
8. Caulking dryer vents to masonry walls

General Scope

Subcontractor: Westside Mechanical, Inc.
Cost Code: 517-RB1.5 - 48400-15-5000

- This subcontractor is aware that time is of the essence. Should this subcontractor fail to provide sufficient labor force or has late delivery of materials not caused by Architect, Owner, or General Contractor, this subcontractor will work overtime to get back on schedule. This subcontractor is aware that excavation will start October 2, 2006 with the slab on grade poured by November 28, 2006. Anticipated stated date for roof trusses is February 20, 2007. Anticipated start date for the terrace interior demising wall framing is April 6, 2007. Anticipated start date for the terrace drywall is May 14, 2007. Anticipated start date for the terrace Occupancy Inspections is August 6, 2007. The date for first occupancies of the Terrace, and First floor are anticipated in September 1, 2007. The Second floor corridor will need to be complete for occupancy inspection at this time also. The date for occupancy of the Fifth floor is anticipated on October 5, 2007.
- Construction entrance is at the north entrance to the campus using Riverside road. **DO NOT USE THE MAIN COMMUNITY GATED ENTRANCE OFF MILWAUKEE AVE.** Additionally the subcontractor will be responsible to make certain that all delivery trucks do not use the Community Entrance. Coordinate all deliveries with Erickson Construction superintendent.
- This subcontractor is aware that no exterior construction work is to start before 7AM. This includes no machinery, such as cranes forklifts and boom-lifts starting up prior to 7AM.
- Erickson Construction LLC, Jobsite Safety Manual must be completed & reviewed prior to the start of any construction.
- This subcontractor has visited the jobsite and is aware of existing conditions that may affect the progress of work.
- This subcontractor includes full time on site supervision as well as coordination between pipefitters and sheet metal workers.
- This subcontractor is aware that there are multiple construction sites on the Sedgebrook campus and will coordinate the work accordingly with Erickson Construction LLC. Specifically, the RB2.1 project will start prior to completion of the RB1.5 project and the subcontractor is aware of the need to move materials around the RB2.1 jobsite, to gain access to the RB1.5 jobsite.
- This contractor to provide all required lifts, cranes, ladders, staging, platforms, scaffolding, etc. for your own scope of work. Furnish all vertical and horizontal hoisting required for the entire HVAC installation.
- This subcontractor shall be responsible for all construction means, methods, techniques, sequences, procedures and coordination for all portions of their work, including safety under this agreement. "This Subcontractor is to provide adequate and proper safety protection for its personnel and equipment and shall strictly comply with all the rules and regulations of the Federal Occupational Safety and Health Act, all other applicable health and safety laws and regulations, and of the Erickson Construction Safety Program. Hard hats, thick soled shoes (not sneakers), full length pants and shirts are to be worn by all personnel employed on the job by this Subcontractor at all times. Payments may be withheld in the form of fines for violations. Accidents to personnel of this Subcontractor, no matter how minor, will be promptly reported in detail to the Project Superintendent and/or site safety officer within twenty four (24) hours of the incident. Photographs must be taken by the Subcontractor of the accident location and copies of those and all applicable hospital reports must be submitted. Fines levied by Erickson Construction, LLC. Due to acts of this Subcontractor for failure to comply with the safety regulations and requirements of OSHA and all other applicable health and safety laws and regulations, will be paid by this Subcontractor or deducted from its Subcontract amount as described elsewhere in the Subcontract. This Subcontractor and its sub-subcontractors may be required to provide a copy of its Safety Program to the Project Superintendent prior to commencing work at the project site. No cost extras or time extensions will be recognized for failure to meet the requirement."



Subcontractor: Westside Mechanical, Inc.
Cost Code: 517-RB1.5 - 48400-15-5000

- This subcontractor to include Daily cleanup for debris with removal to dumpsters (provided by Erickson Construction LLC.) debris generated by this work, including labor. Clean up that is not performed promptly will be performed by others and back-charged to your contract accordingly. This subcontractor is aware that the campus is in operation and will maintain a clean site through out the progress of their work.
- This subcontractor has visited the jobsite and is familiar with existing conditions that may affect his work. The subcontractor has received and reviewed the project sequencing plan and schedule and is aware that the project will be built in phases and has included multiple mobilizations and cost escalations to complete the project per the project schedule and sequencing plan.
- All labor rates are to be held through the duration of the project.
- Contractor daily reports to be turned in at the end of each work week to superintendent as required. Additionally, records of subcontractor's weekly safety meetings are to be turned in at the end of each work week to Erickson Construction, LLC project superintendent. Failure to comply with this requirement can result in holding up the subcontractor's monthly draw request.
- Pre-installation conference meeting to be held with Erickson Construction LLC, and the Architect prior to start of work.
- This subcontractor's project manager or foreman will attend weekly construction progress meetings with Erickson Construction superintendent.
- Subcontractor's Application's for Payment are due to the Site Project Management Office no later than the 18th of each month.
- Insurance requirements as outlined in the attached "Certificates of Insurance - General Requirements" memo is included in this subcontract. Forms as required per Erickson Construction Contract.
- All associated required Insurance's with additionally insureds' as noted below:
- Erickson Retirement Communities – Lincolnshire Campus, LLC. (Owner/Developer)
- Mercantile Safe Deposit & Trust (Lender)
- CNL retirement ER5, LP (Lender)
- Nordstrom Samson Associates (Architects/Engineers)
- Desai Nasr Consulting Engineers (Structural Engineer)
- V3 Consultants (Civil Engineer)
- TVA Fire & Life Safety, Inc. (Fire Protection Consultant)
- The additional insured coverage is to be provided in one of the following coverage forms:

INVOICE

Page: 1

Westside Mechanical Inc
2007 Corporate Lane
Naperville, IL 60563
(630) 369-6690

INVOICE NUMBER 5557-1-IN

INVOICE DATE 07/13/2007

SALESPERSON 0031

CUSTOMER NO 0008023

JOB NUMBER 0005557

ERICKSON CONSTRUCTION LLC

Attention: Storm Harper
50 Riverside Road
Lincolnshire, IL 60069

TERMS: Net 30 Days

CONTACT:

JOB DESC: SEDGEBROOK OPERATIONS
COMMENT:

BILL METHOD: FIXED CONTRACT

ORIGINAL CONTRACT AMOUNT:	1,634.00
PERCENTAGE COMPLETED TO DATE:	100.00%
BILLABLE CONTRACT AMOUNT:	1,634.00
LESS PREVIOUSLY INVOICED:	0.00
AMOUNT BILLED THIS INVOICE:	1,634.00
INVOICE TOTAL:	<u>1,634.00</u>

REMIT TO: 2007 Corporate Lane
Naperville, IL 60563

EXHIBIT

F

REQUEST FOR CHANGE ORDER

TO: ERICKSON RETIREMENT COMMUNITIES
50 RIVERSIDE ROAD
LINCOLNSHIRE, ILLINOIS 60069
ATTN: LARRY RUBEL

NUMBER:

DATE: 9/27/2006

REFERENCE: CONDENSATE LINE REPAIRS

JOB NO: 5557

Remove soft poly tube from counsole heat pump on 2nd floor CB and repipe with PVC pipe. SEE ATTACHED TICKET

Install drains on counsole heat pumps at CB building which were removed by Erickson at the 1.3 to CB link at the 1st & 2nd floor.

Equipment / Material:

Cost

MATERIALS	\$25.00
	\$0.00
	\$0.00
Subtotal (Including Tax)	\$25.00

15% Overhead & Profit: \$4.00

Subcontract:

Cost

	\$0.00
	\$0.00
Subtotal:	\$0.00

5% Overhead & Profit: \$0.00

Labor:

Hours Hourly Rate

Cost

Engineering	0	\$70.00	\$0.00
Delivery	0	\$73.30	\$0.00
Shop Labor (Journeyman)	0	\$77.54	\$0.00
Field Labor Apprentice	0	\$69.87	\$0.00
Field Labor (Journeyman)	18	\$77.54	\$1,396.00
Field Labor (Foreman)	0	\$80.64	\$0.00
Field Labor (Superintendent)	0	\$86.84	\$0.00
Field Labor Apprentice PREMIUM TIME DIFFERENCE	0	\$25.30	\$0.00
Field Labor (Journeyman) PREMIUM TIME DIFFERENCE	0	\$29.14	\$0.00
Field Labor (Foreman) PREMIUM TIME DIFFERENCE	0	\$30.69	\$0.00
Field Labor (Superintendent) PREMIUM TIME DIFFERENCE	0	\$33.79	\$0.00
Field Labor Apprentice DOUBLE TIME DIFFERENCE	0	\$50.61	\$0.00
Field Labor (Journeyman) DOUBLE TIME DIFFERENCE	0	\$56.28	\$0.00
Field Labor (Foreman) DOUBLE TIME DIFFERENCE	0	\$61.38	\$0.00
Field Labor (Superintendent) DOUBLE TIME DIFFERENCE	0	\$67.58	\$0.00
Service Journeyman	0	\$76.39	\$0.00
Supervision	0	\$85.00	\$0.00
Project Management	0	\$75.00	\$0.00
Subtotal:			\$1,396.00

15% Overhead & Profit: \$209.00

ADDITIONS: \$1,634.00

TOTAL: \$1,634.00

DEDUCTIONS:

SINCERELY: Jeffrey Lukitsh

ACCEPTED BY:

DATE:

ALL OTHER TERMS AND CONDITIONS IN ORIGINAL CONTRACT REMAIN UNCHANGED

09/26/2006 TUE 11:21 FAX 847-352426 erickson construction

0003/004



Job Work Order

Westside Mechanical
2007 Corporate Lane
Naperville, Illinois 60563-9647
(630) 369-6690 Fax (630) 369-6691

Job Number 5390	Phone
Bill To ERICKSON	Date Of Work Performed
Address	<input type="checkbox"/> DAY WORK
City	<input type="checkbox"/> CONTRACT
Job Name Sedge Creek	<input checked="" type="checkbox"/> EXTRA
Location	

DESCRIPTION OF WORK	TOTAL HOURS	DOLLAR AMOUNT
Remove soft poly tube from		
condensate heat pump and 2nd floor		
community building, and replace		
with PVC pipe		
10'-4" PVC pipe		
10 PVC fittings		
2 journeymen		
5 hrs each	10 hrs	
* PER AGREEMENT WITH LARRY RUBEL		
REWORK CONDENSATE DRAIN LINE.		
CHANGE TUBING TO PVC		
	Total Materials	
	Total Labor	
	Tax	
	Total Amount	
Date Completed: 9-26-06		

SIGNATURE [Signature] 9/26/09
COMPANY NAME _____

I hereby acknowledge the satisfactory completion of the above described work.

09/26/2006 TUE 11:21 FAX 847-4152426 erickson construction

0002/004



Job Work Order

Westside Mechanical
2007 Corporate Lane
Naperville, Illinois 60563-9647
(630) 369-6690 Fax (630) 369-6691

5557

Job Number	5357	Phone	
Bill To	ERICKSON	Date Of Work Performed	
Address		<input type="checkbox"/> DAY WORK	
City		<input type="checkbox"/> CONTRACT	
Job Name	Sedge Grove	<input checked="" type="checkbox"/> EXTRA	
Location			

DESCRIPTION OF WORK	TOTAL HOURS	DOLLAR AMOUNT
INSTALL DRAINS ON CONDENSATE PUMPS AT COMMUNITY BLD. WHICH WERE REMOVED BY ERICKSON AT THE L.B. TO BOY-UNIT BUILD 100K, 1ST & 2ND FLOOR.		
(Journeyman)	8 hrs	
Kitchen Room in CBLD.		
Total Materials		
Total Labor		
Tax		
Total Amount		

Date Completed: 9-8-06
27,100.00

SIGNATURE [Signature]
COMPANY NAME TRICKSON

I hereby acknowledge the satisfactory completion of the above described work.

Northern District of Texas Claims Register

09-37010-sgj11 Erickson Retirement Communities, LLC

Judge: Stacey G. Jernigan

Chapter: 11

Office: Dallas

Last Date to file claims: 02/28/2010

Trustee:

Last Date to file (Govt):

Creditor: (12821803) Westside Mechanical Group, Inc. c/o CJ Folden, Chief Financial Officer 2007 Corporate Lane Naperville, IL 60563-9647	Claim No: 10 <i>Original Filed</i> <i>Date:</i> 11/20/2009 <i>Original Entered</i> <i>Date:</i> 11/20/2009	Status: <i>Filed by:</i> CR <i>Entered by:</i> Friedman, Joseph <i>Modified:</i>
Unsecured claimed: \$53000.00 Secured claimed: \$498569.60 Total claimed: \$551569.60		
History: <i>Details</i> <u>10-1</u> 11/20/2009 Claim #10 filed by Westside Mechanical Group, Inc., total amount claimed: \$551569.6 (Friedman, Joseph)		
Description:		
Remarks:		

Claims Register Summary

Case Name: Erickson Retirement Communities, LLC

Case Number: 09-37010-sgj11

Chapter: 11

Date Filed: 10/19/2009

Total Number Of Claims: 1

	Total Amount Claimed	Total Amount Allowed
Unsecured	\$53000.00	
Secured	\$498569.60	
Priority		
Unknown		
Administrative		
Total	\$551569.60	\$0.00