

UNITED STATES BANKRUPTCY COURT

Northern District of Texas (Dallas Division)

PROOF OF CLAIM

Name of Debtor:

ERICKSON RETIREMENT COMMUNITIES, LLC

Case Number:

09-37010-Sgjh

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):

NATURESCAPE DESIGN, INC.

Name and address where notices should be sent:

NATURESCAPE DESIGN, INC.

180 DETROIT ST.

CARY, IL 60013-2902

Telephone number:

847-639-6900

☐ Check this box to indicate that this claim amends a previously filed claim.

Court Claim Number:

(If known)

Filed on:

Name and address where payment should be sent (if different from above):

RECEIVED

DEC 10 2009

BMC GROUP

Telephone number:

☐ 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.

☒ Check this box if you are the debtor or trustee in this case.

1. Amount of Claim as of Date Case Filed:

\$ 28,214.

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.

☐ 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.

2. Basis for Claim:

IRRIGATION SERVICES PERFORMED

(See instruction #2 on reverse side.)

3. Last four digits of any number by which creditor identifies debtor:

1234

3a. Debtor may have scheduled account as:

(See instruction #3a on reverse side.)

WE USE NAMES ALPHA INSTEAD OF NUMBERS

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:

☒ Real Estate☐ Motor Vehicle☐ Other

Describe:

Value of Property: \$ _____ Annual Interest Rate _____ %

Amount of arrearage and other charges as of time case filed included in secured claim,

if any: \$ _____ Basis for perfection: _____

Amount of Secured Claim: \$ 26,760. Amount Unsecured: \$ 1,454.

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.

☐ Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B).

☐ 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).

☐ Contributions to an employee benefit plan – 11 U.S.C. §507 (a)(5).

☐ 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).

☐ Taxes or penalties owed to governmental units – 11 U.S.C. §507 (a)(8).

☐ Other – Specify applicable paragraph of 11 U.S.C. §507 (a)(____).

Amount entitled to priority:

\$ _____

*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.

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:

Date:

12/8/09

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.

Paul A. Layshock JANETA. LAYSHOCK, PRESIDENT

FOR COURT USE ONLY

Erickson Ret. Comm. LLC



00119

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.

Items to be completed in Proof of Claim form**Court, Name of Debtor, and Case Number:**

Fill in the federal judicial district where the bankruptcy case was filed (for example, Central District of California), the bankruptcy debtor's name, and the bankruptcy case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is located at the top of the notice.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the Bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if the trustee or another party in interest files an objection to your claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Use this space to report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

4. Secured Claim:

Check the appropriate box and provide the requested information if the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See DEFINITIONS, below.) State the type and the value of property that secures the claim, attach copies of lien documentation, and state annual interest rate and the amount past due on the claim as of the date of the bankruptcy filing.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. §507(a).

If any portion of your claim falls in one or more of the listed categories, check the appropriate box(es) and state the amount entitled to priority. (See DEFINITIONS, below.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Credits:

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

7. Documents:

Attach to this proof of claim form redacted copies documenting the existence of the debt and of any lien securing the debt. You may also attach a summary. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary. FRBP 3001(c) and (d). If the claim is based on the delivery of health care goods or services, see instruction 2. Do not send original documents, as attachments may be destroyed after scanning.

Date and Signature:

The person filing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2), authorizes courts to establish local rules specifying what constitutes a signature. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. Attach a complete copy of any power of attorney. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS**Debtor**

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is a person, corporation, or other entity owed a debt by the debtor that arose on or before the date of the bankruptcy filing. See 11 U.S.C. §101 (10)

Claim

A claim is the creditor's right to receive payment on a debt owed by the debtor that arose on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. §506(a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car.

A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. §507(a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax-identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION**Acknowledgment of Filing of Claim**

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system (www.pacer.psc.uscourts.gov) for a small fee to view your filed proof of claim.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

UNITED STATES BANKRUPTCY COURT Northern District of Texas

**Notice of
Chapter 11 Bankruptcy Case, Meeting of Creditors, & Deadlines**

A chapter 11 bankruptcy case concerning the debtor(s) listed below was filed on 10/19/09.

You may be a creditor of the debtor. **This notice lists important deadlines.** You may want to consult an attorney to protect your rights. All documents filed in the case may be inspected at the bankruptcy clerk's office at the address listed below.
NOTE: The staff of the bankruptcy clerk's office cannot give legal advice.

See Reverse Side For Important Explanations

Debtor(s) (name(s) used by the debtor(s) in the last 8 years, including married, maiden, trade, and address):
Erickson Retirement Communities, LLC
701 Maiden Choice Lane
Baltimore, MD 21228

Case Number:
09-37010-sgj11

Social Security / Individual Taxpayer ID / Employer Tax ID / Other
nos:
52-2003375

Attorney for Debtor(s) (name and address):
Vincent P. Slusher
DLA Piper LLP US
1717 Main Street
Suite 4600
Dallas, TX 75201
Telephone number: (214) 743-4572

Meeting of Creditors

Date: **November 30, 2009**

Time: **02:00 PM**

Location: **Office of the U.S. Trustee, 1100 Commerce St., Room 752, Dallas, TX 75242**

Deadline to File a Proof of Claim

Proof of claim must be *received* by the bankruptcy clerk's office by the following deadline:

For all creditors (except a governmental unit): **2/28/10**

For a governmental unit:

Creditor with a Foreign Address:

A creditor to whom this notice is sent at a foreign address should read the information under "Claims" on the reverse side.

Deadline to File a Complaint to Determine Dischargeability of Certain Debts:**Creditors May Not Take Certain Actions:**

In most instances, the filing of the bankruptcy case automatically stays certain collection and other actions against the debtor and the debtor's property. Under certain circumstances, the stay may be limited to 30 days or not exist at all, although the debtor can request the court to extend or impose a stay. If you attempt to collect a debt or take other action in violation of the Bankruptcy Code, you may be penalized. Consult a lawyer to determine your rights in this case.

Address of the Bankruptcy Clerk's Office:
1100 Commerce Street
Room 1254
Dallas, TX 75242
Telephone number: 214-753-2000

Hours Open: Monday – Friday 8:30 AM – 4:30 PM

For the Court:

Clerk of the Bankruptcy Court:
Tawana C. Marshall

Date: 10/23/09

EXPLANATIONS

B9F (Official Form 9F) (12/08)

Filing of Chapter 11 Bankruptcy Case	A bankruptcy case under Chapter 11 of the Bankruptcy Code (title 11, United States Code) has been filed in this court by or against the debtor(s) listed on the front side, and an order for relief has been entered. Chapter 11 allows a debtor to reorganize or liquidate pursuant to a plan. A plan is not effective unless confirmed by the court. You may be sent a copy of the plan and a disclosure statement telling you about the plan, and you might have the opportunity to vote on the plan. You will be sent notice of the date of the confirmation hearing, and you may object to confirmation of the plan and attend the confirmation hearing. Unless a trustee is serving, the debtor will remain in possession of the debtor's property and may continue to operate any business.
Legal Advice	The staff of the bankruptcy clerk's office cannot give legal advice. Consult a lawyer to determine your rights in this case.
Creditors Generally May Not Take Certain Actions	Prohibited collection actions are listed in Bankruptcy Code § 362. Common examples of prohibited actions include contacting the debtor by telephone, mail or otherwise to demand repayment; taking actions to collect money or obtain property from the debtor; repossessing the debtor's property; and starting or continuing lawsuits or foreclosures. Under certain circumstances, the stay may be limited to 30 days or not exist at all, although the debtor can request the court to extend or impose a stay.
Meeting of Creditors	A meeting of creditors is scheduled for the date, time and location listed on the front side. <i>The debtor's representative must be present at the meeting to be questioned under oath by the trustee and by creditors.</i> Creditors are welcome to attend, but are not required to do so. The meeting may be continued and concluded at a later date without further notice. The court, after notice and a hearing, may order that the United States trustee not convene the meeting if the debtor has filed a plan for which the debtor solicited acceptances before filing the case.
Claims	A Proof of Claim is a signed statement describing a creditor's claim. If a Proof of Claim form is not included with this notice, you can obtain one at any bankruptcy clerk's office. You may look at the schedules that have been or will be filed at the bankruptcy clerk's office. If your claim is scheduled and is <i>not</i> listed as disputed, contingent, or unliquidated, it will be allowed in the amount scheduled unless you filed a Proof of Claim or you are sent further notice about the claim. Whether or not your claim is scheduled, you are permitted to file a Proof of Claim. If your claim is not listed at all <i>or</i> if your claim is listed as disputed, contingent, or unliquidated, then you must file a Proof of Claim or you might not be paid any money on your claim and may be unable to vote on the plan. A secured creditor retains rights in its collateral regardless of whether that creditor files a Proof of Claim. Filing a Proof of Claim submits the creditor to the jurisdiction of the bankruptcy court, with consequences a lawyer can explain. For example, a secured creditor who files a Proof of Claim may surrender important nonmonetary rights, including the right to a jury trial. Filing Deadline for a Creditor with a Foreign Address: The deadlines for filing claims set forth on the front of this notice apply to all creditors. If this notice has been mailed to a creditor at a foreign address, the creditor may file a motion requesting the court to extend the deadline.
Discharge of Debts	Confirmation of a chapter 11 plan may result in a discharge of debts, which may include all or part of your debt. See Bankruptcy Code § 1141(d). A discharge means that you may never try to collect the debt from the debtor, except as provided in the plan. If you believe that a debt owed to you is not dischargeable under Bankruptcy Code § 1141(d)(6)(A), you must start a lawsuit by filing a complaint in the bankruptcy clerk's office by the "Deadline to File a Complaint to Determine Dischargeability of Certain Debts" listed on the front side. The bankruptcy clerk's office must receive the complaint and any required filing fee by that Deadline.
Bankruptcy Clerk's Office	Any paper that you file in this bankruptcy case should be filed at the bankruptcy clerk's office at the address listed on the front side. You may inspect all papers filed, including the list of the debtor's property and debts and the list of the property claimed as exempt, at the bankruptcy clerk's office.
Creditor with a Foreign Address	Consult a lawyer familiar with United States bankruptcy law if you have any questions regarding your rights in this case.
Refer to Other Side for Important Deadlines and Notices	

Mail original proof of claim form and copies of supporting documentation to:

If by regular mail:

BMC Group Inc
Attn: Erickson Retirement Communities, LLC
Claims Processing
PO Box 3020
Chanhassen, MN 55317-3020

If by messenger or overnight delivery:

BMC Group Inc
Attn: Erickson Retirement Communities, LLC
Claims Processing
18750 Lake Drive East
Chanhassen, MN 55317

Debtors

Erickson Retirement Communities, LLC
Ashburn Campus, LLC
Columbus Campus, LLC
Concord Campus GP, LLC
Concord Campus, LP
Dallas Campus GP, LLC
Dallas Campus, LP
Erickson Construction, LLC
Erickson Group, LLC
Houston Campus, LP
Kansas Campus, LLC
Littleton Campus, LLC
Novi Campus, LLC
Senior Campus Services, LLC
Warminster Campus GP, LLC
Warminster Campus, LP

Case Number

09-37010
09-37018
09-37019
09-27021
09-37020
09-37013
09-37012
09-37016
09-37015
09-37022
09-37024
09-37023
09-37025
09-37017
09-37027
09-37026

Once filed, a "**Filed**" stamped copy of the proof of claim will be returned to the claimant within three (3) business days of docketing **If** the claimant encloses a stamped, self-addressed envelope with a copy of the proof of claim.

3369



Image# 045518740005 Type: LNM
Recorded: 11/20/2009 at 02:46:24 PM
Receipt#: 2009-00055147
Total Amt: \$40.00 Page 1 of 5
IL Rental Housing Fund: \$10.00
Lake County IL Recorder
Mary Ellen Vanderventer Recorder

File **6544541**

FOR RECORDER'S USE ONLY

SUBCONTRACTOR'S NOTICE AND CLAIM FOR MECHANICS LIEN

TO: VIA CERTIFIED MAIL R/R
Sedgebrook, Inc.
c/o C T Corporation System, Registered
Agent
208 S. LaSalle Street, Suite 814
Chicago, IL 60604

VIA CERTIFIED MAIL R/R
Sedgebrook Renaissance Gardens
c/o Manager
960 Audubon Way
Lincolnshire, IL 60069

VIA CERTIFIED MAIL R/R
Mercantile-Safe Deposit and Trust Company
c/o CSC-Lawyers Incorporating Service
Company, Registered Agent
7 St. Paul Street, Suite 1660
Baltimore, MD 21202

VIA CERTIFIED MAIL R/R
Manufacturers and Traders Trust Company
attn: Commercial Lending
One M&T Plaza
Buffalo, NY 14203

VIA CERTIFIED MAIL R/R
Lincolnshire Campus, LLC
c/o C T Corporation System, Registered
Agent
208 S. LaSalle Street, Suite 814
Chicago, IL 60604

VIA CERTIFIED MAIL R/R
Erickson Construction, LLC
c/o C T Corporation System, Registered
Agent
208 S. LaSalle Street, Suite 814
Chicago, IL 60604

VIA CERTIFIED MAIL R/R
Illinois Finance Authority
c/o Yvonne Towers, CFO
180 N. Stetson, #2555
Chicago, IL 60601

THE CLAIMANT, Naturescape Design, Inc., subcontractor, claims a lien against the real estate, more fully described below, and against the interest of the following entities in the real estate:

Lincolnshire Campus, LLC, owner, Sedgebrook, Inc., owner and mortgagee, Manufacturers

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and Traders Trust Company, mortgagee, Illinois Finance Authority, mortgagee, Mercantile-Safe Deposit and Trust Company, mortgagee, ("Owner"), Erickson Construction, LLC, contractor, and any other person claiming an interest in the real estate, more fully described below, through, or under the Owner, stating as follows:

1. At all times relevant hereto and continuing to the present, Owner owned the following described land in the County of Lake, State of Illinois, to wit:

PARCEL: See Attached Exhibit A.

P.I.N.s: 15-22-406-001-0000 and 15-23-302-001-0000.

which property is commonly known as Sedgebrook Renaissance Gardens, 960 Audubon Way, Lincolnshire, Illinois 60069.

2. On information and belief, said Owner contracted with Erickson Construction, LLC, for certain improvements to said premises.

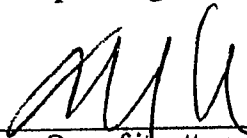
3. Subsequent thereto, Erickson Construction, LLC, entered into a subcontract with the Claimant to furnish and install irrigation and water features for use at said premises.

4. The Claimant completed its work under its subcontract on October 6, 2009, which entailed the delivery of said labor and materials.

5. There is due, unpaid and owing to the Claimant, after allowing all credits, the principal sum of **Twenty-Six Thousand Seven Hundred Sixty and 00/100 Dollars (\$26,760.00)** which principal amount bears interest at the statutory rate of ten percent (10%) per annum. Claimant claims a lien on the real estate and against the interest of the Owner, and other parties named above, in the real estate (including all land and improvements thereon and leasehold interests) and on the monies or other consideration due or to become due from the

Owner under said contract against said contractor, in the amount of **Twenty-Six Thousand Seven Hundred Sixty and 00/100 Dollars (\$26,760.00)** plus interest.

Naturescape Design, Inc., an Illinois corporation,

By: 
One of its attorneys

**This notice was prepared by and
after recording should be mailed to:**

James T. Rohlfing
Mark B. Grzymala
ROHLFING & OBERHOLTZER
211 West Wacker Dr., Ste. 1200
Chicago, Illinois 60606
(312) 923-7100

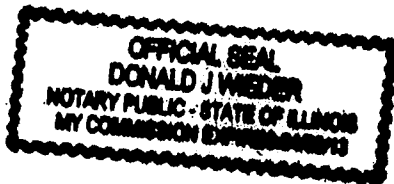
VERIFICATION

The undersigned, JANET A. LAYSHOCK, being first duly sworn, on oath deposes and states that she is an authorized representative of Naturescape Design, Inc., that she has read the above and foregoing subcontractor's notice and claim for mechanic's lien and that to the best of her knowledge and belief the statements therein are true and correct.

Janet A. Layshock

SUBSCRIBED AND SWORN to
before me this 17 day
of NOVEMBER, 2009.

Donald J. Wieder
Notary Public



D. LEGAL DESCRIPTION:

LOT 1 IN SEDGEBROOK SUBDIVISION, BEING A SUBDIVISION OF PART OF THE SOUTHEAST 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, ACCORDING TO THE PLAT THEREOF, RECORDED OCTOBER 5, 2005 AS DOCUMENT NUMBER 5870940, IN LAKE COUNTY, ILLINOIS.



SEDGEBROOK / ERICKSON CONSTRUCTION

Job #	Date	Invoice #	Amount	Date	Check #	Payment	Retention	Date	Check #	Payment	Balance	Balance
086-000		Sedgebrook Renaissance										
	12/11/08	5001427	30,000.00	1/27/09	69678	(27,000.00)	3,000.00				3,000.00	3,000.00
	4/14/09	5001453	20,000.00				2,000.00				20,000.00	20,000.00
	4/30/09	5001477	15,365.00				1,536.50				15,365.00	15,365.00
	6/2/09	5001513	390.00				39.00				390.00	390.00
	6/8/09	Adj	(11,995.00)				(1,199.50)				(11,995.00)	(11,995.00)
	TOTAL		53,760.00			(27,000.00)	5,376.00				26,760.00	26,760.00

For Contracts up to \$80,000

ERICKSON CONSTRUCTION, LLC
703 Maiden Choice Lane
Baltimore, Maryland 21228
(410) 242-2880 Fax: (410) 737-8862

Date: May 20, 2008

SUBCONTRACT AGREEMENT

Billing Address:

Site Work - Renaissance Gardens I.0
20 Riverside Road,
Lincolnshire, IL, 60069
Attn: Pete Szpak
Phone: (847) 415-2239
Fax: (847) 415-2426

Exhibit(s): A, B, C, D1, D, E1 & F1, E, F
Are attached and made a part hereof

Firm Name (the "Subcontractor"): Naturescape Design
Subcontractor Address: 152 South Northwest Highway,
Subcontractor City, State, ZIP: Cary, IL, 60013
Subcontractor Phone: (847) 639-6900
Subcontractor Fax: (847) 639-1832

I. **SUBCONTRACT DOCUMENTS:** This Subcontract consists of this Subcontract Agreement and the Contract between Erickson Retirement Communities (the "Owner") and Erickson Construction, LLC ("Contractor") dated May 20, 2008 and the other documents enumerated therein, including General Conditions and any other conditions, drawings, specifications, and addenda thereof which are applicable to Subcontractor's Work hereunder (the "Prime Contract"). The terms of this Subcontract Agreement shall control over any conflicting terms contained in the Prime Contract. 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)

II. **WORK:** Subcontractor shall furnish the required supervision, labor, materials, tools, supplies, hoisting, vertical transportation, scaffolding and equipment necessary for Irrigation Systems (Sub) in connection with the construction of the Site Work - Renaissance Gardens I.0 (the "Project") located at 20 Riverside Road, Lincolnshire, IL, 60069 (the "Site") in accordance with Exhibit B attached hereto (the "Work"). Any specific information in the specifications in Exhibit B such as quantity estimates is not warranted to be exact, but is for general information purposes.

III. **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: 06/30/2008

IV. **SUBSTANTIAL COMPLETION:** The Project shall be substantially completed not later than 06/01/2009, ("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.

V. **SUBCONTRACT SUM:** Lump Sum Price of FIFTY-EIGHT THOUSAND DOLLARS AND ZERO CENTS Dollars (\$58,000.00). The Subcontract Sum includes Sales Tax. Any allowances included in the Subcontract Sum are shown on the attached Exhibit B. The final Subcontract Sum shall be adjusted by written Change Order to reflect the actual cost to complete an Allowance item. Terms of Payment are outlined in the Terms and Conditions attached hereto.

VI. **ADDITIONAL TERMS:**

a. Subcontractor shall carry insurance in the coverages and terms, as required in the Terms and Conditions attached hereto. The Contractor shall promptly furnish a copy of the proof of insurance as requested.

b. With respect to the Work, Subcontractor shall have all rights which Contractor has under the Prime Contract and

Page 1 of 7

EC: [Signature] Sub: DTL

TERMS AND CONDITIONS

1. TERMS OF PAYMENT AND WAIVER OF LIENS:

a. 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. 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. Subcontractor's progress payments shall be due and payable within ten (10) working days after the Contractor receives payment for the Subcontractor's work within forty-five (45) days following the applicable Application for Payment, and such failure is not the fault of the Subcontractor's sub-subcontractors, the Contractor shall pay the Subcontractor, within ten (10) days following demand, a progress payment computed as provided in Section 1 of these Terms and Conditions. Notwithstanding the foregoing, payments to Subcontractor may be withheld on account of (i) defective Work not remedied, (ii) claims filed, (iii) damages to Contractor or another subcontractor or (iv) failure to carry out the Work in accordance with this Subcontract. Each application for payment shall include an "Acknowledgement of Progress Payment (Exhibit D) and Release of Liens and Claims", (Exhibit E) in the forms attached hereto.

b. 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. The aggregate amount of the retainage, subject to offset for defects and deficiencies, shall be paid to Subcontractor within sixty (60) days of Subcontractor's submission of a final invoice after final completion of the work and acceptance thereof by Contractor and Owner. No periodic payment by Contractor shall be deemed to constitute acceptance of any faulty or defective work.

c. 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 and any persons acting through or under Subcontractor shall not file or maintain any mechanics' claims or liens against the Project, or the building thereof, or the lot of ground appurtenant thereto, for or on account of any Work done or materials furnished by this Subcontractor and/or any such person or persons as aforesaid. To the fullest extent permitted by applicable law, Subcontractor, for and on behalf of Subcontractor and all other persons acting through or under Subcontractor, hereby expressly waives and relinquishes the right to have, file, or maintain any mechanics' claims or lien against the Project, the buildings thereof, and the lot of ground appurtenant thereto, or any of them, which waiver shall be and hereby is made an independent covenant and shall operate and be effective also with respect to Work and labor done and material furnished under any supplemental agreement between Contractor and Subcontractor, or any agreement for extra Work done, performed, furnished or supplied in and about the Project, although not therein referred to as Work and labor performed and materials furnished under this Subcontract. Subcontractor, when required by Contractor as a condition precedent to the making of any payment hereunder, shall furnish to the Contractor a full and complete release and discharge, in a form satisfactory to Contractor and Owner, of all liens, claims, and demands arising out of or relating to the Subcontract Work and any and all materials furnished, Work done, and equipment used in connection therewith. Furthermore, if, prior to final payment, the Contractor, Owner, or any party providing financing for the Project requests a release of liens from Subcontractor or anyone acting through or under Subcontractor, Subcontractor shall execute and deliver such release of liens in a form satisfactory to Contractor, Owner or such other party.

If any Subcontractor or other person working under Subcontractor files a mechanics' lien or claim or notice of intention or right to file a lien for or on account of work, labor, services, materials, equipment or other items furnished under or in connection with this Agreement, Subcontractor agrees to discharge or remove such lien, claim or notice at its own expense by bond, payment or otherwise within twenty (20) calendar days from the date of the filing thereof, and upon its failure to do so, Contractor or Owner shall have the right to cause any such lien or claim, notice of intention or stop notice to be removed or discharged by whatever means Contractor or Owner chooses, at the sole cost and expense of Subcontractor (such costs and expenses to include legal fees and disbursements). Subcontractor agrees to hold harmless and indemnify Contractor and Owner from and against Any and all such liens, claims or other filings, and actions brought or judgments rendered thereon, and from and against any and all losses, damages, liabilities, costs and expenses, including legal fees and disbursements, which Contractor or Owner may sustain in connection therewith.

d. Stored Material: Payment for stored materials may be conditioned on delivery to the Owner of bills of sale (which shall include a complete description, including photographs, location, 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 in writing. Subcontractor shall schedule the materials to prevent the arrival of major items well in advance of their incorporation into the improvements.

2. 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 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.

3. 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 E, 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.

4. SUBCONTRACTORS INVESTIGATION AND REPRESENTATION: Subcontractor has, prior to the execution of this Subcontract it has, (a) by its own independent investigation ascertained (i) the conditions involved in performing the Work, and (ii) the obligations of this Subcontract as they relate to the Prime Contract and (b) verified all information furnished by the 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.

5. SUBCONTRACTORS FAILURE TO PERFORM: If, in the opinion of the Contractor, Subcontractor shall at any time refuse or fail to provide sufficient properly skilled workers or materials of the proper quality, fail in any respect to prosecute the Work according to the current schedule, or fail to comply with any provision of this Subcontract, then after serving three (3) days written notice, unless the conditions specified in such notice shall have been eliminated within such three (3) days, the Contractor may, at its opinion (i) without voiding the other provisions of this Subcontract take such steps as are necessary to overcome the condition, in which case the Subcontractor shall be liable to the Contractor for the cost thereof; or (ii) terminate this Subcontract for default. In the event of termination for default, the Contractor may at its option, utilize any or all of the following: (1) enter on the Site for the purpose of completing the work and take possession of all materials and equipment of Subcontractor, (2) require Subcontractor to assign to the Contractor any or all of its subcontracts or purchase orders involving the Project, or (3) complete the Work either by itself or through others, by whatever methods as shall be accepted by Owner. If the Contractor's cost to complete the Work exceeds the unpaid balance then due under this Subcontract, Subcontractor shall pay the Contractor the difference within five (5) business days following the Contractor's demand for same.

6. SUBCONTRACTORS RESPONSIBILITY:

a. Subcontractor shall be liable to the Contractor for all costs the Contractor incurs as a result of Subcontractor's failure to perform this Subcontract in accordance with its terms. Subcontractor's failure to perform shall include the failure of its suppliers and/or subcontractors of any tier to perform the work. Subcontractor's liability shall include, but is not limited to (1) damages and other delay costs payable by the Contractor to Owner, (2) the Contractor's increased costs of performance costs resulting from Subcontractor-caused delays or improper Subcontractor work; (3) warranty and rework costs; (4) liability to third parties; and (5) the Contractor's attorney's fees and related costs due to Subcontractor's liability hereunder.

7. SAFETY AND TESTING:

a. If any person (including employees of Subcontractor) suffers injury or death, or any property is damaged, lost or destroyed, in whole or in part, due to the negligence or misconduct of Subcontractor, its employees, agents or lower-tier subcontractors, then the Subcontractor shall assume the liability therefore and shall (at the Contractor's option) defend any action, pay all costs, including attorney's fees, and satisfy any judgments entered against the Contractor in regard thereto and Subcontractor further agrees to hold the Contractor and its agents, employees and sureties harmless.

b. Contractor reserves the right to require Subcontractor to perform from time to time, at Subcontractor's cost, drug testing of all or any Subcontractor's agents, employees, and sub-subcontractors. Such testing must be done with testing companies selected or approved by Contractor. Subcontractor may not permit any tested individuals to return to the Site until test results are received by Subcontractor, and Subcontractor must prohibit from the Site any persons that test positively for drug use. Contractor shall be entitled to prohibit from the Site any person that Contractor deems to be disruptive to the smooth construction of the Project.

c. Contractor reserves the right to require Subcontractor to provide to Contractor, from time to time, a criminal history records check in such form and from such providers as are acceptable to Contractor, on all of Subcontractor's employees, agents and sub-subcontractors. Subcontractor may not let any employee return to the Site until such criminal history record check is received by Contractor. Contractor shall be entitled to prohibit from the Site any person that Contractor deems to have an unacceptable criminal history records check.

8. CONSTRUCTION SCHEDULE: Subcontractor will proceed with the Work in a prompt and diligent manner, in accordance with the Contractor's schedule as reasonably amended from time to time for the Work. Subcontractor is required to coordinate the work so as not to impede the progress of the work required to be provided by the Contractor to Owner under the Prime Contract. Time is of the essence of this Subcontract, subject to any applicable notice and cure periods provided in the Subcontract.

9. CHANGES IN THE WORK: Contractor may at any time make changes in the Work either:

a. By written change order signed by Contractor and Subcontractor prior to commencement of such changes, specifying the changes to be made and the increase or decrease on 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.

10. 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.

11. TERMINATION FOR CONVENIENCE: the Contractor shall have the right to terminate this Subcontract for any reason by giving the Subcontractor written notice of termination, to be effective upon receipt by Subcontractor. If this Subcontract is terminated for convenience, Subcontractor shall be paid a pro rata percentage of the Subcontract Sum equal to the percentage of the Work in place, less payments previously paid to Subcontractor. In no event shall Subcontractor be entitled to receive payment for anticipated profits for unperformed Work.

12. SUBMITTALS: Subcontractor shall make all submittals of shop drawings, cuts, samples and materials lists in accordance with this Subcontract within sufficient time (not to exceed seven (7) days) so as not to delay performance of the Project. Notwithstanding any approval granted by the Contractor or Owner, all work shall be in accordance with the Prime Contract. The Contractor's review of shop drawings, cuts, samples and material lists is only for convenience in following the Work and such review shall not relieve Subcontractor from responsibility for any deviations from the requirements of the Prime Contract.

13. CLEAN-UP: Subcontractor shall clean up the premises and surrounding areas to remove all debris resulting from its Work in a manner that will not impede with the progress of the Project. If Subcontractor fails to comply within 24 hours after receipt of written notice of noncompliance from the Contractor, the Contractor may perform such necessary clean-up and deduct the cost, plus 25% for overhead, from any amounts due to Subcontractor.

14. TAXES AND PERMITS: Subcontractor shall pay for, comply with and hold the Contractor, Developer, Operator harmless against the payment of all contributions, taxes or premiums which may be payable by the Contractor or Subcontractor under Federal, state or local laws arising out of the performance of this Subcontract, and all sales, use or other taxes of whatever nature levied or assessed against Owner, the Contractor or Subcontractor arising out of this Subcontract, including any interest or penalties. Subcontractor shall obtain and pay for all permits, license, fees and certificates of inspection necessary for the prosecution and completion of the Work, and shall arrange for all necessary inspection and approvals by public officials.

15. 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, material men 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. Subcontractor shall pay all expenses, costs, and attorney's fees incurred by Contractor, Owner, Owner's agents, or Architect in the enforcement of this Subcontract, of any bond furnished in connection herewith, or for the prosecution or defense of any claim as defined herein.

Subcontractor shall indemnify, defend, and hold harmless Contractor, including but not limited to attorneys fees and costs, to the fullest extent and under no circumstances to a lesser extent than Contractor has indemnified Owner and others with respect to Subcontractor's Work (including without limitation, Subcontractor's performance of its Work) under the Contract Documents.

16. 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. The Subcontractor and Contractor hereby agree that all suits, claims or actions arising out of this Subcontract shall be brought in the State in which the Project is located. Any unresolved 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.

17. INSURANCE COVERAGES:

a. 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 below. 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.

b. 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 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 indemnities and/or additional insured's identified within this agreement.

c. 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.

Contractor shall obtain insurance of the types and in the amounts described below:

TYPE OF COVERAGE	AMOUNT OF COVERAGE
<u>AD.1 Worker's Compensation</u>	<u>Statutory Limits (set by states)</u>
<u>Employer's Liability</u>	Bodily Injury by Accident = \$100,000. Ea. Accident Bodily Injury by Disease = \$500,000. Policy Limit Bodily Injury by Disease = \$100,000. Ea. Employee
<u>AD.2 Commercial General Liability:</u> written on ISO occurrence form and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). <u>The policy must not be limited by Residential construction exclusions regarding any and all work performed under this agreement.</u>	<u>Occurrence Form, minimum required limits:</u> General Aggregate Limit (other than Products/Completed Operations): \$1,000,000. Products/Completed Operations Aggregate Limit: \$1,000,000. Each Occurrence Limit: \$1,000,000. Personal Injury & Advertising Injury Limit: \$1,000,000. Contractual Liability: \$1,000,000.
<u>A.D.3 Business Auto Liability:</u> covering any automobile, including hired and non-owned auto's	<u>Minimum required limits:</u> Bodily Injury Each Person: \$1,000,000. Bodily Injury Each Accident: \$1,000,000. Property Damage Each Accident: \$1,000,000. Or, \$1,000,000. combined bodily injury and property damage each accident limit for all of the above
<u>AD.5 Property Insurance:</u> covering all personal property including rented, leased or borrowed tools and equipment brought on site by Subcontractor. Subcontractor hereby waives all right of recovery against Contractor, its parent company, Owner, and Operator for loss or damage to such property however caused.	Replacement Cost or Actual Cash Value

18. 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.

Subcontractor shall, as to the Work, assume all obligations, risks and responsibilities which Contractor has assumed towards Owner in the Prime Contract.

c. Subcontractor shall be bound by, and, at its own cost, comply with all Federal, state and local laws, codes, ordinances and regulations applicable to this Subcontract and the performance of the Work including the Occupational Safety and Health Act of 1970. Subcontractor shall be duly licensed to operate under the law of the applicable jurisdictions. Subcontractor shall be liable to Contractor and Owner for all loss, cost and expense attributable to any acts of commission or omission by Subcontractor, its employees, members, sub-subcontractors and agents resulting from failure to comply therewith including, but not limited to, any fines, penalties or corrective measures.

d. In connection with the performance of work under this Subcontract, Subcontractor agrees not to discriminate against any employee or applicant for employment because of race, religion, sex, handicap, color, or national origin.

e. This Subcontract contains the entire agreement between the parties hereto with respect to the matters covered herein. No other agreements, representatives, warranties, or other matters, oral or written, shall be deemed to bind the parties hereto.

f. The safety and security of residents of this community is our primary concern. Subcontractors, it agents, suppliers and lower tier subcontractors are to comply and adhere to all traffic and parking directives, noise restrictions and any other regulations established to ensure the serenity of our residents, their guests and employees of Site Work - Renaissance Gardens I.O.

VII. 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 60.00072-01, Registration Number _____, and Sales or Tax Registration Number is 36.3267091, 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.

SUBCONTRACTOR
Naturescape Design

By: Dan Cozza
Title: Project Manager
Date: 5/22/08

ACCEPTED AND AGREED:
ERICKSON CONSTRUCTION, LLC.

By: David Tague
Title: Vice President of Construction
Date: 6/10/08

SEDGEBROOK / ERICKSON CONSTRUCTION

Job #	Date	Invoice #	Amount	Date	Check #	Payment	Retention	Date	Check #	Payment	Balance	Balance
5111-000 Sedgbrook - 1 B												
	11/28/05	5000622	7,734.00	11/28/05	33924	(6,960.60)	773.40	9/30/08	65926	(773.40)	-	-
	6/20/06	5000721	29,521.00	7/26/06	40565	(26,568.90)	2,952.10	9/30/08	65926	(2,952.10)	-	-
	7/31/06	5000764	6,385.00	11/28/06	42958	(5,746.50)	638.50	9/30/08	65926	(638.50)	-	-
	9/28/06	5000822	20,000.00	11/28/06	43783	(18,000.00)	2,000.00				2,000.00	2,000.00
	12/15/06	5000891	1,601.00	10/26/07	56307	(1,601.00)						
	12/15/06	5000893	4,872.00	10/26/07	56307	(4,872.00)						
	10/30/07	5001105	25,645.00	10/26/07	56307	(21,148.20)	2,564.50				4,496.80	4,496.80
	11/30/07	5001140	22,154.00	12/26/07	58520	(19,938.60)	2,215.40	9/30/08	65926	(2,215.40)	-	-
	3/24/08	5001151	592.00	4/28/08	52316	(532.80)	59.20				59.20	59.20
	4/1/09	Adj	(5,102.00)				(510.20)				(5,102.00)	(5,102.00)
TOTAL			113,402.00			(105,368.60)	10,692.90			(6,579.40)	1,454.00	1,454.00

ERICKSON CONSTRUCTION, LLC

June 10, 2005

Dan Cozza
Naturescape Design
152 South Northwest Highway
Cary, IL 60013

Project [517-Site1B] Sedgebrook Sitework 1B
CSI Code 0028100 Site Irrigation
Subject Letter of Intent - Site Irrigation Phase 1B

Dear Dan Cozza:

This letter is to advise your office of our intent to issue a contract to Naturescape Design to furnish and install the Phase 1B Site Irrigation work for the above referenced project. This work will include but is not limited to the following:

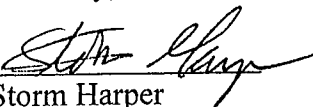
1. Irrigation as identified on the construction documents.
2. Three hose bibs in the Residence Gardens.
3. All point of connections as identified on the construction documents.
4. Two controllers for irrigation systems (power supplied to controllers by others).
5. All sleeves under paved or concrete area.
6. "As Built" drawings.

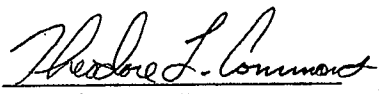
The work shall be performed per the plans and specifications prepared by Nordstrom Samson Associates dated 1-28-05. Your price to perform the aforementioned work is \$116,600.00.

Kindly proceed immediately with the submission of your required submittals, Certificates of Liability Insurance, payment schedule breakdown, emergency personnel contact list and MSDS data sheets. Subject to the issuance of an agreement from the owner, a standard Erickson Construction LLC subcontract agreement will be forwarded for signature.

If you are not in agreement with the above information or if you have any questions or concerns, please contact our office immediately.

Sincerely,


Storm Harper
Assistant Project Manager


Theodore L. Commons
Director of Construction

Cc: file

SUBCONTRACT BETWEEN CONTRACTOR AND SUBCONTRACTOR

THIS SUBCONTRACT BETWEEN CONTRACTOR AND SUBCONTRACTOR (this "Agreement") is made as of 6/10/2005 by and between ERICKSON CONSTRUCTION, LLC (the "Contractor"), having an address of ~~20 Riverside Road, Lincolnshire, Illinois 60069~~; Attn: Storm Harper; and Naturescape Design (the "Subcontractor"), having an address of 152 South Northwest Highway, Cary, IL, 60013. P # SH
703 MAEDEN CHOICE LANE
BALTIMORE, MD
21228

RECITALS

- A. The Contractor has made a contract for construction dated as of 5/2/2005 (the "Prime Contract") with Lincolnshire Campus, LLC (the "Owner"), having an address of ~~50 Riverside Road, Lincolnshire, Illinois 60069~~. 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. SH #
701 MAEDEN CHOICE LANE, BALTIMORE, MD 21228
- B. The Prime Contract is for the provision of labor, materials and services in connection with the construction of Sedgebrook Sitework 1B, 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 ~~50 Riverside Road, Lincolnshire, Illinois 60069~~. SH #
701 MAEDEN CHOICE LANE, BALTIMORE, MD 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 Sitework.

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: 5/2/2005

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 , ("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 hundred sixteen thousand six hundred dollars (\$116,600.00) 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:

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_____ See Exhibit C attached.

X Alternates are as follows: NONE

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.

_____ See Exhibit C attached.

X Reserved Alternates are as follows: NONE

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):

_____ See Exhibit C attached.

X Unit Prices are as follows: NONE

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 055-016315, Registration Number 36-3267091, and Sales or Tax Registration Number is 36-3267091, 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.

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.

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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 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:

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- (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 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

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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 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 20 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.

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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.

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 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, and the Umbrella/Excess Insurance. The additional insured coverage is to be provided by ISO form CG2011, or its equivalent, 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.

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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.

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:

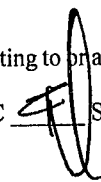

Contractor expressly Bond Not Required the payment and performance bonds. Cost of bond is on bonding company's invoice at standard rates.

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

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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.

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
Exhibit G-1	Illinois Tier List Instructions
Exhibit H Sch B	Illinois Exhibit H Sch B
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:

Natalie J. Celleng
Stephanie Juneau

CONTRACTOR
ERICKSON CONSTRUCTION, LLC

By: *David Tague*

David Tague
Vice President of Construction

SUBCONTRACTOR

By: *Dan Cozza*

By: Naturescape Design
Name: Dan Cozza
Title: Project Manager