PROOF OF CLAIM UNITED STATES BANKRUPTCY COURT Northern District of Texas (Dallas Division) Case Number: Erickson Construction, LLC 09-37016 Name of Debtor: 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): Check this box to indicate that this claim amends a previously filed Name and address where notices should be sent: YOUR CLAIM IS SCHEDULED AS Schedule/Claim ID: s1005 Court Claim Number: NATURESCAPE DESIGN AMOUNT/CLASSIFICATION (If known) 180 DETROIT ST \$26,760.00 UNSECURED CARY, IL 60013-2902 Filed on: Name and address where payment should be sent (if different from above): 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. Telephone number: 84-7-639-6900 X 201 Check this box if you are the debtor TAWANA C. MARSHALL or trustee in this case. U.S. BANKRUPTCY COURT NORTHERN DISTRICT OF TEXAS Amount of Claim Entitled to 1. Amount of Claim as of Date Case Filed: Priority under 11 U.S.C. §507(a). If If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete any portion of your claim falls in one of the following categories, check the box and state the amount. If all or part of your claim is entitled to priority, complete item 5. Specify the priority of the claim. Theck this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges. Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B). 2. Basis for Claim: 1KK/GATION) SERVICES PERFORMED (See instruction #2 on reverse side.) Wages, salaries, or commissions (up 3. Last four digits of any number by which creditor identifies debtor: // WEUSE NAMES ALPHA INSTEAD OF NUMBER to \$10,950*) earned within 180 days before filing of the bankruptcy 3a. Debtor may have scheduled account as: _ petition or cessation of the debtor's (See instruction #3a on reverse side.) business, whichever is earlier - 11 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. U.S.C. §507 (a)(4). Contributions to an employee benefit plan - 11 U.S.C. §507 (a)(5). ☐ Motor Vehicle Nature of property or right of setoff: Describe: RECEIVED ☐ Up to \$2,425* of deposits toward purchase, lease, or rental of property Annual Interest Rate____ Value of Property:\$__ or services for personal, family, or Amount of arrearage and other charges as of time case filed included in secured claim, AR 0 2 2010 household use - 11 U.S.C. §507 (a)(7).Basis for perfection: **BMC GROUP** ☐ Taxes or penalties owed to Amount of Secured Claim: \$2676 Amount Unsecured: \$ governmental units - 11 U.S.C. §507 (a)(8).6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim. ☐ Other – Specify applicable paragraph 7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase of 11 U.S.C. §507 (a)(__). orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Amount entitled to priority: 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. *Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after If the documents are not available, please explain: the date of adjustment. FOR COURT USE ONLY Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or Erickson Ret. Comm. LLC 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.

Case 09-37010-sgj11 Doc 804 Filed 02/10/10 Entered 02/10/10 17:17:34.5 BANKBUPTCY COURT Main Documents Rage 1 of 7

TAWANA C. MARSHALL, CLERK THE DATE OF ENTRY IS ON THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed February 10, 2010

United States Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF TEXAS DALLAS DIVISION

IN RE:

ERICKSON RETIREMENT COMMUNITIES, LLC., et al., 1

DEBTOR.

CASE NO. 09-37010-SGJ11 (Jointly Administered)

STIPULATION AND ORDER PROVIDING LIMITED RELIEF FROM THE AUTOMATIC STAY

§. §.

WHEREAS, on October 19, 2009 (the "Petition Date"), the above captioned debtors and debtors in possession (the "Debtors") each filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptev Code") and have continued in the management and operation of their businesses and properties as debtors in possession pursuant to Bankruptey Code sections 1107 and 1108 of the Bankruptey Code; and

The Debtors in these chapter 11 cases are Erickson Retirement Communities, LLC, Ashburn Campus LLC, Columbus Campus, LLC, Concord Campus, Concord Campus, LP, Dallas Campus, GP, LLC, Dallas Campus, LP, Erickson Construction, LLC, Erickson Group, LLC, Houston Campus, LP, Kanasa Campus, LLC, Littleton Campus, LLC, Novi Campus, LLC, Sonior Campus Services, LLC, Warminster Campus GP, LLC, Warminster Campus, LP.

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WHEREAS, Naturescape Design, Inc. ("Naturescape") is an Illinois corporation engaged in the business of landscape irrigation and water features having its principal place of business at 180 Detroit Street, Cary, IL 60013; and

WHEREAS, prior to the Petition Date, Erickson Construction, LLC ("Erickson Construction") acted as original contractor to Lincolnshire Campus, LLC ("Lincolnshire") a non-debtor affiliate of the Debtors for the purpose of providing general contracting services in connection with the construction and improvement for and upon premises owned by Lincolnshire known as the Renaissance Gardens at Sedgebrook, located at 20 Riverside Road, Lincolnshire, Illinois (the "Premises"); and

WHEREAS, Naturescape asserts that it entered into a written agreement with Erickson Construction, pursuant to which Naturescape agreed to provide Erickson Construction with labor and materials in connection with irrigation and water features installed at the Premises; and

WHEREAS, on or about October 6, 2009, Naturescape asserts that it furnished Erickson Construction with all of the labor and materials it was requested to furnish, with the knowledge and consent of Lincolnshire, and which labor and materials furnished by Naturescape were incorporated in the improvements to the Premises owned by Lincolnshire; and

WHEREAS, Naturescape asserts that it is owed sums for the labor and materials it furnished to the Premises at the request of Erickson Construction and in order to protect its rights, Naturescape served a mechanic's lien claim (the "Mechanics Lien") on Lincolnshire as well as other parties having an interest in the Premises and now wishes to foreclose on said mechanic's lien; and

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WHEREAS, co-debtor Erickson Retirement Communities, LLC was involved in the development of the Premises but it has no direct pecuniary or ownership interest in the Premises; and

WHEREAS, the parties hereto desire to stipulate to modify the automatic stay provided in Bankruptcy Code section 362 so as to permit Naturescape to proceed with its foreclosure action on the Mechanics Lien in an effort to enforce its rights and remedies against Lincolnshire and others;

NOW, THEREFORE, it is hereby stipulated and agreed by and between the Debtors and Naturescape (collectively, the "Parties") hereto as follows:

- 1. The automatic stay is hereby modified solely to the extent necessary to permit Naturescape to enforce its State Court mechanics lien rights and remedies, if any, against the Premises and other parties with an interest in the Premises. Naturescape shall be entitled to include Erickson Construction as a party-defendant in a mechanics lien foreclosure complaint, or to intervene in a mechanics lien foreclosure proceeding in which Erickson Construction is a party, and it shall be entitled to initiate and obtain discovery from Erickson Construction in such foreclosure proceeding.
- 2. Naturescape shall seek recovery only from Lincolnshire and other parties that have or claim to have an interest in the Premises, but it shall not seek entry of any in personam judgment against Erickson Construction in such mechanics lien foreclosure proceeding.
- 3. Except as stated in Paragraph 1 herein above, nothing contained in the Stipulation shall operate as waiver or modification of the Automatic Stay so as to permit prosecution against the Debtors of any claims or claims by any entity, including Naturescape.
- 4. Erickson Retirement Communities, LLC has no interest in the Premises and it
 Stipulation and Order Providing Limited Relief From Automatic Stay

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need not be joined as a party in mechanics lien foreclosure proceedings, and its prior interest does not prevent Naturescape from enforcing its State Court mechanics lien rights and remedies against the Premises and the owners thereof.

- 5. The Parties are authorized to enter into any related or ancillary agreements necessary or required to effectuate this Stipulation without obtaining court approval of such related or ancillary agreements.
- 6. This Stipulation shall be binding upon and inure to the benefit of the Parties and each of their respective predecessors, estates, successors and assigns.
- 7. This Stipulation may be executed in counterparts, each of which shall be deemed an original, but all of which together shall, when executed and delivered, constitute one and the same agreement. This Stipulation may be executed by facsimile signature and in counterparts, which shall have the same effect and force as an original signature.
- 8. This Stipulation is subject to the approval of this Court and upon such approval shall inure to the benefit of the Parties hereto and their respective successors and assigns.
- 9. Nothing in this Stipulation shall be deemed effective unless this Court approves this Stipulation. In the event this Court declines to approve this Stipulation, the Parties hereto shall return to their respective rights and obligations existing prior to the execution of this Stipulation. Nothing in this Stipulation shall be deemed an admission of the Parties.
- 10. U.S. Bank National Association as indenture trustee (the "Indenture Trustee") for the \$137,145,000 Illinois Finance Authority Revenue Bonds (Sedgebrook, Inc. Facility) Series 2007A and Series 2007B reserves all rights in this Court or any other court or forum with respect to the substantive claims asserted in this Stipulation and in the "Motion of Naturescape Design, Inc. for an Order for Relief from Stay with Respect to Pursuit of its Mechanics Lien Claim" filed Stipulation and Order Providing Limited Relief From Automatic Stay

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by Naturescape as docket no. 714, including without limitation the validity and priority of liens, if any, Naturescape may seek to establish.

###END ORDER###

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DLA PIPER LLP (US)

By: /s/: Vincent P. Slusher

> Vincent P. Slusher State Bar No. 00785480 vince.slusher@dlapiper.com DLA Piper LLP (US) 1717 Main Street, Suite 4600 Dallas, Texas 75201 Telephone: (214) 743-4572

Facsimile:

(972) 813-6267

Thomas R. Califano thomas.califano@dlapiper.com Jeremy R. Johnson jeremy.johnson@dlapiper.com DLA Piper LLP (US) 1251 Avenue of the Americas New York, New York 10020-1104 Telephone: (212) 835-6000

Facsimile:

(212) 835-6001

ATTORNEYS FOR THE DEBTORS AND DEBTORS IN Possession

LAW OFFICES OF CHARLES E. WEAR, JR. P.C.

By: /s/: Robert Sean Wear

> CHARLES E. WEAR, JR. State Bar I.D. #20992800 ROBERT SEAN WEAR State Bar No. 00795711 1811 W. Park Row Arlington, Texas 76013 (817) 277-2229 Fax (817) 724-7528

ATTORNEYS FOR NATURESCAPE DESIGN, INC.

As to paragraph 10 only:

Cynthia Johnson Rerko, Esq. A Professional Corporation

By: /s/: Cynthia Johnson Rerko
Cynthia Johnson Rerko
State Bar. No. 16788790
circrko@cynthiarerko.com
2508 State Street, Number Six
Dallas, Texas 75201

Telephone: (214) 965-9500 Facsimile: (214) 965-9501

MINTZ LEVIN COHN FERRIS GLOVSKY AND POPEO, P.C.

By: /s/: Ian A. Hammel, Esq.
William W. Kannel, Esq.
Wwkannel@mintz.com

Ian A. Hammel, Esq.
Iahammel@mintz.com
Mintz Levin Cohn Ferris
Glovsky and Popeo, P.C.
One Financial Center
Boston, Massachusetts 02111
Telephone: (617) 542-6000

ATTORNEYS FOR U.S. BANK NATIONAL ASSOCIATION AS INDENTURE TRUSTEE

UNITED STATES BANKRUPTCY COURT Northern District of Texas (Dallas Division)		PROOF OF CLAIM
Name of Debtor: ERICKSON RETIREMENT COMMUNITIES, LIC	Case Number	37010-59.111
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of administrative expense may be filed pursuant to 11 U.S.C. § 503.	the case. Ar	equest for payment of an
Name of Creditor (the person or other entity to whom the debtor owes money or property):		s box to indicate that this ends a previously filed
Name and address where notices should be sent: NATURES CAPE DESIGN/INC 180 DETROIT ST. CARY/160013-2902 Telepitone number:	Court Clain (If known)	
847-639-6900	Filed on:	
Name and address where payment should be sent (if different from above):	Check thi	s box if you are aware that
	relating to	se has filed a proof of claim your claim. Attach copy of giving particulars.
Telephone number:		s box if you are the debtor in this case.
1. Amount of Claim as of Date Case Filed: \$_ 28,2/4.		of Claim Entitled to
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.	any port	under 11 U.S.C. §507(a). If donof your claim falls in the following categories, abox and state the
If all or part of your claim is entitled to priority, complete item 5.	amount.	
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.	_	oriority of the claim.
2. Basis for Claim: /KRID CATION SERVICES PERFORMED (See instruction #2 on reverse side.)		\$507(a)(1)(A) or (a)(1)(B).
3. Last four digits of any number by which creditor identifies debtor: CRC	Wages, s to \$10.95	alaries, or commissions (up ion) earned within 180 days
3a. Debtor may have scheduled account as: (See instruction #3a on reverse side.) (See instruction #3a on reverse side.)	before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier – 11	
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.	U.S.C. §	507 (a)(4).
Nature of property or right of setoff: Real Estate		ions to an employee benefit U.S.C. §507 (a)(5).
Value of Property: \$ Annual Interest Rate%	purchase,	425* of deposits toward lease, or rental of property
Amount of arrearage and other charges as of time case filed included in secured claim,		s for personal, family, or duse – 11 U.S.C. §507
if any: \$ Basis for perfection:	☐ Taxes or	penalties owed to
Amount of Secured Claim: \$ 26,760, Amount Unsecured: \$ 1,454.		ental units – 11 U.S.C. §507
 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 reducted copies of any documents that support the claim, such as promissory notes, purchase 		pecify applicable paragraph S.C. §507 (a)().
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		nt entitled to priority:
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.	4/1/10 and e	e subject to adjustment on very 3 years thereafter with
If the documents are not available, please explain:	respect to ca the date of a	ses commenced on or after djustment.
Date / 9 Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the coother person authorized to file this claim and state address and telephone number if different from the address above. Attach copy of power of attorney, if any.	editor or	FOR COURT USE ONLY
Janetel Sarphock TANET A. LAYSHOCK, PR	ES/DEN	_
Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both.	18 U.S.C. §§	152 and 3571.



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 F11e6544541

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

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

Illinois Finance Authority c/o Yvonne Towers, CFO 180 N. Stetson, #2555

Chicago, IL 60601

VIA CERTIFIED MAIL R/R

Manufacturers and Traders Trust Company attn: Commercial Lending One M&T Plaza

Buffalo, NY 14203

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



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.

- 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,

One of its attorney

This notice was prepared by and after recording should be mailed to:
James T. Rohlfing
Mark B. Grzymala

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. LAYSHOC, 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 his knowledge and belief the statements therein are true and correct.

Janeta, Tarphock

SUBSCRIBED AND SWORN to

before me this 17 day

of NOVEWBER, 2009.

Notary Public

OFFICIAL SEAL
DONALD J WIEDER
NOTARY PUBLIC - STATE OF ALMOR
MY COMMESSION EXPRESSMENTS

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.



Subcontractor: Naturescape Design Cost Code: 517SW40 48400-028100

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 1.0

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

- L 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 commerciated 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. <u>WORK</u>: Subcontractor shall furnish the required supervision, labor, materials, tools, supplies, hoisting, vertical transportation, scaffolding and equipment necessary for <u>Irrigation Systems (Sub)</u> in connection with the construction of the Site Work Renaissance Gardens I.0 (the "Project") located at <u>20 Riverside Road, Lincolnshire, IL, 60069</u> (the "Site") in accordance with <u>Exhibit B</u> attached hereto (the "Work"). Any specific information in the specifications in <u>Exhibit B</u> 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. <u>SUBSTANTIAL COMPLETION</u>: 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. <u>SUBCONTRACT SUM</u>: Lump Sum Price of <u>FIFTY-EIGHT THOUSAND DOLLARS AND ZERO CENTS</u> Dollars (\$58,000,00). The Subcontract Sum includes Sales Tax. Any allowances included in the Subcontract Sum are shown on the attached <u>Exhibit B</u>. 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

TERMS AND CONDITIONS

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.
- 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 Subcontractor. 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

Page 3 of "

Subcontractor: Naturescape Design Cost Code: 517SW40 48400-028100

- 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.
- 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.
- 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.

SUBCONTRACTORS RESPONSIBILITY:

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.

SAFETY AND TESTING:

- 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.
- 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.
- 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.
- 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.
- CHANGES IN THE WORK: Contractor may at any time make changes in the Work either:
- 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. <u>WARRANTY</u>: 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. <u>TERMINATION FOR CONVEINENCE</u>: 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. <u>SUBMITTALS</u>: 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. <u>CLEAN-UP</u>: 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.

EC: Sub: Dan

Subcontractor: Naturescape Design Cost Code: 517SW40 48400-028100

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 cancelled 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
AD.1 Worker's Compensation	Statutory Limits (set by states)
Employer's Liability	Bodily Injury by Accident = \$100,000. Ea. Accident Bodily Injury by Disease = \$500,000. Policy Limit Bodily Injury by Disease = \$100,000. Ea. Employee
AD.2 Commercial General Liability: 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	Occurrence Form, minimum required limits: General Aggregate Limit (other than Products/Completed Operations): \$1,000,000. Products/Completed Operations Aggregate Limit: \$1.000,000.
a business contract).	Each Occurrence Limit: \$1.000,000.
The policy must not be limited by Residential construction exclusions regarding any and all work performed under this agreement.	Personal Injury & Advertising Injury Limit: \$1,000,000.
	Contractual Liability: \$1,000,000.
A.D.3 Business Auto Liability: covering any automobile, including hired and non-owned auto's	Minimum required limits: 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
AD.5 Property Insurance: 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

Subcontractor: Naturescape Design Cost Code: 517SW40 48400-028100

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

Subcontractor: Naturescape Design Cost Code: 517SW40 48400-028100

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.

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f. The safety and security of residents of this community is our primary concern. Subcontractors, it agents, suppliers and
f. The safety and security of residents of this community is our primary constitution.
the second and adhere to all traffic and parking directives, noise restrictions and any other regulations
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 1.0.
ASTABLE OF THE SELECTIVE OF OUR CONCENTS, GIVEN AGONG AND STOP OF THE SELECTION OF THE SELE

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 ________, and Sales or Tax Registration Number is ________, 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.

SUBCONTRACTO
Naturescape Design

By: Dan Cozza

Title: Project Manager

Date:

ACCEPTED AND AGREED:

ERICKSON CONSTRUCTI

By: David Tague

Title: Vice Presidents of Construction

Date: 6 10 08

SEDGEBROOK / ERICKSON CONSTRUCTION

		3 086-000	# dc
TOTAL	12/11/08 4/14/09 4/30/09 6/2/09 6/8/09	${ m 3/}086$ -000 Sedgëbrook ${ m Re}$ naissance	Date
	5001427 5001453 5001477 5001513 Adj	(enaissance	Invoice #
53,760.00	30,000.00 20,000.00 15,365.00 390.00 (11,995.00)		Amount
	1/27/09		Date
	69678		Check#
(27,000.00)	(27,000.00)		Payment
5,376.00	3,000.00 2,000.00 1,536.50 39.00 (1,199.50)		Retention
			Date
			Check #
ist.			Payment
26760.00	3,000.00 20,000.00 15,365.00 390.00 (11,995.00)		Balance
26,760.00 26,760.00	3,000.00 20,000.00 15,365.00 390.00 (11,995.00)		Balance

SEDGEBROOK / ERICKSON CONSTRUCTION

		5111-00	Job#
TOTAL	11/28/05 6/20/06 7/31/06 9/28/06 12/15/06 12/15/06 10/30/07 11/30/07 3/24/08 4/1/09	5111-000 ~Sedgebrook - 1.8	Date
	5000622 5000721 5000764 5000822 5000891 5000893 5001105 5001140 5001151 Adj	1.8	Invoice #
113,402.00	7,734.00 29,521.00 6,385.00 20,000.00 1,601.00 4,872.00 25,645.00 22,154.00 592.00 (5,102.00)		Amount
	11/28/05 7/26/06 11/28/06 11/28/06 11/28/06 10/26/07 10/26/07 10/26/07 12/26/07 4/28/08		Date
	33924 40565 42958 43783 56307 56307 56307. 58520 52316		Check #
(105,368.60)	(6,960.60) (26,568.90) (5,746.50) (18,000.00) (1,601.00) (4,872.00) (21,148.20) (19,938.60) (532.80)		Payment
10,692.90	773.40 2,952.10 638.50 2,000.00 2,564.50 2,215.40 59.20 (510.20)		Retention
	9/30/08 9/30/08 9/30/08 9/30/08		Date
	65926 65926 65926		Check #
(6,579.40)	(773.40) (2,952.10) (638.50)		Payment
1,454.00	2,000.00 2,000.00 4,496.80 59.20 (5,102.00)		Balance
1,454.00	2,000.00 4,496.80 59.20 (5,102.00)		Balance

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,

Assistant Project Manager

Director of Construction

file Cc:

Sub: Naturescape Design CostiCode: 517-Site1B-48400-02-8100

SUBCONTRACT BETWEEN CONTRACTOR AND SUBCONTRACTOR

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

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.
- 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: Tol MATINEN 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 <u>Exhibit B</u> 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.

EC Sub DI

Sub: Naturescape Design Cost Code: 517-Site1B-48400-02-8100

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 (lii) 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
set forth on Ext		Contractor reserves the right to have Subcontractor provide the following alternates (or, if noted, as tereto, which alternates are not included in the Subcontract Sum.
		See Exhibit C attached.
	X	Reserved Alternates are as follows: NONE
4.3 Exhibit C attacl		CES. Unit prices, if any (inclusive of overhead and prices), are as follows (or, if noted, as set forth on
		See Exhibit C attached.
	X	Unit Prices are as follows: <u>NONE</u>
Subcontractor to Subcontractor sof Contractor for	d hereto as <u>Exhib</u> to apply for all pay shall submit to Co for Contractor's ap	ED COST OF THE WORK. The schedule of values breakdown of the amount of the Subcontract out C, unless noted otherwise below in this Section 4.4. The schedule of values shall be used by yments due to Subcontractor under this Subcontract. If the Schedule of Values is not attached hereto, intractor the Schedule of Values in form similar to AIA G703 format within ten (10.) days of request puroval. When approved, the Schedule of Values shall be used by Subcontractor to apply for all under this Subcontract.
	X	Estimated Cost of Work is not attached hereto.
5. CC	ONTRACTOR.	
5.1	services	S PROVIDED BY THE CONTRACTOR.
during the cour		The Contractor shall provide suitable areas for storage of the Subcontractor's materials and equipment of the extent such areas are readily available, from time to time.
such equipment and facilities sh condition or add or facilities sha return the equip such equipment	writing must be a t or facilities that hall be accepted be equacy to perforn all be qualified and coment and facilitie	If Contractor has available and Subcontractor elects to use Contractor's equipment or facilities, an made before such use. Subcontractor shall make its own determination before commencing to use such equipment or facilities are adequate and safe for the Work to be performed. Such equipment by Subcontractor in "AS-IS" condition without warranty or representation by Contractor as to their in the respective function. Subcontractor agrees that all personnel operating or using such equipment diproperly trained in the operation and use of such equipment or facilities. Subcontractor agrees to est to Contractor at the conclusion of the use in as good a condition as received. In the event that any le in the possession of Subcontractor, Contractor shall be entitled to exercise Contractor's remedies ment.
6. SU	JBCONTRACTO	PR.
055-616 36-3267 term of Subcon	ction where the 3\5 , Registrate 109\ , ar attractor's obligation	nd that all such licenses and registrations shall be maintained in full force and effect throughout the ons under the Subcontract, including any warranty obligations.
6.2	EXECUTI	ON AND PROGRESS OF THE WORK

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 deby in the Work or in the activities of the Contractor or other subcontractors.

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

The Subcontractor shall cooperate with the Contractor in scheduling and performing the

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- 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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SAFETY PRECAUTIONS AND PROCEDURES. 6.4.

- The Subcontractor shall take all appropriate precautions with respect to performance of this 6.4.1. 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 subsubcontractors 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.
- If hazardous substances of a type of which an employer is required by law to notify its employees are 6.4.2. 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.
- Contractor reserves the right to require Subcontractor to perform from time to time, at Subcontractor's 6.4.3. 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.
- CLEANING UP. The Subcontractor shall keep the premises and surrounding area free from accumulation of 6.5. 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.
- 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.
- 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.

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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 chance 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 reprocurement 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.

19. 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.
- 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, 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.

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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 subsubcontractors, 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 it 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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- Certificates of insurance acceptable to the Contractor, together with all appropriate endorsements, 12.1.3. 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.
- The Contractor shall furnish to the Subcontractor upon demand, satisfactory evidence of insurance 12.1.4. required of the Contractor under the Prime Contract.
- If Subcontractor fails to secure and maintain the required insurance, Contractor shall have the right 12.1.5. (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..
- The insurance provisions of this Subcontract shall not be construed as a limitation on the 12.1.6. 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.
- The Subcontractor shall not make changes in or allow the required insurance coverages to lapse 12.1.7. without the Contractor's prior written approval thereto.
- WAIVERS OF SUBROGATION. The Contractor and Subcontractor waive all rights against (1) each other and any of their Subcontractors, sub-subcontractors, agents, employees, officers, members and directors, each of the other, and (2) the Owner, Developer, Operator, and any of their Subcontractors, sub-subcontractors, agents, employees, officers, members and directors, for damages caused by fire of other perils to the extent covered by property insurance provided under the Prime Contract or other property insurance applicable to the Work, except such rights as they may have to proceeds of such insurance held by the Owner as fiduciary. The Subcontractor shall require of the Subcontractor's sub-subcontractors, agents and employees, by appropriate agreements, written where legally required for validity, similar waivers in favor of other parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.
- 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.

SETTLEMENT OF DISPUTES. 13.

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.

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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. PRIVITY. Until Subcontractor's obligations under this Subcontract are completely fulfilled, Subcontractor agrees not to perform any Work directly for the Owner or deal directly with the Owner's representatives in connection with the Project, unless otherwise directed in writing by Contractor. All Work for this Project performed by Subcontractor shall be processed and handled exclusively by Contractor.
- 14.3. VEHICLES. All vehicles are to be operated in accordance with the traffic and parking rules and regulations of the Operator and the Contractor. Violation of these rules may result in the vehicle being towed at the owner's expense, and the vehicle and operator being banned form 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 facs miles, if permitted, all

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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:

CONTRACTO ERICKSON CO

Vice President of Construction

SUBCONTRACTOR

By Naturescape D Name: Dan Cozra

Title: Project Manager