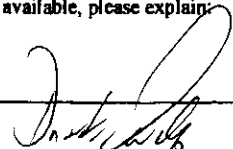


UNITED STATES BANKRUPTCY COURT – CENTRAL DISTRICT OF CALIFORNIA		PROOF OF CLAIM
Name of Debtor: <input type="checkbox"/> JAMES C. GIANULIAS <input checked="" type="checkbox"/> CAMEO HOMES,		Case Number: 8:08-13150 RK 8:08-13151 RK
NOTE: This form should not be used to make a claim for an administrative 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): ADKISON ENGINEERS, INC., DBA ADKAN ENGINEERS		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number: _____ (if known) Filed on: _____
Name and address where notices should be sent: Dan E. Qualls, Esq. 6864 Indiana Avenue, Suite 203, Riverside, CA 92506 Telephone No. (951) 787-0740		<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.
Name and address where payment should be sent (if different from above): Telephone No. _____		
1. Amount of Claim as of Date Case Filed: \$ <u>10,802.63</u> If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4. If all or part of your claim is entitled to priority, complete item 5. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or charges		5. Amount of claim Entitled to Priority under 11 U.S.C. § 507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount. Specify the priority of the claim. <input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> Wages, salaries, or commission (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, which ever is earlier – 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. § 507(a)(5). <input type="checkbox"/> Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. § 507(a)(____). Amount entitled to priority: \$ _____ * Amounts are subject to adjustment on 4/1/20 and every 3 years thereafter with response to cases commenced on or after the date of adjustment.
2. Basis for Claim: <u>services rendered (civil engineering)</u> (See instruction #2a on reverse side.)		
3. Last four digits of any number by which creditor identifies debtor: <u>N/A</u> 3a. Debtor may have scheduled account as: <u>N/A</u> (See instruction #3a on reverse side.)		
4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information. Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: _____ Value of Property: \$ _____ Annual Interest Rate: _____ % Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ _____ Basis for Perfection: _____ Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____		
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim. 7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See definition of "redacted" on reverse side.) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENT MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain: _____		
Date: <u>11/3/08</u>  Dan E. Qualls, Attorney for Creditor		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 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.		

SUMMARY

Contract

Original Contract:	69,865.00
Billed:	70,001.00
Paid:	<69,944.00>
<hr/>	
*DUE:	57.00

Extras

Reimbursements	
Reimbursements Billed:	6,788.37
Paid:	<6,471.74>
<hr/>	
*DUE:	316.63

Additional Work Performed	
Time & Material Billed:	138,173.20
Paid:	<127,744.20>
<hr/>	
*DUE:	10,429.00

***TOTAL AMOUNT DUE: \$ 10,802.63**

CONSULTANT CONTRACT AGREEMENT

For Civil Engineering to be rendered, this Agreement is entered into this day of 2004, by and between:

**Murrieta 180, LP., a California
limited partnership
C/O CAMEO HOMES
1105 Quail
Newport Beach, CA 92660**

And

**Adkan Engineers
6820 Airport Drive
Riverside, CA 92504
Phone: 909-688-0241
Fax: 909-688-0599**

Phone: 949-851-0993
Fax: 949-250-9574

Hereinafter called "Owner"

Hereinafter called "Consultant"

RECITAL

Owner of the Property, proposes to improve, develop and/or subdivide **10.01 Acres** situated in the unincorporated area of the County of Riverside, State of California, legally described as follows:

As described in Exhibit "A" attached to this Agreement.

NOW THEREFORE, IT IS MUTUALLY AGREED BETWEEN THE PARTIES AS FOLLOWS:

1. FINANCING CONDITION: This Agreement is subject to and contingent upon Owner obtaining sufficient construction funds or other proceeds from time to time for the Project. Without limiting any other termination options Owner has under this Agreement, if Owner is unable to obtain construction funds in amounts sufficient to continue or complete the work necessary for the Project a required by Owner, then Owner may, upon written notification to Consultant, either:

- (a) immediately terminate this Agreement; or
- (b) designate which portions of the work covered by this Agreement shall be performed by Consultant.

In the event of such termination, in whole or in part, Owner shall have no obligation to Consultant other than to make payment for work performed prior to such termination.

2. DOCUMENTS: The Agreement Documents (attached hereto Exhibit "B") describe the work to be performed by Consultant under this Agreement. Consultant acknowledges that he has carefully examined and studied the Property and the Agreement Documents in their entirety. Consultant further acknowledges that the work of the various subcontractors for the Project is interrelated, and Consultant fully understands the character of the work to be performed by him under the Agreement Documents.

3. WORK COVERED: Consultant agrees to perform in good and workmanlike manner, and to furnish to the Project all labor, materials, equipment, services, machinery, tools and other facilities of every description required for the prompt and efficient execution the work (the "Job") as outlined in the SUPPLEMENTAL SCHEDULE attached hereto at Exhibit "C." Consultant shall perform the Job in strict compliance with the Agreement Documents and all applicable Federal, State & local laws, ordinances, and regulations (including without limitation, O.S.H.A, environmental and all other safety laws) (collectively, "Laws") as well as with the provisions of this Agreement.

4. CONTRACT PRICE: For the performance of all its obligations hereunder, Consultant shall be paid the amounts set forth in the SUPPLEMENTAL SCHEDULE (the "Contract Price"). In no event shall any unit prices as shown in the SUPPLEMENTAL

SCHEDULE be subject to any upward adjustments. Except where a different notice period is provided herein for breaches of specific clauses of this Agreement, Owner shall have the absolute right to terminate this Agreement without cause upon three (3) days prior written notice to Consultant and payment to Consultant of the portion of the Contract Price for the work completed as of the date of termination.

5. PAYMENT SCHEDULE: So long as Consultant is not in default under any of the provisions of this Agreement, payment will be made for the work completed at the unit price or prices specified in accordance with the payment schedule set forth in the SUPPLEMENTAL SCHEDULE attached hereto. Owner shall not be obligated to make progress payments to Consultant until Owner has received and/or the following has occurred:

- (a) All City, County and any other governmental inspections (together with any owner association inspections), when applicable, have been completed and accepted in writing;
- (b) Material and labor releases as herein provided;
- (c) Receipts for payment of Health, Welfare and Pension funds, *if applicable*; and
- (d) Until Owner is satisfied that all legitimate complaints involving Consultant's work have been corrected by Consultant. Any payments made hereunder or advances made by Owner prior to full completion and final acceptance of the Job shall not be construed as evidence of acceptance of any of Consultant's work. If construction funds are deposited in a joint control account, Consultant agrees to accept payments from such account and any order given by Owner to subcontractor thereon shall be deemed payment on the part of Owner and a release of Owner in the amount of any such order. Owner shall have the right to make payments to Consultant hereunder by checks payable jointly to Consultant and his suppliers and laborers, or any of them. In the event of any dispute between Owner and Consultant, concerning any matter including but not limited to claims involving change orders, extra work, delay, or performance, such disputes shall be submitted to binding arbitration. Moreover, Consultant expressly agrees that in the event of such a dispute, provided the scheduled payments required under this Agreement have been made, then Consultant's claim for any additional compensation shall not justify cessation of work or refusal to proceed with the work. The parties expressly agree that the work shall be completed by Consultant as provided in this Agreement, and that the parties shall thereafter resolve any disputes by arbitration. Should Consultant refuse to continue with or complete the work, because of a dispute over payments allegedly owed, change orders or extras, such a refusal shall be an independent breach of this Agreement, and shall subject Consultant to liability for any resulting damages, irrespective of the merits of Consultant's claim for additional compensation. Consultant agrees to furnish to owner, and owner may refuse payment to Consultant hereunder unless and until Consultant furnishes to Owner, releases of claims of subcontractors, laborers, materialmen, any trust fund which may acquire a lien on the Property pursuant to Civil Code Section 3111 or otherwise, and other subcontractors performing work or furnishing material under this Agreement, which releases of claims shall be made except at Owner's option.

6. ADDITIONS, CHANGES AND MODIFICATIONS TO AGREEMENT: The terms and conditions of this Agreement are not subject to addition, modification or change, unless such addition, modification or change is made in writing by a duly authorized representative of Owner. Unless otherwise notified in writing, the only duly authorized representatives of the Owner are Victor J Mahony and Raj Vijay. Any addition, change or modification made by any other person or persons shall not be binding upon Owner, nor shall Owner have any responsibility or liability for unauthorized additions, change or modification to this Agreement. All written authorization for additions, change or modification shall be attached to and be made a part of this Agreement. No addition, change or modification made as herein provided shall void this Agreement.

7. EXTRAS: It is agreed that all labor, materials and equipment furnished by Consultant shall be deemed to be included within the Contract Price, even though the labor, materials and equipment are not specifically required or demanded in this Agreement or the Agreement Documents, and that the same nevertheless shall be deemed to be included within the scope of labor, materials and equipment properly and necessarily required for the performance of the Job. Owner, at any time during the progress of this Project, may order in writing changes, additions or modification the Agreement Documents in accordance with Paragraph 6 hereof, and the same shall not void this Agreement, but the value thereof, as designated by Owner in such written authorization, shall be added to or deducted from the Contract Price as the case may be.

8. TAXES: The Contract Price includes the payment by Consultant of any tax under California Sales or Use Tax Law, or any amendments thereto, or any law now existing, or which may hereafter be adopted by Federal, State, local or other governmental authority, taxing the materials, services required, or labor furnished, or any other tax levied by reason of the work performed or to be performed hereunder.

9. COMMENCEMENT AND COMPLETION OF THE JOB: Time is of the utmost essence and, inasmuch as Consultant is only one of many subcontractors performing services and providing materials to the Project, and since the timely performance of Consultant's work hereunder is essential to the coordination with and completion of the various other subcontractors' work, it is mutually recognized that Owner will suffer substantial damage if Consultant fails to perform its work in a timely manner. However, from the nature of the case, it would be impracticable or extremely difficult to fix the actual damage to Owner in the event of a breach of this Agreement by Consultant, which causes a delay in the performance of the work described herein. Therefore, the parties hereby agree that, pursuant to a liquidated damages provision of Section 1671 of the California civil Code, the amount of \$500.00 for each and every calendar day of delay caused by a breach of the Agreement by Consultant shall be presumed to be the amount of damages sustained by Owner as a result of any such breach. In the event of such failure or delay in the timely performance of work, the damage affixed as herein provided above may, at the option of Owner, be applied against any amount due Consultant hereunder. The remedy herein provided for is to compensate Owner for Consultant's failure or delay in the timely performance of the Job. It is understood and agreed that this remedy is not applicable to any breach or default hereunder by Consultant which results in something other than a delay in performance, and that Owner has the right in addition hereto, to pursue any and all legal and/or equitable remedies as might be available to him in the event Consultant fails in the performance of any of the terms of this Agreement.

10. INTERRUPTION OF WORK: If, as a result of fire, earthquake, act of God, war, strikes, picketing, boycott, lockouts or other causes or conditions beyond the control of Owner, Consultant discontinues the Job prior to its completion, then Consultant shall resume work as soon as conditions permit, or if Consultant shall discontinue work because Owner shall consider it inadvisable to proceed with the Job, then Consultant will resume the job promptly upon receiving written notice from Owner to do so, and Consultant shall not be entitled to any damages or compensation on account of cessation of work as a result of any of the causes mentioned above.

11. INSPECTION AND APPROVALS: The Job, any portion of the Job and any and all work by Consultant shall be subject to inspection and approval by all applicable governmental authorities, Owner, Owner's representatives, General Contractor and General Contractor's representatives. Pursuant to this Agreement, Consultant shall produce plans, specifications, and other documents and/or perform field services as required by any or all of the above in order to obtain said approvals. It is agreed that any change or correction required as a result of any such inspections and/or approvals shall be made by Consultant without additional charge, unless otherwise specifically agreed upon by Owner in writing.

12. PLANS, DRAWINGS, SPECIFICATIONS: All plans, drawings, reports, original papers, specifications and other work produced by Consultant for the Project pursuant to this Agreement shall be the property of the Owner and may not be used by Consultant without the prior written consent of Owner. Such items shall be delivered to Owner immediately upon Owner's termination of this Agreement (if and to the extent not previously delivered to Owner).

13. CORRECTION AND REMOVAL OF DEFECT IN MATERIAL/EQUIPMENT OR WORK: All defects in material or equipment used or work performed under this Agreement as designated by City or County inspectors or Owner, upon inspection and brought to the attention of Consultant shall immediately be corrected by Consultant to the satisfaction of Owner and the designation person. If any workmanship, materials or equipment are declared in writing by Owner or any applicable governmental authority to be unsound or improper, then Consultant shall, within twenty-four (24) hours after service upon him of written notice from Owner or the appropriate governmental authority to that effect, proceed with due diligence to remove from the site all such materials or equipment, and shall correct all or any portion of such work as may be required. In the event that Consultant is unable to correct such work, for any reason, and Owner is required to bring in outside personnel/companies to either correct or redo work previously performed by Consultant, Owner, at its option, may deduct from the payment due or to become due to Consultant an amount that shall represent the difference between the fair and reasonable value of such work and its value had it been executed in conformity with the Agreement Documents.

14. FAILURE TO ADEQUATELY PERFORM: Upon written or oral notification from the Owner that Consultant's performance is in any respect unsatisfactory, needs correction or that Consultant has failed to comply fully with the terms of this Agreement or the Agreement Documents, or that the Job has been damaged, Consultant shall, within twenty-four (24) hours of such notification, take all action (including the furnishing of sufficient materials, equipment, and men to perform) which is necessary to correct or repair the Job in accordance with this Agreement or the requirements of the Owner. Should the Consultant fail to do so within twenty-four (24) hours after written notification, Owner may at any time thereafter terminate this Agreement and exercise all available rights and remedies.

15. DAMAGE TO RELATED WORK: Should Consultant damage the work or installation of others on the Property, Consultant shall promptly pay to Owner, or Owner's designee, as the case may be, all costs incurred in repairing the damage. Consultant, his suppliers and his subcontractors shall not be permitted to drive any vehicle over any curb or sidewalk on the Project at any time by any means. Consultant shall take all action necessary to ensure that his suppliers and his subcontractors comply fully with the requirements of this Paragraph and shall be fully responsible for all damage to curbs and sidewalks caused by his vehicles or those of his suppliers or subcontractors. All damage to the Job prior to full completion and final acceptance of the Project as a whole regardless of who caused such damage or how it occurred, shall be promptly repaired or replaced by Consultant at his own cost and expense.

16. HOLD HARMLESS: Consultant will defend (with counsel selected by Owner), indemnify and hold Owner harmless from and against, any and all damages, losses and costs, suits, and claims, related to or caused by defective work or materials, Consultant's negligent performance of his duties and/or Consultant's breach of this Agreement, and any delays caused thereby (with the damages liquidated as provided above, for such delay). In the event any dispute arises as to Consultant's performance or the quality thereof, the decision of Owner reasonably made and arrived at shall be binding. Payment by Owner shall not be a condition precedent to Consultant's obligations under this Paragraph 16.

17. RIGHTS OF OWNER ON TERMINATION: In the event of termination of this Agreement by Owner as provided in this Agreement, Consultant hereby authorizes Owner to perform and complete the Job and in connection therewith, Owner may:

- (a) eject Consultant from and/or its employees, agents and subcontractors from the Property and prohibit the same from thereafter entering onto the Property;
- (b) take possession of all materials, plans, tools and equipment already on the Property, as well as all materials, reports, etc., in the course of preparation wherever located, and have any and all rights under all subcontracts of Consultant; and/or
- (c) in the event of a termination for cause, go into the open market and secure materials and employ men, or another consultant, necessary to complete the Job, at Consultant's expense.

In the event of a termination for cause, Consultant shall not be entitled to receive any further payment until acceptance of the entire Project and then only after the direct and indirect costs incurred by Owner to complete Consultant's work, plus a reasonable allowance for profit for Owner, have been determined. The direct and indirect costs and the allowances for profit shall apply against the Contract Price, and, if in excess of the balance due Consultant, the amount of the excess shall, after offset for any delay damages and/or other damages (as applicable) be a debt immediately due and owing from Consultant to Owner. If the balance of the Contract Price shall exceed Owner's direct and indirect cost, plus a reasonable allowance for profit, and plus Owner's damages for delay and/or other damages as above provided, such excess shall be paid to Consultant at the time of acceptance of the entire Project.

18. CLAIMS OF CONSULTANT FOR DELAY OR DAMAGE: Consultant expressly waives any and all rights to make claim or be entitled to receive any compensation or damage for failure of Owner or other subcontractors or consultants to have related portions of the Job completed in time for the work of Consultant to proceed.

19. INSURANCE: Consultant shall procure, maintain, and pay for during the entire progress of the Job full and unlimited workmen's compensation complying with the laws of the state or territory in which the work is being performed covering any employee over which Consultant takes jurisdiction and commercial general liability insurance, automobile liability insurance for hired and non-owned autos and professional liability insurance in amounts necessary for the full and adequate protection of all parties concerned and in any event with limits of not less than Two Million Dollars (\$2,000,000) Aggregate/ One Million Dollars (\$1,000,000) each occurrence for commercial general liability, One Million Dollars (\$1,000,000) automobile liability insurance, and Two Hundred Fifty Thousand Dollars (\$250,000) professional liability insurance, in each with a carrier or carriers whose latest Best rating is A-or better, satisfactory to Owner, and shall furnish Owner with certificates of such insurance before commencing work hereunder. Each policy shall provide that it may not be canceled or reduced in coverage until thirty (30) days after written notice shall have been given to Owner of such cancellation or reduction in coverage except ten (10) days for non-payment of premium. All insurance required hereunder shall name Owner and other entities so designated by Owner (and its lenders if requested by Owner) as additional insured(s) as to claims by third parties. Relevant to naming Owner as Additional Insured, wording shall be as follows:¹

"It is understood and agreed that coverage afforded by this policy shall also apply to Murrieta 180, LP; Murrieta 180 LLC; Lucas Development; Cameo Homes; and Hester Development Company, LLC; their officers, directors, agents, servants, employees, divisions, subsidiaries, partners, shareholders, affiliated

^{1/} Is this what was intended on the rating?

companies and lenders to Owner, as additional insureds, but only with respect to legal liability or claims caused by, arising out of or resulting from the acts or omissions of the named insured or of others performing on behalf of the named insured. This insurance is primary and any other insurance maintained by such additional insured is non-contributing with this insurance as respects claims or liability arising out of or resulting from the acts or omissions of the named insured, or of other performed on behalf of the named insured.”

20. INDEMNIFICATION:

- (a) Consultant shall protect, defend (with counsel selected by Owner), indemnify and hold free and harmless Owner, its officers, directors, affiliates, partners and employees, from and against, and reimburse Owner for any first-party losses incurred in connection with, any and all obligations, liability, liens, claims, demands, loss, damage, costs or causes of action whatsoever (hereinafter referred to as “Liabilities”) to, or brought by, any and all persons, including without limitation employees, or to property, in any way due to or arising out of, or claimed to arise out of, the action or omission to act by Consultant, its agents, servants, employees, subcontractors, invitees or licensees (regardless of whether any Liability is caused in part by the conduct or negligence of Owner), including, but not limited to, the following:
- (i) Negligent performance by Consultant of this Agreement, or Consultant’s breach of this Agreement;
 - (ii) Any loss, cost, damage or expense sustained by Owner, including reasonable attorneys’ fees, on account of or through the use or misuse of the Project and the improvements and real estate appurtenant thereto, or any part thereof by Consultant or by any other person thereon at the invitation expressed or implied, of Consultant, or by permission of Consultant
 - (iii) Any loss, cost, damage, expense, including reasonable attorneys’ fees, liability or damages as a result of bodily injury, including death, or property damage, sustained at any time by any person or persons arising out of or in consequence of the performance of the Job whether such bodily injuries or such property damage are due or claimed to be due to the negligence of Consultant or any other person

Without limiting its obligations to defend, Consultant will pay when due every valid Liability created or incurred by Consultant, its agents, servants and employees, and Owner shall no have any obligation or liability whatsoever unto Consultant, its agents, servants or employees excepting only the payment to Consultant of the Contract Price at the time and in installments as provided in the SUPPLEMENTAL SCHEDULE, subject to the obligations of this Agreement. Payment by Owner shall not be a condition precedent to Consultant’s obligations under this Section 20.

- (b) Notwithstanding the foregoing, the indemnity agreement created herein shall not apply to nor purport to indemnify and hold harmless Owner, its officers, directors, affiliates, partners and employees against any liability arising from the sole negligence or willful misconduct of Owner, it agents, servants or independent contractors who are directly responsible to Owner for damages for:
- (i) death or bodily injury to persons; and
 - (ii) injury to property;
- (c) Without limiting or modifying the foregoing, in case any suit or other proceedings shall be brought against Owner or its officers, directors, affiliates, partners and employees, and provided that such suit or other proceedings are within the scope of Consultant’s defense obligations as set forth above and in Paragraph 17, Consultant shall assume the defense thereof at the request of Owner and defend the same at Consultant’s own expense and pay all judgments and other expenses in connection therewith.

20. INDEPENDENT CONTRACTOR RELATIONSHIP: The relationship of Consultant during the term of this Agreement shall be that of any independent contractor. Consultant shall take any and all action necessary to maintain said independent contractor relationship throughout the term of this Agreement, and Consultant shall at no time be considered an employee or partner of Owner.

21. PERMITS, LICENSES AND LAWS: Consultant shall promptly obtain, at his expense, and before commencing any portion of the Job, all permits and licenses required for the Job. Consultant shall comply with all laws, ordinances, rules, regulations, orders and requirements of the applicable city and county government, the State and federal government, and of any board or commission or any other duly qualified body having jurisdiction, which shall or might affect Consultant's right to perform the Job or which shall or might apply to the Job. Consultant shall exhibit each such required permit or license to Owner upon its request.

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22. **ASSIGNMENT:** Consultant shall neither assign nor subcontract the whole or any portion of this Agreement or the payment hereunder without first obtaining in each and every instance permission in writing from Owner (in Owner's sole and absolute discretion), and then only subject to, and upon the same terms and conditions, as the provisions of this Agreement. Any permission granted by Owner shall not be deemed permission to any subsequent assignment or subcontract. Any assignment or subcontract by Consultant made without the consent of Owner as herein provided shall be null and void and shall at the option of Owner be grounds for termination for cause of this Agreement, and Owner shall have the right to elect to proceed in accordance with the provisions of Paragraph 17 of this Agreement. Any such assignment or subcontract shall contain all of the provisions of this Agreement and shall require the assignee or subcontractor thereunder to be directly liable to Owner in all respects as herein required of Consultant. Any assignment of this Agreement or assignments of payments permitted by Owner shall be submitted to Owner for its prior written approval and shall not be binding upon Owner until so approved. No assignment shall relieve Consultant from his duties, obligations and liabilities hereunder, unless specifically relieved in writing by Owner. Owner may assign this Agreement to any lender or subsequent owner of the Property without the consent of Consultant. Consultant shall enter into, upon request of Owner, an agreement with Owner's lender relating to assignment of this agreement to such lender, upon terms which are customary in the industry.
23. **LIENS:** Consultant shall pay when due all claims for labor or material incurred by him in the performance of this Agreement. If any lien of mechanics, materialmen or a trust fund pursuant to Civil Code Section 3111, or attachments, garnishments, or suits affecting title to real property are filed against the Property, or any portion thereof, Consultant shall within ten (10) days after written demand of him by Owner, cause the lien, attachment or suit to be removed from the Property, or any portion thereof, and in the event Consultant shall fail to do so, Owner is hereby authorized to use whatever means it may deem best to cause the lien, attachment or suit, together with its effect upon the title, to be removed, discharged, satisfied compromised or dismissed, and the cost thereof, including reasonable attorneys' fees incurred by Owner, shall become immediately due from Consultant to Owner. Consultant may contest any such lien, attachment or suit, provided that first he shall cause the effect to be removed from the Property, or any part thereof, and shall do such further things as may be necessary to cause an owner of any portion of the Property not to withhold, by reason of such liens, attachments or suits, monies due to Owner from such owner.
24. **INSOLVENCY OR BANKRUPTCY:** In the event Consultant becomes insolvent, is unable to pay his current obligations or either voluntarily or involuntarily enters into bankruptcy, this Agreement may be terminated at the option of Owner upon twenty-four (24) hours written notice to Consultant, and Owner shall have all the rights or remedies provided at law or in equity, including those specified in Paragraph 17. Consultant hereby authorizes all financial institutions, materialmen and individuals to disclose to Owner Consultant's financial status, credit and manner of meeting obligations. Consultant shall file with Owner within thirty (30) days after the execution of this Agreement a full and complete financial statement of Consultant's present financial status, and Consultant shall file with Owner quarterly, complete, up-to-date financial statements on or before the thirtieth (30th) day of January, April, July and October of each year during the term hereof, and at such other times as Owner may require. Should Consultant fail for any reason to file any financial statements as hereinabove, required, Owner may, at its option, terminate this Agreement upon twenty-four (24) hours written notice to Consultant, and Owner shall have all the rights or remedies provided at law or in equity, including those specified in Paragraph 17. All financial statements shall be statements certified by a public accountant.
25. **DEATH OF CONSULTANT:** If Consultant is a sole proprietor, his death shall automatically terminate this Agreement.
26. **CONSULTANT'S WARRANTIES AND REPRESENTATIONS:** As a material inducement to Owner to enter into this Agreement, Consultant warrants and represents as follows:
- (a) Consultant is familiar with all requirements of the Agreement and Agreement Documents.
 - (b) Consultant has investigated the Project and has satisfied himself regarding the character of the work and local conditions that may affect it or its performance.
 - (c) Consultant is satisfied that the Job can be performed and completed as required in this Agreement.
 - (d) Consultant accepts all risk directly or indirectly connected with the performance of this Agreement.
 - (e) Consultant warrants that in entering into this Agreement he has not been influenced by any statement or promise of Owner not expressly included in the Agreement Documents.
 - (f) Consultant is financially solvent.
 - (g) Consultant is experienced and competent to perform this Agreement.
 - (h) Consultant is qualified, licensed in good standing and authorized to do business in the State of California, and to perform the Job.
 - (i) Consultant is familiar with all general and special laws, ordinances, and regulations that may affect the Job, its performance, or those persons employed therein.
 - (j) Consultant is familiar with the tax and labor regulations and with rates of pay that will affect the work hereunder.

27. **PUBLICITY:** Consultant shall not disclose or make public to any news media or any persons associated with the news media or by advertisement or by public release of any kind or nature the fact that Consultant has entered into this Agreement with Owner, or the terms hereof, unless such public release is first approved in writing by Owner.

29. **CONFLICT OF LAW:** The laws of the State of California shall govern the interpretation, validity and construction of the terms and conditions of this Agreement.

30. **PLACE OF PERFORMANCE:** Execution of this Agreement shall be at Owner's principal place of business in Newport Beach, County of Orange, State of California and the County of Orange, State of California, shall be deemed the place of performance of all this Agreement for all legal purposes. In the event of arbitration proceedings or legal proceedings, the venue will be the County of Orange, California.

31. **HEIRS AND ASSIGNS:** This Agreement shall inure to the benefits of and be binding on the heirs, executors, administrators and successors of the respective parties hereto, and the assigns of Owner.

32. **NOTICES:** Any notices or statements required or designed to be give under this Agreement, unless otherwise provided herein, shall (i) be personally served or delivered by reputable courier service, or sent by United States mail to the address as set forth on the first page of this Agreement, or (ii) served by fax or telecopy to the number indicated on the first page, in each case until notice of a different address be given. Notices not personally served or served by courier shall be deemed given one (1) day after deposit in the United States mail, properly addressed and with postage prepaid. All other notices shall be deemed given upon delivery; provided, however, in the case of telecopy, a machine confirmation of receipt is received by the sending party.

33. **EXHIBITS:** The exhibits attached hereto are incorporated herein by this reference as if wholly set forth at length.

34. **SAFETY REGULATIONS:** Consultant shall comply with all applicable safety regulations and orders, including, but not limited to, regulations and orders of all Federal, State and local agencies and the State of California Department of Industrial Relations, Division of Industrial Safety and any regulations issued by any governmental agency in connection therewith, and shall hold Owner free and harmless from any and all claims by reason of Consultant's failure to fully comply with such laws, acts, or regulations.

35. **ACCIDENT REPORTS:** Consultant shall immediately report to Owner all accidents incidental on the Job, which result in death or injury to persons or in damage to property.

36. **ARBITRATION:** In the event of any dispute arising under this Agreement, or any dispute arising out of or in connection with the service provided under this Agreement, the dispute shall be decided by binding arbitration, before a single arbitrator, by submission to the American Arbitration Association in Irvine, California. All parties agree to such jurisdiction and venue, and any arbitration awarded may be entered in any state or federal court. Notwithstanding the foregoing, if and to the extent this provision shall not be binding and enforceable, then binding arbitration shall be conducted pursuant to California Code of Civil Procedure Section 1280 et. seq.

OWNER

CONSULTANT

DATED: _____

DATED: _____

MURRIETA 180 L.P.,
a California limited partnership

ADKAN ENGINEERING
a _____

By: Murrieta Villagewalk LLC,
a California limited liability company,
General Partner

By: _____
Its: _____

By: Cameo Homes,
a California corporation

Its: Manager/Member

By: 

Name: J.C. Gianulias

Title: President

Contract No. _____ Tract No. _____ Work Order No. _____

PROJECT DESCRIPTION:

The Project is planned is to consist multi-family dwelling units to be constructed in the Murrieta Area of the County of Riverside, State of California.

SCOPE OF SERVICES:

**SEE ATTACHED EXHIBIT "C"
SUPPLEMENTAL SCHEDULE
"PROPOSAL FOR ENGINEERING SERVICES FOR 180 UNIT MULTI FAMILY DEVELOPMENT IN MURRIETA
CALIFORNIA"**

PAYMENT:

The fees for the work as described in the Agreement are as follows: **Contract Total \$ 69,865.00**

TIMING OF PAYMENTS:

For payment between first (1st) and the fifteenth (15th) of each month, Consultant shall present to Owner an original detailed invoice together with original lien releases and proof of insurance coverage no later than the 1st day of the preceding month.

EXHIBIT "A"
Legal Description of Property

LEGAL DESCRIPTION

Real property in the unincorporated area of the County of Riverside, State of California, described as follows:

All that portion of Lots 188 and 190, Webster Avenue and Clinton Avenue, and a portion of the Murrieta Portion of the Temecula Rancho as shown by Map of the Temecula Land and Water Company, on file in book 8 page 359 of Maps, Records of San Diego County, California, described as follows:

Beginning at the Northeast corner of Parcel 2 of Parcel Map 14373 as shown by Map on file in book 91 pages 14 and 15 of Maps, Records of Riverside County, California, said corner being on the Southerly line of Murrieta Hot Springs Road as conveyed to the County of Riverside by Deed recorded August 4, 1972 as instrument no. 104362 of Official Records of Riverside County, California;

Thence Easterly along said Southerly line of a non-tangent curve concave Southerly having a radius of 956.00 feet, through an angle of 01 degrees 44" an arc length of 18.56 feet (the initial radial line bears North 13 degrees 24' 32" East);

Thence South 75 degrees 28' 44" East continuing along said Southerly line, a distance of 570.00 feet to the Northwest corner of Lot 72 of Tract No. 4476 as shown by Map on file in book 72 pages 47 through 52, inclusive, of Maps, Records of Riverside County, California;

Thence South 14 degrees 31' 16" West, a distance of 130.00 feet;

Thence South 70 degrees 31' 16" West, a distance of 100.00 feet;

Thence South 27 degrees 02' 36" East, a distance of 203.92 feet;

Thence South 05 degrees 16' 12" West, a distance of 106.50 feet;

Thence South 43 degrees 41' 50" West, a distance of 212.00 feet;

Thence South 15 degrees 01' 16" West, a distance of 233.87 feet;

Thence South 01 degrees 57' 30" West, a distance of 82.38 feet;

Thence North 88 degrees 02' 30" West, a distance of 199.62 feet;

Thence North 01 degrees 57' 30" East, a distance of 150.00 feet;

Thence North 88 degrees 02' 30" West, a distance of 104.32 feet;

Thence North 26 degrees 00' 00" West, a distance of 142.64 feet;

Thence North 11 degrees 39' 56" West, a distance of 110.00 feet;

Thence North 12 degrees 47' 21" East, a distance of 168.53 feet to the Northeast corner of Lot 50 of said Tract No. 4476, said corner also being the Southeast corner of Lot 1 of Tract No. 4986 as shown by Map on file in book 81 pages 36 and 37 of Maps, Records of Riverside County, California;

The preceding thirteen (13) courses being along the boundary line of said Tract No. 4476;

Thence continuing North 12 degrees 47' 21" East along the Easterly line of said Lot 1, a distance of 156.47 feet;

Thence North 07 degrees 02' 13" West continuing along said Easterly line, a distance of 160.00 feet to the Northeast corner of said Lot 1, said corner also being the Southeast corner of Lot 45 of said Tract No. 4476;

Thence continuing North 07 degrees 02' 13" West along the Easterly line of said Lot 45, a distance of 80.00 feet to the Northeast corner of said Lot 45, said corner also being the Southeast corner of said Parcel 2 of Parcel Map 14373;

Thence North 13 degrees 24' 32" East along the Easterly line of said Parcel 2, a distance of 107.33 feet to the point of beginning.

APN: 913-160-040-4

EXHIBIT A

EXHIBIT "B"
AGREEMENT DOCUMENTS

Scope of Services

Grading Plan

A grading plan will be prepared in accordance with the City's requirements. Pad elevations will be established and the cut or fill slopes determined. The grading plan will be designed in the best effort to balance the dirt. Any retaining wall and structural calculations will be billed as an extra at our current rates. The grading plan will be designed for the entire project as one unit. Any site plan changes will result in additional compensation. It is assumed that the site plan will be available in a digital format, but that adkan will be responsible for the horizontal control of the project. Generally this results in some modifications to the site plan for construction purposes. This has been allowed for under the heading of horizontal control plan.

~~Hydrology Study (2/17/04)~~

~~This provides for the hydrology investigation to determine drainage issues concerning this tract. Capacity calculations for drive areas are included. In the event that specific drainage improvements are required as a result of this study, the client shall be consulted prior to any work commencing. This category does not include detention basin calculations or storm drain design. If it is determined that storm drain will be required an additional contract will be issued to cover that work as it is determined from the results of the drainage study.~~

Hydrology Study (UP-DATED 3/04/04)

This provides for the hydrology investigation to determine drainage issues concerning this tract. Capacity calculations for drive areas are included. In the event that specific drainage improvements are required as a result of this study, the client shall be consulted prior to any work commencing. This category includes calculations for one detention basin only and based on RCFC requirements. It is assumed that the basin's only function is to mitigate the increased runoff from our site. The City of Murrieta is also requiring an emergency escape for the basin, the design and calculations for this is also included.

Private Storm Drain Plans (ADDED ON 3/04/04)

*A storm drain system will be designed to extend two existing storm drain systems which are currently out letting on to our site and connect them into an existing flood control box culvert. It is assumed that this is an approved connection. **adkan** will also be designing a storm drain system capture the increased run-off from the site and direct the flows to the proposed detention basin.*

Street Improvement Plans (ADDED ON 3/04/04)

This provides for 800 +/- feet of street improvement plans for Murrieta Hot Springs Road. The Plans will conform to the City of Murrieta standards.

Surveyed X-sections (ADDED ON 3/04/04)

This provides for 800 +/- feet of 50' x-sections Murrieta Hot Springs Road. This is needed for matching up to the existing pavement.

EXHIBIT B

EXHIBIT "B"
AGREEMENT DOCUMENTS

Mass Grading Plan (ADDED ON 3/04/04)

This provides for the preparation of a mass grading plan. This plan will reflect contour graded pads and stockpile locations. It will also include a temporary erosion control plan.

Easements, Legal Descriptions, Separate Dedication Documents

Often on a project of this type, situations arise that require documents to be prepared to formalize easements or dedications. It is common to include as many of these items on the Final Map as possible. Sometimes these items cannot be incorporated on the final map. This category has been included as a budget item and includes **three (3)** such legal descriptions/plats for processing with the requiring agency and the title company.

Water Plan (Onsite)

The plan will be prepared to satisfy the requirements of the City of Murrieta and EMWD. This category assumes that water facilities are located within 100 feet of the subject site. At the date of this proposal, this office has not seen a plan of service from the City of Murrieta and/or EMWD. This includes plan view design only. Building fire protection plans shall be provided by others and the project architect shall supply the total domestic and fire demands.

Sewer Plan (Onsite)

Sewer plans shall be prepared to meet the requirements of the local agencies. Manholes and cleanouts locations shall be shown. Lateral locations shall be based on client preference or agency standards if applicable. This category assumes that sewer facilities are located within 100 feet of the subject site.

Agency & Client Meetings

This provides for attending agency and/or client meetings to address any matter regarding the project. This category will be billed on a time and material basis.

National Pollution Discharge Elimination System Filing (SWPP plan)/Erosion Control Plan

Prepare an erosion control plan to the City of Murrieta requirements. Prepare SWPPP for compliance and process application with the State of California. This category excludes filing fees.

EXHIBIT "B"
AGREEMENT DOCUMENTS

COMPENSATION

Grading Plan		19,236.00 - 006
Mass Grading Plan	Added	5,200.00 - 013
Conceptual Grading Plan	Added	1,845.00
Easements, Legal Descriptions, Separate Dedication Documents (3) each		3,400.00 - 029
Hydrology		3,936.00
Hydrology Updated on 3-4-04	Up-dated	15,324.00 - 017
Storm Drain Improvements	Added	7,500.00 - 016
Water Plan (Onsite)		4,635.00 - 011
Street Improvements	Added	2,850.00 - 009
Surveyed X-Sections For Murrieta Hot Springs Road	Added	2,600.00 - 099A
Sewer Plan (Onsite)		3,800.00 - 010
Agency & Client Meetings (Including processing)		T & M - 071
NPDES permit (SWPP Plan) / Erosion Control		5,320.00 - 057
<hr/>		
TOTAL COMPENSATION		\$ 40,327.00
TOTAL COMPENSATION	Up-dated	\$ 69,865.00

W 3/2/04

EXHIBIT B

Central District Of California Claims Register

8:08-bk-13150-RK James C Gianulias CASE CONVERTED on 07/02/2008

Judge: Robert N. Kwan **Chapter:** 11
Office: Santa Ana **Last Date to file claims:** 11/12/2008
Trustee: **Last Date to file (Govt):**

<i>Creditor:</i> (20546699) Adkinson Engineers Inc c/o Dan E Qualls Esq 6864 Indiana Ave Ste 203 Riverside CA 92508	Claim No: 34 <i>Filed:</i> 11/05/2008 <i>Entered:</i> 11/12/2008	<i>Status:</i> <i>Filed by:</i> CR <i>Entered by:</i> Steinberg, Elizabeth <i>Modified:</i>
Unknown claimed: \$10802.63 Total claimed: \$10802.63		
<i>History:</i> 34-1 11/05/2008 Claim #34 filed by Adkinson Engineers Inc , total amount claimed: \$10802.63 (Steinberg, Elizabeth)		
<i>Description:</i>		
<i>Remarks:</i>		

Claims Register Summary