



REMEDATION & CONSTRUCTION CONTRACT
CA License #810553

Bakersfield
 3553 Landco Dr, Ste A
 Bakersfield, CA 93308
 877.636.0760 F:
 881.636.0761

Fresno
 3461 W Holland Ave
 Fresno, CA 93722
 877.835.0811 F:
 559.244.0812

Lake Tahoe
 128 Market St, Ste 2D
 Stateline, NV 89449
 877.587.2416 F:
 775.588.4997
 Mailing address: see
 Reno address

Orange County
 2920 E White Star Ave
 Anaheim, CA 92806
 800.421.4112 F:
 714.632.7688

Redding
 2930 Innsbruck Dr,
 Ste B
 Redding, CA 96003
 855.249.1900 F:
 530.224.1904

Riverside
 3443 Durahart St
 Riverside, CA 92507
 877.543.8236
 F: 951.682.7100

Sacramento
 3132 Dwight Rd, Ste 300
 Elk Grove, CA 95758
 855.399.1865 F:
 916.399.9388

San Diego
 9060 Activity Rd, Ste A
 San Diego, CA 92126
 866.421.4144 F:
 858.847.9878

San Fernando Valley
 27 W Easy Street, Ste 403
 Simi Valley, CA 93065
 866.764.4112 F:
 818.882.7685

San Francisco/Hayward
 2365 Industrial Pkwy W
 Hayward, CA 94545
 888.543.3473 F:
 510.887.9110

San Jose
 2297 Ringwood Ave
 San Jose, CA 95131
 888.929.3472 F:
 408.929.3477

Reno
 50 Artisan Means Way, Ste B
 Reno, NV 89511
 866.938.2447
 F: 775.356.0633

REMEDATION & CONSTRUCTION CONTRACT BETWEEN OWNER AND BELFOR USA GROUP, INCORPORATED

THIS REMEDIATION & CONSTRUCTION CONTRACT ("Contract") dated 6/27/16 is by and between Mendocino Co. ("Owner"), and BELFOR USA Group, Inc. ("Contractor") for remediation and reconstruction of the property located at Mendocino County Museum - 400 E. Commercial Street, Willits, CA 95499 (the "Property").

Contract Documents. The Contract Documents consist of this Contract and the following:

Exhibit A: (Check one):

Lump Sum Estimate in the amount of \$ _____ dated _____ for work generally described as _____

Price List dated 6/26/15 (for "Rate and Materials" contracts)

Exhibit B: _____

This Contract and the documents above, along with modifications issued after the execution of this Agreement, form the Contract and are as fully a part of the Contract as if attached to this Contract or repeated herein. In the event of any inconsistency, conflict or ambiguity among the Contract Documents, handwritten modifications on this Agreement shall take precedence over typewritten text, this Agreement shall take precedence over the Exhibits listed above, and the Exhibits above shall take precedence in the order set forth above.

**ARTICLE 1
 THE WORK**

The project consists of the following services, referred to as the "Work."

1.1 Remediation. Contractor has been retained to remediate excessive microbial matter, but only to the extent specifically identified by Owner's independent environmental consultant ("Hygienist"). This may include, but is not limited to: constructing containment; controlled demolition; and disinfecting and/or encapsulating certain building materials; cleaning and disinfecting the work area.

1.1.2 Completion Criteria. Owner understands and acknowledges that microbial matter, including fungi and mold are naturally occurring substances that exist in "clean" buildings. The goal of the remediation is not to "clear" the building of spores or render the property mold-free or to entirely eliminate any particular species of fungi but rather to reduce the concentrations to reasonably acceptable levels. Any further issues regarding the completion or success of the remedial work shall be resolved according to the criteria set forth in *Bioaerosols, Assessment and Control* (ACGIH, 1999).

1.1.3 Mold Notice. Many believe that the presence of mold creates health risks. Occupants with health complaints are encouraged to seek an examination from an appropriately qualified professional. Contractor is not qualified to diagnose medical conditions and Owner agrees not to interpret any statement by Contractor as medical advice. It is important that proper diagnosis and treatment of illness not be confused by misdirected attention to indoor air quality issues. Owner agrees to take reasonable measures to control the conditions that lead to mold growth. Owner is advised to seek further information from the United States Environmental Protection Agency at: www.epa.gov and the American Conference of Governmental Industrial Hygienists at: www.acgih.org. There may be environmental factors and/or other conditions that cause or contribute to mold growth at the Property, the repairs and/or remediation of which are not included in the Work. Contractor cannot control and therefore is not responsible for these factors or conditions.

1.2 Construction. Contractor shall provide the construction administration and management services as described in more detail in the attached Estimate and elsewhere in the Contract Documents. Contractor will use its best efforts to perform the Work consistent with the Contract Documents and to do so in an expeditious and workmanlike fashion.

Owner Initials: ADP BELFOR Initials: _____

Bakersfield
 3553 Landco Dr, Ste A
 Bakersfield, CA 93308
 877.638.0760 F:
 661.636.0761

Fresno
 3461 W Holland Ave
 Fresno, CA 93722
 877.835.0811 F:
 559.244.0812

Lake Tahoe
 128 Market St, Ste 2D
 Stateline, NV 89449
 877.587.2416 F:
 775.588.4997
 Mailing address: see
 Reno address

Orange County
 2920 E White Star Ave
 Anaheim, CA 92806
 800.421.4112 F:
 714.832.7688

Redding
 2930 Innsbruck Dr,
 Ste B
 Redding, CA 96003
 855.249.1900 F:
 530.224.1904

Riverside
 3443 Durahart St
 Riverside, CA 92507
 877.543.8236
 F: 951.682.7100

Sacramento
 3132 Dwight Rd, Ste 300
 Elk Grove, CA 95758
 855.399.1865 F:
 916.399.9388

San Diego
 9060 Activity Rd, Ste A
 San Diego, CA 92126
 866.421.4144 F:
 858.647.9678

San Fernando Valley
 27 W Easy Street, Ste 403
 Simi Valley, CA 93065
 866.764.4112 F:
 618.882.7685

San Francisco/Hayward
 2365 Industrial Pkwy W
 Hayward, CA 94545
 888.643.3473 F:
 510.887.9110

San Jose
 2297 Ringwood Ave
 San Jose, CA 95131
 888.929.3472 F:
 408.929.3477

Reno
 50 Artisan Means Way, Ste B
 Reno, NV 89511
 866.938.2447
 F: 775.358.0633

**REMEDATION & CONSTRUCTION CONTRACT BETWEEN OWNER AND
 BELFOR USA GROUP, INCORPORATED**

THIS REMEDIATION & CONSTRUCTION CONTRACT ("Contract") dated 8/27/16 is by and between Mendocino Co ("Owner"), and BELFOR USA Group, Inc. ("Contractor") for remediation and reconstruction of the property located at Mendocino County Museum - 400 E. Commercial Street, Willits, CA 95499 (the "Property").

Contract Documents. The Contract Documents consist of this Contract and the following:

Exhibit A: (Check one):

Lump Sum Estimate in the amount of \$ _____ dated _____ for work generally described as _____

Price List dated 6/26/15 (for "Rate and Materials" contracts)

Exhibit B: _____

This Contract and the documents above, along with modifications issued after the execution of this Agreement, form the Contract and are as fully a part of the Contract as if attached to this Contract or repeated herein. In the event of any inconsistency, conflict or ambiguity among the Contract Documents, handwritten modifications on this Agreement shall take precedence over typewritten text, this Agreement shall take precedence over the Exhibits listed above, and the Exhibits above shall take precedence in the order set forth above.

**ARTICLE 1
 THE WORK**

The project consists of the following services, referred to as the "Work."

1.1 Remediation. Contractor has been retained to remediate excessive microbial matter, but only to the extent specifically identified by Owner's independent environmental consultant ("Hygienist"). This may include, but is not limited to: constructing containment; controlled demolition; and disinfecting and/or encapsulating certain building materials; cleaning and disinfecting the work area.

1.1.2 Completion Criteria. Owner understands and acknowledges that microbial matter, including fungi and mold are naturally occurring substances that exist in "clean" buildings. The goal of the remediation is not to "clear" the building of spores or render the property mold-free or to entirely eliminate any particular species of fungi but rather to reduce the concentrations to reasonably acceptable levels. Any further issues regarding the completion or success of the remedial work shall be resolved according to the criteria set forth in *Bioaerosols, Assessment and Control* (ACGIH, 1999).

1.1.3 Mold Notice. Many believe that the presence of mold creates health risks. Occupants with health complaints are encouraged to seek an examination from an appropriately qualified professional. Contractor is not qualified to diagnose medical conditions and Owner agrees not to interpret any statement by Contractor as medical advice. It is important that proper diagnosis and treatment of illness not be confused by misdirected attention to indoor air quality issues. Owner agrees to take reasonable measures to control the conditions that lead to mold growth. Owner is advised to seek further information from the United States Environmental Protection Agency at: www.epa.gov and the American Conference of Governmental Industrial Hygienists at: www.acgih.org. There may be environmental factors and/or other conditions that cause or contribute to mold growth at the Property, the repairs and/or remediation of which are not included in the Work. Contractor cannot control and therefore is not responsible for these factors or conditions.

1.2 Construction. Contractor shall provide the construction administration and management services as described in more detail in the attached Estimate and elsewhere in the Contract Documents. Contractor will use its best efforts to perform the Work consistent with the Contract Documents and to do so in an expeditious and workmanlike fashion.

Owner Initials: _____

BELFOR Initials: 

1.3 Exclusions. Unless specifically described in the Contract Documents, Contractor is not required to: (a) perform code upgrades or detect, remedy or repair any existing construction defects, code violations, illegal conditions, unusual or abnormal concrete footings, foundations, piers or unusual depth requirements, or any damage caused by termites or dry rot; (b) replace, reroute, or relocate plumbing, gas, water or sewer lines, vents, pipes, ducts, conduits or wiring; (c) change any existing electrical service panel other than to add circuit breakers or fuse blocks to distribute electric current to new outlets; (d) work on city sewer systems; (e) perform any work (beyond the scope of this Contract) required by any public body, utility or inspector; (f) excavate filled ground or ground of inadequate bearing or rock or any other material not removable by ordinary hand tools; (g) perform mold remediation, sewage cleanup, asbestos abatement or environmental decontamination; or (h) sample or test for the presence of mold, fungi or bacteria. Any such work is an additional work item not included in the Contract Price.

**ARTICLE 2
COMPENSATION AND PAYMENT TO CONTRACTOR**

2.1 Contract Price. The Contract Price for the Work shall be defined as follows (check one):

Lump Sum: Owner shall pay Contractor the sum as set forth in the Estimate attached as Exhibit "A" and incorporated into this Contract. The Estimate is a good-faith approximation based on currently available information and is subject to increase based on conditions discovered later. Owner understands that despite due diligence by Contractor, there may be issues that were not discovered when the Estimate was prepared, and that conditions may make it impossible to render an accurate quotation before commencing work.

Rate and Materials. Owner shall pay Contractor the sum \$ TBD, as set forth in BELFOR's Rate and Materials Schedule, attached as Exhibit "A" and incorporated into this Contract.

2.1.1 Adjustments to Contract Price. It is understood that the Work may be subject to change due to unknown factors; those changes may result in a revised Estimate or a Supplement which may increase the price and scope of the project. All non-insured code upgrades, deductibles or Work not covered by the insurance policy is the financial liability and responsibility of the Owner and must be mutually agreed to in writing by a Change Order. Contractor will be paid 50% for any and all Change Orders prior to work and the balance upon completion.

2.2 Change Orders. Any changes in price or completion time will be negotiated in good faith between the parties and set forth in a written Change Order signed by both parties. Owner will be responsible for water, electrical and utility charges. Contractor will provide industry standard documentation to the insurance company, Hygienist, Owner or their agents in order to properly document the changed work. Contractor is entitled to a Change Order for delays beyond Contractor's control and for delays resulting from concealed, unknown or unusual conditions and for restarting work after stopping.

2.2.1 Authorized Representative. Owner's Representative is authorized to approve and execute Change Orders on Owner's behalf. Contractor may rely on all decisions made by Owner's Representative. All Change Orders executed by Owner's Representative will be binding on Owner.

2.3 Invoices. Contractor shall submit to Owner an Invoice and any necessary and appropriate lien waivers signed by Contractor and its subcontractors of every tier.

2.3.1 Assignment of Insurance Benefits and Direct Payment Authorization. In consideration of the Owner not securing personal funds for the Work or obtaining financing for this project, Owner hereby irrevocably assigns and transfers all rights, title and interest to insurance proceeds paid for the

Work performed or to be performed by Contractor. Owner hereby authorizes and directs all Insurers to name "BELFOR USA Group, Inc." as a payee on all checks and drafts produced for Contractor's work.

2.3.2 Limited Power of Attorney. Contractor is hereby appointed as Owner's Attorney in fact to endorse and deposit in its accounts any insurance checks or drafts relating to this Contractor's work.

2.3.3 Insurance Payments to Contractor. If Contractor has begun or is working on the project, the Owner agrees to immediately endorse and tender said insurance drafts to Contractor for payment. Upon receipt of such payment, Contractor promises to produce waivers in the like amount. Contractor, at its option, and upon written notice to Owner, may require Owner to establish an escrow account for the project cost or produce a payment bond as surety for payment.

2.4 Payment Amount. Provided Contractor has submitted an Application for Payment or invoice in accordance with the requirements of this Contract, Owner agrees to pay monthly to Contractor an amount equal to the following:

Rate & Materials Rate Sheet

\$ _____ shall be paid at the start of
30 Days From Completion _____;

\$ _____ shall be paid at the start of _____; and

\$ _____ shall be paid at the start of _____.

2.5 Interest for Past Due Payment. Interest shall accrue at the rate of ten percent (10%) per year on all past due sums.

2.6 Administrative Service Charge. Separate from and in addition to the interest set forth in 2.5, above, Owner shall pay Contractor an Administrative Service Charge of 1.5% per month on all past due sums.

2.7 Agreed Procedure for Billing Disputes. Owner will review Contractor's invoices within ten (10) days of the date of the invoice and notify Contractor of any objection in writing within twenty days (20) days of the date of the invoice. If no objection is made by Owner within this period of time, it is agreed that the invoice shall be deemed accurate and reasonable and Owner shall be obligated to pay the entire invoice amount. Should Owner dispute any charge set forth on any invoice, such dispute must be made in writing, specifying each specific billing entry in dispute and the basis for the dispute. **ANY OBJECTION THAT IS NOT DELIVERED TO CONTRACTOR WITHIN 20 DAYS OF THE DATE OF THE INVOICE SHALL BE EXPRESSLY WAIVED.** The existence of such a dispute will not alter the obligation to pay interest on the disputed amount as set forth in this agreement, unless the Owner receives a judgment in Owner's favor with respect to such disputed amounts.

2.8 Credit Check Authorization. Owner hereby authorizes Contractor to make reasonable credit inquiries and to receive any information regarding Owner's financial or credit status from creditors or financial institutions which Contractor reasonably deems relevant. Owner hereby authorizes all such creditors and financial institutions to divulge such information to Contractor. Owner acknowledges and agrees that credit privileges, if granted, may be withdrawn at any time.

**ARTICLE 3
TIME OF COMPLETION**

3.1 Commencement Date. The Work shall commence on approximately 6/22/16 (the "Commencement Date"), except in the event that circumstances beyond Contractor's reasonable control make such commencement impractical or unreasonable.

Owner Initials: ADK BELFOR Initials: _____

1.3 Exclusions. Unless specifically described in the Contract Documents, Contractor is not required to: (a) perform code upgrades or detect, remedy or repair any existing construction defects, code violations, illegal conditions, unusual or abnormal concrete footings, foundations, piers or unusual depth requirements, or any damage caused by termites or dry rot; (b) replace, reroute, or relocate plumbing, gas, water or sewer lines, vents, pipes, ducts, conduits or wiring; (c) change any existing electrical service panel other than to add circuit breakers or fuse blocks to distribute electric current to new outlets; (d) work on city sewer systems; (e) perform any work (beyond the scope of this Contract) required by any public body, utility or Inspector; (f) excavate filled ground or ground of inadequate bearing or rock or any other material not removable by ordinary hand tools; (g) perform mold remediation, sewage cleanup, asbestos abatement or environmental decontamination; or (h) sample or test for the presence of mold, fungi or bacteria. Any such work is an additional work item not included in the Contract Price.

**ARTICLE 2
COMPENSATION AND PAYMENT TO CONTRACTOR**

2.1 Contract Price. The Contract Price for the Work shall be defined as follows (check one):

Lump Sum: Owner shall pay Contractor the sum as set forth in the Estimate attached as Exhibit "A" and incorporated into this Contract. The Estimate is a good-faith approximation based on currently available information and is subject to increase based on conditions discovered later. Owner understands that despite due diligence by Contractor, there may be issues that were not discovered when the Estimate was prepared, and that conditions may make it impossible to render an accurate quotation before commencing work.

Rate and Materials. Owner shall pay Contractor the sum \$ TBD _____, as set forth in BELFOR's Rate and Materials Schedule, attached as Exhibit "A" and incorporated into this Contract.

2.1.1 Adjustments to Contract Price. It is understood that the Work may be subject to change due to unknown factors; those changes may result in a revised Estimate or a Supplement which may increase the price and scope of the project. All non-Insured code upgrades, deductibles or Work not covered by the insurance policy is the financial liability and responsibility of the Owner and must be mutually agreed to in writing by a Change Order. Contractor will be paid 50% for any and all Change Orders prior to work and the balance upon completion.

2.2 Change Orders. Any changes in price or completion time will be negotiated in good faith between the parties and set forth in a written Change Order signed by both parties. Owner will be responsible for water, electrical and utility charges. Contractor will provide industry standard documentation to the insurance company, Hygienist, Owner or their agents in order to properly document the changed work. Contractor is entitled to a Change Order for delays beyond Contractor's control and for delays resulting from concealed, unknown or unusual conditions and for restarting work after stopping.

2.2.1 Authorized Representative. Owner's Representative is authorized to approve and execute Change Orders on Owner's behalf. Contractor may rely on all decisions made by Owner's Representative. All Change Orders executed by Owner's Representative will be binding on Owner.

2.3 Invoices. Contractor shall submit to Owner an invoice and any necessary and appropriate lien waivers signed by Contractor and its subcontractors of every tier.

2.3.1 Assignment of Insurance Benefits and Direct Payment Authorization. In consideration of the Owner not securing personal funds for the Work or obtaining financing for this project, Owner hereby irrevocably assigns and transfers all rights, title and interest to insurance proceeds paid for the

Work performed or to be performed by Contractor. Owner hereby authorizes and directs all insurers to name "BELFOR USA Group, Inc." as a payee on all checks and drafts produced for Contractor's work.

2.3.2 Limited Power of Attorney. Contractor is hereby appointed as Owner's Attorney in fact to endorse and deposit in its accounts any insurance checks or drafts relating to this Contractor's work.

2.3.3 Insurance Payments to Contractor. If Contractor has begun or is working on the project, the Owner agrees to immediately endorse and tender said insurance drafts to Contractor for payment. Upon receipt of such payment, Contractor promises to produce waivers in the like amount. Contractor, at its option, and upon written notice to Owner, may require Owner to establish an escrow account for the project cost or produce a payment bond as surety for payment.

2.4 Payment Amount. Provided Contractor has submitted an Application for Payment or Invoice in accordance with the requirements of this Contract, Owner agrees to pay monthly to Contractor an amount equal to the following:

Rate & Materials Rate Sheet Labor & Material Billing Wage

\$ _____ shall be paid at the start of
30 Days From Completion _____;
\$ _____ shall be paid at the start of _____; and
\$ _____ shall be paid at the start of _____.

2.5 Interest for Past Due Payment. Interest shall accrue at the rate of ten percent (10%) per year on all past due sums.

2.6 Administrative Service Charge. Separate from and in addition to the interest set forth in 2.5, above, Owner shall pay Contractor an Administrative Service Charge of 1.5% per month on all past due sums.

2.7 Agreed Procedure for Billing Disputes. Owner will review Contractor's invoices within ten (10) days of the date of the invoice and notify Contractor of any objection in writing within twenty days (20) days of the date of the invoice. If no objection is made by Owner within this period of time, it is agreed that the invoice shall be deemed accurate and reasonable and Owner shall be obligated to pay the entire invoice amount. Should Owner dispute any charge set forth on any invoice, such dispute must be made in writing, specifying each specific billing entry in dispute and the basis for the dispute. **ANY OBJECTION THAT IS NOT DELIVERED TO CONTRACTOR WITHIN 20 DAYS OF THE DATE OF THE INVOICE SHALL BE EXPRESSLY WAIVED.** The existence of such a dispute will not alter the obligation to pay interest on the disputed amount as set forth in this agreement, unless the Owner receives a judgment in Owner's favor with respect to such disputed amounts.

2.8 Credit Check Authorization. Owner hereby authorizes Contractor to make reasonable credit inquiries and to receive any information regarding Owner's financial or credit status from creditors or financial institutions which Contractor reasonably deems relevant. Owner hereby authorizes all such creditors and financial institutions to divulge such information to Contractor. Owner acknowledges and agrees that credit privileges, if granted, may be withdrawn at any time.

**ARTICLE 3
TIME OF COMPLETION**

3.1 Commencement Date. The Work shall commence on approximately 6/22/16 (the "Commencement Date"), except in the event that circumstances beyond Contractor's reasonable control make such commencement impractical or unreasonable.

Owner Initials: _____ BELFOR Initials: 

3.2 Substantial Completion. Substantial completion will have been achieved at the point when the Work is sufficiently complete in accordance with this Contract so the Work can be reasonably utilized by Owner for its intended purpose, except for minor items which do not substantially impair Owner's ability to so occupy and utilize or continue to occupy or utilize the Property. Contractor shall diligently perform the Work to Substantial Completion within approximately _____ (____) days after the Commencement Date ("Contract Time").

3.2.1 Adjustments to Contract Time. The Contract Time may only be adjusted for time extensions approved by Owner and agreed to by Change Order executed by Owner and Contractor.

3.2.2 Calendar Days. All references in this Contract to "days" shall mean calendar days.

ARTICLE 4 INDEMNIFICATION

4.1 Indemnification to Owner. To the extent allowed by law, Contractor hereby agrees to indemnify and hold harmless Owner, Owner's related and affiliated entities, and their respective partners, affiliates, principals, officers, directors, shareholders, attorneys, agents, employees, representatives, and insurers from and against any and all losses, liability and damages (including, without limitation, attorneys' fees and court costs) arising directly or indirectly from any of the following: (i) performance or nonperformance of the Work by Contractor or its Subcontractors or Sub-subcontractors of any tier; (ii) the construction activities of Contractor or its Subcontractors or Sub-subcontractors of any tier; (iii) the payment or nonpayment by Contractor to any of its Subcontractors or Sub-subcontractors of any tier, for Work performed on or off the Property; and (iv) any personal injury, property damage or economic loss to third parties associated with the performance or nonperformance of the Work by Contractor or its Subcontractors or Sub-subcontractors of any tier.

4.2 Indemnification to Contractor. To the extent allowed by law, Owner hereby agrees to indemnify and hold harmless Contractor and its owners, related and affiliated entities, and their respective partners, principals, officers, directors, shareholders, attorneys, agents, employees, representatives, and insurers from and against any and all claims, losses, liability, injury or damage (including, without limitation, attorneys' fees, expert fees and court costs) arising directly or indirectly from any of the following: (i) any and all misdiagnosis, error, or omission by third party consultants, inspectors or hygienists; (ii) Contractor's compliance with the Hygienist's directions, instructions or protocols; and (iii) the use of or reliance on reports, protocols, tests, findings or analyses made after Owner's approval of the Work.

ARTICLE 5 WARRANTY

5.1 Contractor warrants to Owner that all materials and equipment used will be of good quality, and free of liens, claims, and security interests of third parties; that all labor, installation, materials and equipment used or incorporated into the Work will be of good quality, installed in a good and workmanlike manner, and free from defects; and that the Work will conform with the requirements of this Contract and applicable code requirements. The Warranty shall commence thirty (30) days after the final payment by Owner and shall continue for a period of one year thereafter or for such longer periods as may be provided in the scope of work in ARTICLE 1. Warranty claims must be made in accordance with the notice provisions of ARTICLE 8. If required by Owner, Contractor shall furnish reasonably sufficient evidence of the kind and quality of materials and equipment used.

5.1.1 Owner understands and acknowledges that ongoing maintenance, proper ventilation, cleaning and moisture control are crucial to prevent microbial growth and that such measures are beyond the scope of Contractor's responsibility under this Contract. Once the goals of microbial remediation as set forth in ARTICLE 1 have

been achieved, the Contractor will have no future liability for the recurrence of microbial growth. Owner understands that future microbial growth can result from a variety of factors beyond the Contractor's control.

5.2 The Contractor's warranty as set forth as set for above is in addition to, and not a limitation upon, any other warranties or guarantees required or created by the terms of the Contract Documents or law.

ARTICLE 6 COMPLIANCE WITH APPLICABLE LAWS

6.1 Contractor agrees to, at all times during performance of the Contract, conform to all applicable requirements of codes, laws, regulations and ordinances pertaining to the Work, the Property, Owner and Contractor, with no adjustment to the Contract Price.

6.2 Contractor shall at all times maintain good discipline and order among its employees and subcontractors. The Owner reserves the right to order any person reasonably deemed unfit off the site for the duration of the Work. Contractor shall provide competent, qualified personnel to perform the Work, and shall ensure that each such employee, Subcontractor and Sub-subcontractor engaged upon the Property arranges the storage of materials and equipment and performs its Work so as to interfere as little as possible with separate contractors or other persons engaged in work for Owner upon the site.

6.3 Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a latent act or omission is filed within four years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within 10 years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, CA 95826.

ARTICLE 7 INSURANCE

7.1 The following policies and coverages shall be furnished by Contractor:

7.1.1 Commercial General and Umbrella Liability Insurance: Contractor shall maintain commercial general liability (CGL) coverage, with \$1,000,000 combined single limit per occurrence, and \$2,000,000 in the annual aggregate. CGL insurance shall be written on Insurance Services Office form CG 00 01 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury, contractual liability, broad form property damage liability, products and completed operations coverage and X,C,U (explosion, collapse, underground) hazards. Limits may be provided in a "layered" program, by means of primary and umbrella policies.

7.1.2 Business Auto and Umbrella Liability Insurance: Contractor shall maintain business auto liability with \$1,000,000 combined single limit per accident for bodily injury and property damage, without annual aggregate. Defense costs shall be in addition to the limit of liability. Coverage shall apply to any automobile owned, hired and non-owned. Limits may be provided in a "layered" program, by means of primary and umbrella policies.

Owner Initials:  BELFOR Initials: 

3.2 Substantial Completion. Substantial completion will have been achieved at the point when the Work is sufficiently complete in accordance with this Contract so the Work can be reasonably utilized by Owner for its intended purpose, except for minor items which do not substantially impair Owner's ability to so occupy and utilize or continue to occupy or utilize the Property. Contractor shall diligently perform the Work to Substantial Completion within approximately _____ (_____) days after the Commencement Date ("Contract Time").

3.2.1 Adjustments to Contract Time. The Contract Time may only be adjusted for time extensions approved by Owner and agreed to by Change Order executed by Owner and Contractor.

3.2.2 Calendar Days. All references in this Contract to "days" shall mean calendar days.

ARTICLE 4 INDEMNIFICATION

4.1 Indemnification to Owner. To the extent allowed by law, Contractor hereby agrees to indemnify and hold harmless Owner, Owner's related and affiliated entities, and their respective partners, affiliates, principals, officers, directors, shareholders, attorneys, agents, employees, representatives, and insurers from and against any and all losses, liability and damages (including, without limitation, attorneys' fees and court costs) arising directly or indirectly from any of the following: (i) performance or nonperformance of the Work by Contractor or its Subcontractors or Sub-subcontractors of any tier; (ii) the construction activities of Contractor or its Subcontractors or Sub-subcontractors of any tier; (iii) the payment or nonpayment by Contractor to any of its Subcontractors or Sub-subcontractors of any tier, for Work performed on or off the Property; and (iv) any personal injury, property damage or economic loss to third parties associated with the performance or nonperformance of the Work by Contractor or its Subcontractors or Sub-subcontractors of any tier.

4.2 Indemnification to Contractor. To the extent allowed by law, Owner hereby agrees to indemnify and hold harmless Contractor and its owners, related and affiliated entities, and their respective partners, principals, officers, directors, shareholders, attorneys, agents, employees, representatives, and insurers from and against any and all claims, losses, liability, injury or damage (including, without limitation, attorneys' fees, expert fees and court costs) arising directly or indirectly from any of the following: (i) any and all misdiagnosis, error, or omission by third party consultants, inspectors or hygienists; (ii) Contractor's compliance with the Hygienist's directions, instructions or protocols; and (iii) the use of or reliance on reports, protocols, tests, findings or analyses made after Owner's approval of the Work.

ARTICLE 5 WARRANTY

5.1 Contractor warrants to Owner that all materials and equipment used will be of good quality, and free of liens, claims, and security interests of third parties; that all labor, installation, materials and equipment used or incorporated into the Work will be of good quality, installed in a good and workmanlike manner, and free from defects; and that the Work will conform with the requirements of this Contract and applicable code requirements. The Warranty shall commence thirty (30) days after the final payment by Owner and shall continue for a period of one year thereafter or for such longer periods as may be provided in the scope of work in ARTICLE 1. Warranty claims must be made in accordance with the notice provisions of ARTICLE 8. If required by Owner, Contractor shall furnish reasonably sufficient evidence of the kind and quality of materials and equipment used.

5.1.1 Owner understands and acknowledges that ongoing maintenance, proper ventilation, cleaning and moisture control are crucial to prevent microbial growth and that such measures are beyond the scope of Contractor's responsibility under this Contract. Once the goals of microbial remediation as set forth in ARTICLE 1 have

been achieved, the Contractor will have no future liability for the recurrence of microbial growth. Owner understands that future microbial growth can result from a variety of factors beyond the Contractor's control.

5.2 The Contractor's warranty as set forth as set for above is in addition to, and not a limitation upon, any other warranties or guarantees required or created by the terms of the Contract Documents or law.

ARTICLE 6 COMPLIANCE WITH APPLICABLE LAWS

6.1 Contractor agrees to, at all times during performance of the Contract, conform to all applicable requirements of codes, laws, regulations and ordinances pertaining to the Work, the Property, Owner and Contractor, with no adjustment to the Contract Price.

6.2 Contractor shall at all times maintain good discipline and order among its employees and subcontractors. The Owner reserves the right to order any person reasonably deemed unfit off the site for the duration of the Work. Contractor shall provide competent, qualified personnel to perform the Work, and shall ensure that each such employee, Subcontractor and Sub-subcontractor engaged upon the Property arranges the storage of materials and equipment and performs its Work so as to interfere as little as possible with separate contractors or other persons engaged in work for Owner upon the site.

6.3 Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a latent act or omission is filed within four years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within 10 years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, CA 95826.

ARTICLE 7 INSURANCE

7.1 The following policies and coverages shall be furnished by Contractor:

7.1.1 Commercial General and Umbrella Liability Insurance: Contractor shall maintain commercial general liability (CGL) coverage, with \$1,000,000 combined single limit per occurrence, and \$2,000,000 in the annual aggregate. CGL insurance shall be written on Insurance Services Office form CG 00 01 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury, contractual liability, broad form property damage liability, products and completed operations coverage and X,C,U (explosion, collapse, underground) hazards. Limits may be provided in a "layered" program, by means of primary and umbrella policies.

7.1.2 Business Auto and Umbrella Liability Insurance: Contractor shall maintain business auto liability with \$1,000,000 combined single limit per accident for bodily injury and property damage, without annual aggregate. Defense costs shall be in addition to the limit of liability. Coverage shall apply to any automobile owned, hired and non-owned. Limits may be provided in a "layered" program, by means of primary and umbrella policies.

Owner Initials: _____

BELFOR Initials: 

Page 3 of 3

3a of 3

7.1.3 Workers' Compensation and Employer's Liability Insurance:

Contractor shall maintain worker's compensation insurance as required by state law and Employer's Liability Insurance in the amount of \$500,000 per accident for bodily injury or disease.

7.2 The General Liability and Automobile Liability policies shall contain, or be endorsed to contain, the following provisions:

Owner shall be included as Certificate holder as respects the Commercial General Liability Insurance and Business Automobile Liability Insurance. This shall apply to claims, costs, injuries or damages. Owner and other insureds mentioned in this paragraph shall not, by reason of their inclusion as insureds, become liable for any payment of premiums to carriers for such insurance coverage.

7.2.1 For any claims related to the Work, Contractor's insurance coverage or subcontractors (if applicable) shall be primary insurance as respects Owner, its partners, principals, officers, directors, agents, employees, representatives, and insurers. Any insurance or self-insurance maintained by Owner shall be excess of Contractor's insurance and shall not contribute to it.

7.2.2 A Severability of Interest Clause stating that the term "insured" is used severally and collectively, but the inclusion herein of more than one insured, shall not operate to increase the limits of the insurers' liability.

7.2.3 All insurance policies provided under the Contract Documents shall be endorsed to state that coverage shall not be canceled except after thirty (30) days has been given to Owner.

**ARTICLE 8
TERMINATION, DEFAULT**

8.1 Termination. Either party may terminate this Contract upon five (5) business days' written notice to the other party. Contractor may terminate if Owner if any payment is ten (10) days past due or if Owner breaches any material term of this Contract. If Owner cancels any Work pursuant to this Section, Owner agrees to pay Contractor for all costs incurred for any work commenced, and for all costs incurred for demobilization from the Site, reasonable costs of shut down, for cancellation of material and supply orders, and return and/or reshelving of materials and/or equipment. Owner shall also pay ten percent (10%) overhead and ten percent (10%) profit for each item listed in this paragraph.

8.2 Notice of Default. Contractor is entitled to reasonable written notice of any deficiency in the Work or default of Contractor's performance. Owner shall give Contractor written notice of any default in performance within five (5) days of its discovery by fax to the number indicated on page 1 and by First Class United States Mail. The notice shall specify the nature and location of the defect and the date of its discovery. The notice shall be accompanied by all documents, reports, sampling data, photographs, video and other evidence of the default, and Owner further agrees to continue to deliver to Contractor copies of such documents subsequently discovered or received by Owner after the initial notice is delivered to Contractor.

8.3 Opportunity to Cure Default. Owner shall provide Contractor a full and fair opportunity to cure any default in performance before altering, repairing or addressing the condition. Contractor shall make reasonable efforts to cure such default within fourteen (14) days of receipt of written notice; provided, however, if the default cannot be reasonably cured within such time then Contractor will commence to cure the default within seven (7) days and will diligently and continuously prosecute such cure to completion within a reasonable time, which shall in no event be later than thirty (30) days after receipt of such written notice.

8.4 Remedies Upon Default. In the event that Contractor fails to cure any breach of this Contract within the time periods set forth above, then Owner may pursue any remedies available in law or in equity.

8.5 Delete Certain Work. Certain portions of the Work may be omitted from the scope without terminating the Contract, and Owner may reserve all rights to losses or damages related thereto pursuant to the Change Order provisions of this Contract.

8.6 Rights Cumulative. All of Owner's rights and remedies under this Contract are cumulative, and shall be in addition to those rights and remedies available in law or in equity.

8.7 Withholding of Monies. In the event of termination of all or a portion of the Work due to a default by Contractor, Owner shall have the right, to keep and withhold the balance of the insurance funds for which work was not performed by the Contractor. However, all undisputed charges must be paid in full immediately.

**ARTICLE 9
CONTRACTOR'S RIGHTS AND REMEDIES**

9.1 Termination. If Owner fails to make payment of sums that are not in good faith disputed by Owner and fails to cure such default within ten (10) days after receipt of written notice from Contractor then, upon an additional seven (7) days' written notice to Owner of intent to terminate, Contractor may terminate this Contract.

9.2 Damages to the Contractor. In the event of termination for cause by Contractor or in the event of a termination by Owner for cause that is determined to be wrongful, Owner shall pay Contractor the sums provided for in ARTICLE 2 for the work completed, materials purchased and for any non cancelable contracts. The remedies set forth in this ARTICLE 9 are not exclusive but are in addition to any other rights which Contractor may have in law or in equity.

**ARTICLE 10
INDEPENDENT PARTIES**

The Contractor is an independent contractor and not an employee of the Owner. Nothing in this Contract shall be interpreted as creating any joint venture, partnership, joint tenancy, agency or other similar legal relationship between Owner and Contractor, or as creating any contractual obligation, whether direct, indirect or third party beneficiary, on the part of Owner to any Subcontractor or Sub-subcontractor of any tier.

**ARTICLE 11
NUISANCE**

11.1 Contractor shall not maintain, commit, nor permit the maintenance or commission of any nuisance in connection with its performance under this Contract.

11.2 Contractor shall erect and maintain, as required by existing conditions and performance of the Work, adequate safeguards for safety and protection, including adequate lighting and ventilation of work areas, danger signs and other appropriate warnings against hazards.

**ARTICLE 12
PERMITS, LICENSES AND TAXES**

12.1 Contractor, at its sole expense, shall obtain and maintain during the term of this Contract, all appropriate permits, licenses, and certificates that may be required in connection with the performance of its obligations hereunder, including, but not limited to, all required business licenses.

12.2 Contractor and its Subcontractors of any tier are responsible for paying all sales, consumer, business license, and similar taxes for the Work.

Owner Initials:  BELFOR Initials: 

7.1.3 Workers' Compensation and Employer's Liability Insurance: Contractor shall maintain worker's compensation insurance as required by state law and Employer's Liability Insurance in the amount of \$500,000 per accident for bodily injury or disease.

7.2 The General Liability and Automobile Liability policies shall contain, or be endorsed to contain, the following provisions:

Owner shall be Included as Certificate holder as respects the Commercial General Liability Insurance and Business Automobile Liability Insurance. This shall apply to claims, costs, injuries or damages. Owner and other insureds mentioned in this paragraph shall not, by reason of their inclusion as insureds, become liable for any payment of premiums to carriers for such insurance coverage.

7.2.1 For any claims related to the Work, Contractor's insurance coverage or subcontractors (if applicable) shall be primary insurance as respects Owner, its partners, principals, officers, directors, agents, employees, representatives, and Insurers. Any insurance or self-insurance maintained by Owner shall be excess of Contractor's insurance and shall not contribute to it.

7.2.2 A Severability of interest Clause stating that the term "insured" is used severally and collectively, but the inclusion herein of more than one insured, shall not operate to increase the limits of the Insurers' liability.

7.2.3 All insurance policies provided under the Contract Documents shall be endorsed to state that coverage shall not be canceled except after thirty (30) days has been given to Owner.

**ARTICLE 8
TERMINATION, DEFAULT**


8.1 Termination. Either party may terminate this Contract upon five (5) business days' written notice to the other party. Contractor may terminate if Owner if any payment is ten (10) days past due or if Owner breaches any material term of this Contract. If Owner cancels any Work pursuant to this Section, Owner agrees to pay Contractor for all costs incurred for any work commenced, and for all costs incurred for demobilization from the Site, reasonable costs of shut down, for cancellation of material and supply orders, and return and/or reshelving of materials and/or equipment. Owner shall also pay ten percent (10%) overhead and ten percent (10%) profit for each item listed in this paragraph.

8.2 Notice of Default. Contractor is entitled to reasonable written notice of any deficiency in the Work or default of Contractor's performance. Owner shall give Contractor written notice of any default in performance within five (5) days of its discovery by fax to the number indicated on page 1 and by First Class United States Mail. The notice shall specify the nature and location of the defect and the date of its discovery. The notice shall be accompanied by all documents, reports, sampling data, photographs, video and other evidence of the default, and Owner further agrees to continue to deliver to Contractor copies of such documents subsequently discovered or received by Owner after the initial notice is delivered to Contractor.

8.3 Opportunity to Cure Default. Owner shall provide Contractor a full and fair opportunity to cure any default in performance before altering, repairing or addressing the condition. Contractor shall make reasonable efforts to cure such default within fourteen (14) days of receipt of written notice; provided, however, if the default cannot be reasonably cured within such time then Contractor will commence to cure the default within seven (7) days and will diligently and continuously prosecute such cure to completion within a reasonable time, which shall in no event be later than thirty (30) days after receipt of such written notice.

8.4 Remedies Upon Default. In the event that Contractor fails to cure any breach of this Contract within the time periods set forth above, then Owner may pursue any remedies available in law or in equity.

Owner Initials: _____ BELFOR Initials: _____



8.5 Delete Certain Work. Certain portions of the Work may be omitted from the scope without terminating the Contract, and Owner may reserve all rights to losses or damages related thereto pursuant to the Change Order provisions of this Contract.

8.6 Rights Cumulative. All of Owner's rights and remedies under this Contract are cumulative, and shall be in addition to those rights and remedies available in law or in equity.

8.7 Withholding of Monies. In the event of termination of all or a portion of the Work due to a default by Contractor, Owner shall have the right, to keep and withhold the balance of the insurance funds for which work was not performed by the Contractor. However, all undisputed charges must be paid in full immediately.

**ARTICLE 9
CONTRACTOR'S RIGHTS AND REMEDIES**

9.1 Termination. If Owner fails to make payment of sums that are not in good faith disputed by Owner and fails to cure such default within ten (10) days after receipt of written notice from Contractor then, upon an additional seven (7) days' written notice to Owner of intent to terminate, Contractor may terminate this Contract.

9.2 Damages to the Contractor. In the event of termination for cause by Contractor or in the event of a termination by Owner for cause that is determined to be wrongful, Owner shall pay Contractor the sums provided for in ARTICLE 2 for the work completed, materials purchased and for any non cancelable contracts. The remedies set forth in this ARTICLE 9 are not exclusive but are in addition to any other rights which Contractor may have in law or in equity.

**ARTICLE 10
INDEPENDENT PARTIES**

The Contractor is an independent contractor and not an employee of the Owner. Nothing in this Contract shall be interpreted as creating any joint venture, partnership, joint tenancy, agency or other similar legal relationship between Owner and Contractor, or as creating any contractual obligation, whether direct, indirect or third party beneficiary, on the part of Owner to any Subcontractor or Sub-subcontractor of any tier.

**ARTICLE 11
NUISANCE**

11.1 Contractor shall not maintain, commit, nor permit the maintenance or commission of any nuisance in connection with its performance under this Contract.

11.2 Contractor shall erect and maintain, as required by existing conditions and performance of the Work, adequate safeguards for safety and protection, including adequate lighting and ventilation of work areas, danger signs and other appropriate warnings against hazards.

**ARTICLE 12
PERMITS, LICENSES AND TAXES**

12.1 Contractor, at its sole expense, shall obtain and maintain during the term of this Contract, all appropriate permits, licenses, and certificates that may be required in connection with the performance of its obligations hereunder, including, but not limited to, all required business licenses.

12.2 Contractor and its Subcontractors of any tier are responsible for paying all sales, consumer, business license, and similar taxes for the Work.

**ARTICLE 13
FORCE MAJEURE**

Contractor is not liable or responsible for delay, damage, cost, interruption or loss of any kind resulting from or related to acts of God, weather conditions, fire, flood, casualty, labor strikes, lock-outs, disturbances, riots, terrorism, civil commotion, government regulation or restriction, acts of Owner, the issuance of permits, shortages or unavailability of materials and/or supplies or other causes beyond Contractor's reasonable control.

**ARTICLE 14
WAIVER**

A waiver by Owner or Contractor of any breach of any term, covenant, or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained herein, whether of the same or a different character.

**ARTICLE 15
INTERPRETATION AND VENUE**

This Contract shall, without regard to the principles of conflicts of laws, be construed and enforced in accordance with and governed by the laws of the State of California. The provisions of this Contract shall be interpreted so as to give effect to their fair meaning. This Contract is the result of arm's length negotiations and shall be construed as though prepared by both parties. The venue for any arbitration or legal dispute shall be the county in which the Work was performed, unless arbitration in another county is agreed-upon in writing by the parties.

**ARTICLE 16
ARBITRATION OF DISPUTES**

Any controversy or claim arising out of or related to this Contract or the alleged breach thereof, shall be resolved by binding arbitration before an arbitrator mutually agreeable to the parties. If the parties are unable to agree on the selection of an arbitrator within thirty (30) days of either party's written demand for arbitration, then the arbitrator shall be selected by ADR Services, Inc. (www.adrservices.org). Any award of the arbitrator shall be binding, with no right of appeal and may be enforced by a court of competent jurisdiction. The parties shall have the right to motions for summary judgment. Claims within the monetary limit of the small claims court shall be litigated in such court, so long as both parties limit their right to recovery to the jurisdiction of the small claims court.

NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

I HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION.

Owner Initials: ADP Contractor Initials: [Signature]

Owner Initials: ADP BELFOR Initials: [Signature]

**ARTICLE 17
COMPLETE AGREEMENT**

The Contract Documents represent the full and complete integrated understanding of every kind and nature between the parties with respect to the services to be performed by Contractor at the Property, and all preliminary negotiations and prior representations and proposals of whatever kind or nature, are merged herein and superseded hereby. No verbal agreement or implied covenant shall be held to vary the provisions of this Contract. Any modification of this Contract will be effective only upon a written execution signed by both Owner and Contractor.

**ARTICLE 18
SURVIVAL OF CONTRACT**

The provisions of this Contract which by their nature survive termination of this Contract or final completion, including, without limitation, all warranties, indemnities and payment obligations shall remain in full force and effect after final completion or any termination of this Contract.

**ARTICLE 19
NONRECOURSE**

Notwithstanding anything herein to the contrary (including, without limitation, the designation of parties set forth in the Contract cover page and over the Contract signature lines), Contractor acknowledges and understands that this Contract is being executed and managed by Owner of the Property. Nothing in this Contract nor any other contract document, and no act, omission, statement or conduct on the part of Owner's agent, or any of its employees or representatives, shall be interpreted as creating any contractual obligation between Owner's agent and Contractor or any liability on the part of Owner's agent, or any of its employees or representatives, to Contractor.

**ARTICLE 20
SUCCESSORS AND ASSIGNS**

Each of the terms of this Agreement is binding upon each of the parties and their respective predecessors, assigns, executors, administrators, representatives, principals, insurers, agents, successors in interest, beneficiaries, and any and all persons or entities that have or may hold any interests in the Work or the Property. Except for the assignment to Contractor of Owner's rights to insurance benefits, Owner may not assign Owner's rights or delegate Owner's duties under this Agreement.

**ARTICLE 21
SEVERABILITY**

In the event a provision, or portion of a provision, of this Contract is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions or portions shall not be affected and shall be enforceable to the fullest extent allowable by law in order to give maximum legal force and effect to those provisions or portions that are not illegal or unenforceable.

**ARTICLE 22
AUTHORITY**

Owner, and any agent signing on Owner's behalf, warrants and represents that he has the power, and authority to enter this Contract, and if Owner is a corporation, that its Board of Directors has authorized the Work. This authorization, and Owner's warranties and representations in this paragraph are material terms of this Contract.

**ARTICLE 13
FORCE MAJEURE**

Contractor is not liable or responsible for delay, damage, cost, interruption or loss of any kind resulting from or related to acts of God, weather conditions, fire, flood, casualty, labor strikes, lock-outs, disturbances, riots, terrorism, civil commotion, government regulation or restriction, acts of Owner, the issuance of permits, shortages or unavailability of materials and/or supplies or other causes beyond Contractor's reasonable control.

**ARTICLE 14
WAIVER**

A waiver by Owner or Contractor of any breach of any term, covenant, or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained herein, whether of the same or a different character.

**ARTICLE 15
INTERPRETATION AND VENUE**

This Contract shall, without regard to the principles of conflicts of laws, be construed and enforced in accordance with and governed by the laws of the State of California. The provisions of this Contract shall be interpreted so as to give effect to their fair meaning. This Contract is the result of arm's length negotiations and shall be construed as though prepared by both parties. The venue for any arbitration or legal dispute shall be the county in which the Work was performed, unless arbitration in another county is agreed-upon in writing by the parties.

**ARTICLE 16
ARBITRATION OF DISPUTES**

Any controversy or claim arising out of or related to this Contract or the alleged breach thereof, shall be resolved by binding arbitration before an arbitrator mutually agreeable to the parties. If the parties are unable to agree on the selection of an arbitrator within thirty (30) days of either party's written demand for arbitration, then the arbitrator shall be selected by ADR Services, Inc. (www.adrservices.org). Any award of the arbitrator shall be binding, with no right of appeal and may be enforced by a court of competent jurisdiction. The parties shall have the right to motions for summary judgment. Claims within the monetary limit of the small claims court shall be litigated in such court, so long as both parties limit their right to recovery to the jurisdiction of the small claims court.

NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

I HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION.

Owner Initials: _____ Contractor Initials: _____

Owner Initials: _____ BELFOR Initials: _____

**ARTICLE 17
COMPLETE AGREEMENT**

The Contract Documents represent the full and complete integrated understanding of every kind and nature between the parties with respect to the services to be performed by Contractor at the Property, and all preliminary negotiations and prior representations and proposals of whatever kind or nature, are merged herein and superseded hereby. No verbal agreement or implied covenant shall be held to vary the provisions of this Contract. Any modification of this Contract will be effective only upon a written execution signed by both Owner and Contractor.

**ARTICLE 18
SURVIVAL OF CONTRACT**

The provisions of this Contract which by their nature survive termination of this Contract or final completion, including, without limitation, all warranties, indemnities and payment obligations shall remain in full force and effect after final completion or any termination of this Contract.

**ARTICLE 19
NONRECOURSE**

Notwithstanding anything herein to the contrary (including, without limitation, the designation of parties set forth in the Contract cover page and over the Contract signature lines), Contractor acknowledges and understands that this Contract is being executed and managed by Owner of the Property. Nothing in this Contract nor any other contract document, and no act, omission, statement or conduct on the part of Owner's agent, or any of its employees or representatives, shall be interpreted as creating any contractual obligation between Owner's agent and Contractor or any liability on the part of Owner's agent, or any of its employees or representatives, to Contractor.

**ARTICLE 20
SUCCESSORS AND ASSIGNS**

Each of the terms of this Agreement is binding upon each of the parties and their respective predecessors, assigns, executors, administrators, representatives, principals, insurers, agents, successors in interest, beneficiaries, and any and all persons or entities that have or may hold any interests in the Work or the Property. Except for the assignment to Contractor of Owner's rights to insurance benefits, Owner may not assign Owner's rights or delegate Owner's duties under this Agreement.

**ARTICLE 21
SEVERABILITY**

In the event a provision, or portion of a provision, of this Contract is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions or portions shall not be affected and shall be enforceable to the fullest extent allowable by law in order to give maximum legal force and effect to those provisions or portions that are not illegal or unenforceable.

**ARTICLE 22
AUTHORITY**

Owner, and any agent signing on Owner's behalf, warrants and represents that he has the power, and authority to enter this Contract, and if Owner is a corporation, that its Board of Directors has authorized the Work. This authorization, and Owner's warranties and representations in this paragraph are material terms of this Contract.

**ARTICLE 23
EXECUTION**

Execution by means of signature of a party hereto on a facsimile or digital copy of this Contract shall be binding to the same extent as an original execution hereof.

**ARTICLE 24
COLLECTION AGENCY AND ATTORNEYS' FEES**


The prevailing party to any legal action or extra-judicial proceeding relating to this Contract shall be entitled to recovery of collection agency fees, actual attorneys' fees, costs, expert fees and other expenses incurred. The determination of the "prevailing party" shall be based upon the party who prevails upon the matters actually litigated and shall not be determined solely based on the party receiving a net monetary recovery.

**ARTICLE 25
CONFIDENTIALITY**

Obligations of Contractor. Contractor's duties under this Agreement are to provide the Work. All information, materials, reports or documents, of any kind or nature (collectively, the "Confidential Information"), produced by, or coming into the possession of Contractor in connection with the performance of the Work shall be maintained in confidence, and disclosed solely to the Owner and not to any other person or party without Owner's prior consent except (a) if a court orders disclosure and appropriate litigation and appellate remedies have been sought to the extent directed by the Owner; (b) as necessary for Contractor to defend itself from or against any claim brought by Owner against Contractor; and (c) to those subcontractors working onsite for the performance of their work. In the event Confidential Information is requested, Contractor shall provide Owner with prompt notice thereof, so that Owner may seek a protective order or other appropriate remedy. In the event that such protective order or appropriate remedy is not obtained by Owner, Contractor may furnish only that portion of the Confidential Information which the Contractor is legally required and Contractor will exercise best efforts to obtain reliable assurances that confidential treatment will be accorded to the Confidential Information.

DEPARTMENT FISCAL REVIEW:


DEPARTMENT HEAD

EXECUTIVE REVIEW:
APPROVAL RECOMMENDED

CARMEL J. ANGELO
CHIEF EXECUTIVE OFFICER


**GL- 863320
1710- 864360**

Owner Initials:  BELFOR Initials: 

**ARTICLE 26
NOTICES**


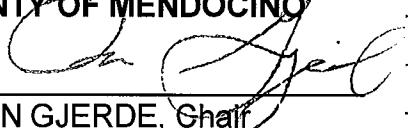
All notices, demands, requests or approvals to be given under this Contract shall be given in writing and conclusively shall be deemed served: (a) when delivered personally; (b) on the third business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided; or (c) received by the recipient in the mail or by facsimile transmission. All notices, demands, requests or approvals from Owner to Contractor shall be sent to contractor via First Class U.S. Mail and via facsimile addressed to BELFOR USA Group, Inc. at the address and fax number indicated on the first page of this Contract.

All notices, demands, requests or approvals from Contractor to Owner shall be addressed to Owner at:

 County of Mendocino
501 Low Gap Road, Room 1010
Ukiah, CA 95482
Attn: Risk
And by Facsimile to:

with a copy provided to Owner's Project Manager.


OWNER:

 By: COUNTY OF MENDOCINO
Name: 
By: DAN GJERDE, Chair
Title: BOARD OF SUPERVISORS
Date: JUL 12 2016
Print Name of Owner's Authorized Representative:


CONTRACTOR:
BELFOR USA Group, Inc.

**PLEASE SEE ATTACHED SIGNATURE PAGE,
PAGE 6A OF 6, FOR CONTRACTOR SIGNATURE**


APPROVED AS TO FORM:

KATHARINE L. ELLIOTT,
COUNTY COUNSEL
By: 

INSURANCE REQUIREMENTS:


Alan D. Flora
Assistant CEO/Risk Manager

FISCAL REVIEW


Deputy CEO/Fiscal

**ARTICLE 23
EXECUTION**


Execution by means of signature of a party hereto on a facsimile or digital copy of this Contract shall be binding to the same extent as an original execution hereof.

**ARTICLE 24
COLLECTION AGENCY AND ATTORNEYS' FEES**

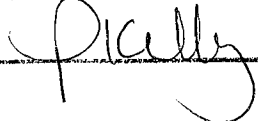
The prevailing party to any legal action or extra-judicial proceeding relating to this Contract shall be entitled to recovery of collection agency fees, actual attorneys' fees, costs, expert fees and other expenses incurred. The determination of the "prevailing party" shall be based upon the party who prevails upon the matters actually litigated and shall not be determined solely based on the party receiving a net monetary recovery.

**ARTICLE 25
CONFIDENTIALITY**

Obligations of Contractor. Contractor's duties under this Agreement are to provide the Work. All information, materials, reports or documents, of any kind or nature (collectively, the "Confidential Information"), produced by, or coming into the possession of Contractor in connection with the performance of the Work shall be maintained in confidence, and disclosed solely to the Owner and not to any other person or party without Owner's prior consent except (a) if a court orders disclosure and appropriate litigation and appellate remedies have been sought to the extent directed by the Owner; (b) as necessary for Contractor to defend itself from or against any claim brought by Owner against Contractor; and (c) to those subcontractors working onsite for the performance of their work. In the event Confidential Information is requested, Contractor shall provide Owner with prompt notice thereof, so that Owner may seek a protective order or other appropriate remedy. In the event that such protective order or appropriate remedy is not obtained by Owner, Contractor may furnish only that portion of the Confidential Information which the Contractor is legally required and Contractor will exercise best efforts to obtain reliable assurances that confidential treatment will be accorded to the Confidential Information.

ATTEST:
Carmel J. Angelo, Clerk of the Board
Mendocino County Board of Supervisors
 **DEPUTY**

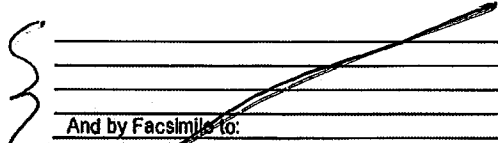
I hereby certify that according to the provisions of Government Code sections 25103, delivery of this document has been made.

CARMEL J ANGELO
Clerk of the Board
By:  **DEPUTY**

**ARTICLE 26
NOTICES**

All notices, demands, requests or approvals to be given under this Contract shall be given in writing and conclusively shall be deemed served: (a) when delivered personally; (b) on the third business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided; or (c) received by the recipient in the mail or by facsimile transmission. All notices, demands, requests or approvals from Owner to Contractor shall be sent to contractor via First Class U.S. Mail and via facsimile addressed to BELFOR USA Group, Inc. at the address and fax number indicated on the first page of this Contract.

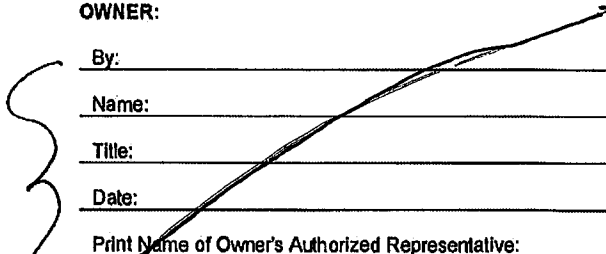
All notices, demands, requests or approvals from Contractor to Owner shall be addressed to Owner at:



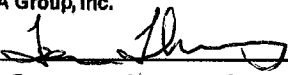
And by Facsimile to: _____

with a copy provided to Owner's Project Manager.

OWNER:

By: 
Name: _____
Title: _____
Date: _____
Print Name of Owner's Authorized Representative: _____

CONTRACTOR:
BELFOR USA Group, Inc.

By: 
Name: TOM THOMAS
Title: GENERAL MANAGER / ESTIMATOR
Date: 7/5/16

Owner Initials:  BELFOR Initials: 

BELFOR (●)

PROPERTY RESTORATION

PREVAILING RATE AND MATERIALS SCHEDULE ADDENDUM

California Prevailing Wage Addendum Only

RATES AND INVOICE CONDITIONS 6/26/2015

General/Scheduled Labor Classifications

		CURRENT Prevailing Rates	Agreed/Agc Prevailing rates 2015 (no Dis)	Agreed/Agc Outsourced Prevailing rates 2015 (no Dis)
PROJECT MANAGEMENT				
APM	Assistant Project Manager	\$ 107.00	\$ 79.00	-
GENERAL CLASSIFICATIONS				
GL-S	General Labor - Labor Provider		Cost + 30%	Cost + 30%
AA	Administrative Assistant	\$ 72.00	\$ 79.00	-
RCO	Resource Coordinator (Supply Technician)	\$ 105.00	\$ 79.00	-
PA	Project Auditor (Documentation Clerk)	\$ 72.00	\$ 79.00	-
RESTORATION SERVICES (General)				
RT	Restoration Technician	** \$ 105.00	\$ 79.00	-
RS	Restoration Supervisor	** \$ 105.00	\$ 79.00	-
RECONSTRUCTION SERVICES				
PT	Painter	** \$ 93.88	\$ 79.00	Cost + 21%
DP	Drywall Installer/Finisher	** \$ 93.88	\$ 79.00	Cost + 21%
CR	Carpenter (Framer/Finish)	** \$ 97.68	\$ 97.00	Cost + 21%
TECHNICAL SERVICES (Dehumidification, Documents/Media, Electronics, HVAC, Machinery, Mold)				
TN	Technician	\$ 118.00	\$ 79.00	-
TS	Technical Specialist	\$ 122.00	\$ 79.00	-
TL	Team Leader	\$ 135.00	\$ 79.00	-
SEMI-CONDUCTOR SERVICES				
No Prevailing Rates provided				
ENVIRONMENTAL SERVICES				
HT	Hazmat/Asbestos Technician	\$ 89.00	\$ 79.00	Cost + 30%
HLT	Hazmat/Asbestos Lead Technician	\$ 98.00	\$ 79.00	Cost + 21%
HEO	Hazmat/Asbestos Equipment Operator	\$ 114.00	\$ 79.00	Cost + 21%
HS	Hazmat/Asbestos Supervisor	\$ 122.00	\$ 79.00	-
CONSULTING SERVICES				
No Prevailing Rates provided				