

HAWTHORNE COMMERCIAL CONSTRUCTION LLC

GENERAL TERMS AND CONDITIONS

HAWTHORNE IS AN EQUAL OPPORTUNITY EMPLOYER.

All regulations of 41 CFR 60, its *Equal Opportunity Clause*, apply to this subcontract. If this contract exceeds \$2,500, all regulations of 41 CFR 60-741.4, *Affirmative Action for Handicapped Workers*, apply. If this contract exceeds \$10,000, all regulations of 41 CFR 60-250.4, *Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era*, apply. These regulations are incorporated by reference, as are all other applicable regulations, ordinances and statutes.

Terms and Conditions of Purchase Order

General: Unless otherwise stated on the face of this purchase order, the following terms and conditions will apply: Vendors providing only material will be considered suppliers only, all others will be considered as subcontractors. The provisions herein contained constitute all of the terms and conditions of this purchase order. No changes or additions hereto shall be binding upon **HAWTHORNE COMMERCIAL CONSTRUCTION LLC** (HCC) unless in writing and signed by an authorized representative of HCC. Any terms or conditions of vendor's proposal, or invoice inconsistent herewith or in addition hereto shall be of no force and effect and are hereby expressly rejected and, vendor's proposal or invoice shall be governed by only the terms and conditions appearing herein. All correspondence and invoices related to this purchase order must reference the purchase number on the reverse side and shall be directed to our office at the above address, attention Accounting Department. Correspondence and invoices received without the purchase order number may be returned to you, delaying your payment.

Subcontractor Terms and Conditions:

The Vendor agrees to perform and complete the work in a thorough, workmanlike manner under the direction and to the satisfaction of HCC and to do all the work herein sublet in conformity with the requirements of this Agreement and any exhibits attached hereto and any Drawings, Specifications, or Addenda issued prior to the execution of this Agreement, and including all modifications to any of the foregoing. All of the foregoing are incorporated herein and made part hereof and are herein after called the "Contract Documents." The Vendor agrees to include all labor, materials, taxes, freight, permits, licenses, etc., incidental thereto, and provide, at his own expense, all ladders, scaffolding, implements, apparatus, molds, models, hoisting, cartage, and any other machinery, equipment and tools necessary for the performance of the work or works herein sublet.

The Vendor shall not sublet, subcontract, assign, delegate or transfer this purchase order or any part hereof or any amounts due to become due hereunder, without the prior written consent of HCC. Such action shall, at HCC's option, be null and void and such violation of the terms hereof shall be a default hereunder.

For and in consideration of HCC entering into this purchase order and other good and valuable consideration, the Vendor hereby saves indemnifies and holds harmless HCC from and against all claims, loss, expense, including attorney's fees, liability, judgements or demands for damages arising from:

- A. Accidents or injuries (including, but not limited to, death) to persons or property occasioned by the negligent and/or non-negligent act or acts of the Vendor, his agents or employees, independent contractors and/or sub-contractors, and against all claims, loss, expense, liability or demands for damages from accidents to Vendor, his agents or employees, independent contractors and/or subcontractors, and whether or not insured and whether or not singly or jointly caused by any third party (including, but not limited to HCC), and Vendor will defend any and all suits that may be brought against HCC on account of any such accidents and will make good to, and reimburse HCC for any expenditures by HCC by reason of such accidents. Any independent contractor and/or sub-contractor shall be deemed an "agent or employee" of Vendor.
- B. Any violations by the Vendor, its agents, employees and/or independent contractors or sub-contractors of any Federal, State or local statute, ordinance or regulation including, but not limited to, work and/or safety standards and/or conditions imposed by the Occupational Health and Safety Administration, whether by error, omission or non-compliance.
- C. The Vendor's failure to perform his obligations hereunder written in this purchase order.

A Certificate of Insurance in form and limits acceptable to HCC will be required from each subcontractor within 7 days of executing this Agreement, and payment to a subcontractor will be held until an Insurance Certificate is received by HCC. The Subcontractor shall provide weekly certified payroll records reflecting compliance with the Davis-Bacon and related Acts. Please confirm the Rate of Pay (including Fringe Benefits) for each project.

Purchase orders will be issued by HCC for all services, materials, etc. A separate purchase order will be issued for each service contracted for if change orders are approved, a separate purchase order will be issued for each change. If there is no purchase order, this means the work has not been approved and will not be paid for.

Subcontractors will submit their monthly invoice on an approved form. AIA G702 with G703 is accepted or a similar form showing contract breakdown, previous applications for payment, work in place, stored materials, total completed and stored to date, percentage of work completed, balance to finish and retainage. All change orders submitted for payment will be listed separately from contract work on any form used. Note that each job has a particular due date in which invoices must be submitted to be included on our requisition to the owner. Immediately contact the Accounting Department to determine this date upon receipt of this purchase order. Invoices received after this due date will be included in the following requisition to the owner, which will result in a delay in payment. A 10% retainage will be held until completion of the project, all punch list items are completed, all warranties, catalog cuts, samples, maintenance manuals and owners' manuals have been received by HCC and the owner has released said retainage. Receipt of funds by HCC from the Owner for that portion of the work performed by Subcontractor is a condition precedent to HCC's obligation to pay the Subcontractor, regardless of the cause of Owners' nonpayment. For all entities other than corporations (INC), a W-9 Form will be required with Federal ID or Social Security Number. HCC shall have the right to offset any monies otherwise payable to Vendor against any debts or charges due HCC from Vendor.

Supplier Terms and Conditions

Payment to suppliers will be made 30 days from the date of approved invoices as received by HCC. However, HCC generally takes advantage of all discounts offered. If you have a discount program, let us know, as it will speed up your payment.

The total amount listed on the purchase order includes all taxes, permits, fees, delivery charges, handling charges and all incidental costs thereto.