

503-860-6218 bernardcustom@aol.com 26860 NW Dorland Road North Plains, OR 97133

To Our Valued Subcontractors,

We are under new strict insurance regulations for our continuing liability insurance policy. I must ask for your assistance in order to comply with the requirements. I am well aware that many of you have already done this before, but we need a new Bernard Custom subcontractor agreement signed by you, and most importantly, we need to be named as additionally insured via an endorsement as part of your actual declaration of your certificate of insurance of your general liability policy (also known as additionally insured endorsements).

I know that this is at least inconvenient, and causes extra expense for some. I am sorry for these requirements. The few players who still participate in the field literally are calling the shots in the insurance products. I consider ourselves lucky to a have a reasonably priced liability policy, but the accompanying regulations are strict. We have an OSHA safety manual on all our jobs, which you must sign off on having read the safety requirements.

Please print these forms, fill them in, and sign, then deliver by hand, or email or mail the forms to Bernard Custom as soon as possible to ensure we continue to have a smooth and professional business relationship.

Thank you for your help in this matter.

Sincerely Yours,

Rick Bernard Bernard Custom 503-860-6218

bernardcustom@aol.com 26860 NW Dorland Road North Plains, OR 97133

SUBCONTRACTOR INFORMATION

Sunrise Ventures, Inc. dba Bernard Custom



| | | Custom | |
|--|--|--|--|
| Name of Business: | | | |
| □ Individual □ Partnership □ Corporation □ L | LC | | |
| Principle: | | | |
| Address: | | | |
| | | | |
| Office Phone: Message: | Mobile: Other: | Email: | |
| Best Times to Call: | | | |
| Principle Trade: | Years in Business: | | |
| Local HBA/Trade Affiliation: | | | |
| Construction Contractors Board Number: | Renewal Date: | | |
| License Category: General Contractor - All Structures (\$15,000 Bond/\$500,000 insurance) General Contractor - Residential Only (\$15,000 Bond/\$500,000 insurance) Specialty Contractor - All Structures (\$10,000 Bond/\$500,000 insurance) Specialty Contractor - Residential Only (\$10,000 Bond/\$300,000 insurance) Limited Contractor - (\$5,000 Bond/\$100,000 insurance) Consultant - (\$10,000 Bond/\$300,000 insurance) | | | |
| Bonding Company: | Liability/Property Damage Ins | urance: | |
| Bond Number: Renewal Date: | Agent: Phone: Renew (Attach copy of policy declarations pa | al Date: age or certificate of insurance to | |
| Account Numbers | | | |
| Workers Compensation Insurance (carrier and expira | ition date): | | |
| Unemployment Insurance (Include expiration date): | | | |
| State Withholding Tax: | | | |
| Federal Employer ID or Social Security Number: | | | |
| The information supplied on this form is accurate and up to date. By signing this, I agree to notify you of any changes, and further agree that all work I do for you is under the general subcontract terms and conditions on the reverse side of this form. | | | |

Signed: Dated:

Title:

GENERAL SUBCONTRACT TERMS AND CONDITIONS

The following general provisions apply to all work done now and in the future by Subcontractor for Bernard Custom. By doing such work, Subcontractor agrees to these terms and conditions. No promise or condition not contained herein, or waiver, alteration or modification hereof shall be valid unless it is stated in writing, signed by both parties, and specifically mentions that it modifies a certain part of these general terms and conditions. Bernard Custom's acceptance of any written documents submitted by Subcontractor shall be deemed only to constitute a specification of the work to be done thereunder for a specific project, and shall not result in any change of these terms.

Subcontractor agrees to perform work as an independent contractor under these terms and conditions, and in accordance with Bernard Custom's contract with a purchaser or owner (including but not limited to plans, drawings and site plan, specifications, cost allowances, schedule, budget, and change orders) of the project. Any obligations of Bernard Custom arising from a contract or conduct between Bernard Custom and a purchaser or owner shall become a part of this subcontract insofar as such obligations pertain to Subcontractor's work.

Subcontractor shall commence and complete work as required by Bernard Custom's construction schedule. Time is of the essence. It is specifically contemplated and foreseeable between Subcontractor and Bernard Custom that consequential damages caused by Subcontractor's delay or any other breach of these terms and conditions, including but not limited to loss of future sales or work unrelated to the project and damages exceeding the price of work on a specific project hereunder, are contemplated in making this agreement. Subcontractor shall cooperate with Bernard Custom and other trades in scheduling and performing work so as not to interfere with the progress of the project. Subcontractor shall protect the work, finished or not, of other trades, and shall keep the structure and premises clear of debris. Bernard Custom may deduct cleanup and repair costs from any amounts due to Subcontractor. Subcontractor hereby agrees that if Subcontractor fails or neglects to prosecute the work diligently or properly, Bernard Custom may after written notice to Subcontractor, and without prejudice to any other remedy Bernard Custom may have, take over Subcontractor's work, including seize materials on hand and hire Substitute labor, and may and repair any deficiencies and complete the work, then deduct the cost thereof from any payment then or thereafter due Subcontractor.

Subcontractor guarantees Subcontractor's work against all defects in material (and workmanship for a period of not less than two years from the last performance of Subcontractor's work, or such longer time if provided for in Bernard Custom's contract with a purchaser or owner, or for claims brought involving Subcontractor's work, for the period of any statute of limitations. Subcontractor's indemnification and defense obligations hereunder shall extend to claims occurring after this agreement is terminated as well as while it is in force, and shall continue until it is finally adjudicated that any and all actions against the indemnified parties for such matters which are indemnified hereunder are fully and finally barred by applicable laws. Subcontractor shall provide a certificate of insurance prior to starting work. Bernard Custom shall be added as an additional insured on each Subcontractor general liability policy, verified by a certificate of insurance and receipt of the additional insured form. Limits on Subcontractor's general liability for premises/operations and products/completed operations shall be equal to or greater than Bernard Custom's limits of \$1,000,000/\$500,000 each occurrence.

Subcontractor shall comply with all statutory, regulatory and/or contractual safety requirements applying to Subcontractor's work, Subcontractor is responsible for Oregon OSHA compliance, and any consequences arising from noncompliance in subcontractor's work. Subcontractor shall comply with all Federal, State and local laws and ordinances applying to the building or structure and-shall give adequate notices relating to the work to proper authorities and secure and pay for all necessary licenses or permits, if any are required hereunder. Further, Subcontractor shall comply with Federal, State and local tax laws, Social Security laws and Unemployment Compensation laws and Workers Compensation laws insofar as applicable, proximately or remotely, to the performance of this subcontract, and represents that any price bid or quoted to Bernard Custom includes such amounts as Subcontractor may have to pay as an employer to comply with the foregoing laws.

Subcontractor agrees to indemnify, defend and hold Bernard Custom harmless from all consequences, foreseeable or remote, arising from Subcontractor's business, tax, safety and employment practices, including but not limited to OSHA and ELA claims, including but not limited to failing to inform Bernard Custom or the Oregon Construction Contractors Board of any change in exempt status, or failing to have a policy of workers compensation insurance for employees or other individuals brought by Subcontractor onto the project. Such consequences shall include but are not limited to retroactive determinations made by regulatory authority, and assessed against Bernard Custom on account of Subcontractor or those working for or with Subcontractor, including but not limited to Construction Contractors Board penalties, or workers compensation audits, claims, premiums or penalties. Bernard Custom may, in Bernard Custom's sole discretion, deem Subcontractor to be an employee, and deduct from the subcontract price worker's compensation premiums, employer taxes or any other cost or withholding attributable to Subcontractor's work.

Subcontractor shall furnish Bernard Custom billing statements supported by documentation of work done and materials purchased, and Bernard Custom shall make payments based upon such statements and documentation, and upon its observations of work actually completed, on condition that Bernard Custom receives payment from the purchaser or owner for Subcontractor's work. Subcontractor shall provide lien releases to the extent of work paid for, if requested. Subcontractor shall submit all 'billings before closing; otherwise, Bernard Custom shall be excused from payment thereof. Should any dispute arise hereunder, Subcontractor agrees to continue performance of work required by this subcontract without prejudice to the project. Subcontractor retains the right to deliver lien notices to a purchaser or owner and mortgagee(s), and to file a construction lien, pursuant to ORS Chapter 87. Subcontractor agrees to provide Bernard Custom with copies of all such notices and filings, and failing to do so, agrees to hold Bernard Custom harmless from all expense to Bernard Custom arising therefrom regardless of ultimate lien liability.

If any subcontract for a specific project subject to these provisions is placed in the hands of an attorney for enforcement, or referred to arbitration, or to the Oregon Construction Contractors Board or to any other administrative body, or requires any additional expense whatsoever for resolution of any dispute arising directly or indirectly out of such subcontract, including but not limited to disputes which involve Subcontractor's work between Bernard Custom and an owner or purchaser, Subcontractor agrees to pay Bernard Custom's actual expenses, including attorney fees or any other legal expenses relating to resolution of any dispute arising thereunder, however remotely connected, including but not limited to any award to an owner or purchaser for deficiencies in Subcontractor's work. If an action or suit is instituted to enforce any of the terms of such subcontract, or if any dispute is referred to the Oregon Construction Contractors Board or to any other administrative body or to arbitration, the party not prevailing agrees to pay all of the prevailing party's actual legal expenses, including those expenses in excess of such sum, if any, as the court, hearings officer, administrative law judge or arbitrator may adjudge reasonable as attorney's fees at trial or on appeal, in arbitration, Construction Contractors Board or other administrative body investigation or hearing, or as provided bylaw or administrative rule. The parties further agree to these provisions separately, as severable terms hereunder and in all future work, and separately enforceable in the event that the forum has no provision for awarding fees, or if either party seeks or obtains a rescission of a subcontract, or is released from further obligation thereunder by judgment or separate agreement, including but not limited to novation or assignment.

Addendum to General Subcontract Terms and Conditions of Subcontractor information Form

To the fullest extend of the law, subcontractor agrees to defend indemnify, and hold Bernard Custom harmless and, if requested by Bernard Custom, the Owner, their consultants, agents, and employees of any of them, from and against any and all claims, suits, losses, or liability, including attorneys' fees and litigation expenses, for or on account of injury to or death of persons, including subcontractor's employees, subcontractor's subcontractors or their employees, or damage to or destruction of property, or any bond obtained for the same, but only to the extent that the injury or damage is caused by subcontractors' negligence of those acting on behalf of the subcontractor.

Subcontractors indemnification and defense obligations hereunder shall extend to Claims occurring after the Agreement is terminated as well as while it is in force, and shall continue until it is finally adjudicated that any and all actions against the indemnified Parties for such matters which are indemnified hereunder are fully and finally barred by applicable Laws.

Subcontractor shall provide a Certificate of Insurance prior to starting work. Bernard Custom shall be added as an Additional Insured on each subcontractor General Liability policy, verified by a Certificate of Insurance and receipt of the Additional Insured form. Limits on the Subcontractors General Liability for Premises/Operations and Products/Completed Operations shall be equal to or greater than Bernard Custom's limits of \$1,000,000.

Subcontractor acknowledges and represents that he has made an on-site inspection of the Premises and the work area so as to be familiar with all conditions, which may affect the safety and health of all applicable safety and health laws and requirements pertaining to its work and the conduct thereof, but not limited to compliance with all applicable laws, ordinances, rules, regulations, and orders issued by a public authority, whether federal state, local, including OSHA and any safety measures required by Bernard Custom. Bernard Custom reserves the right, but not the obligation, to inspect the safety work performance of Subcontractors to ascertain their compliance with these applicable safety provisions. Not withstanding the foregoing, Subcontractor, as an independent contractor, is solely responsible for controlling the manner and means by which it performs the Work pursuant to this Agreement. Unless otherwise agreed to by the parties in writing, Subcontractor shall provide all safety equipment, materials, tools and personal protection equipment necessary to perform the work in a safe, healthful and workmanlike manner. Subcontractor shall immediately report to Bernard Custom all accidents, occupational injuries, and illness involving its employees or those of its Subcontractors, related to the Work or which cause any injury to a third party of which cause damage to the property of the Owner, Bernard Custom, or a third party. Subcontractor shall promptly furnish to Bernard Custom copies of any worker's compensation report or injury or illness forms filed by any of its employees or those of its Subcontractors and when requested, assist Bernard Custom in any investigation it may conduct of any such accident, injury, or illness.

| Date | Date | <u>~</u> |
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