

**LEHIGH CONSTRUCTION GROUP, INC.
MASTER SUBCONTRACT AGREEMENT**

This Master Subcontract Agreement is entered into this _____ between **Lehigh Construction Group, Inc.**, (hereinafter called the “Contractor” or “Lehigh”), having its principal office at 4327 South Taylor Road, Orchard Park, New York 14127 and _____ having its principal office at _____ (hereinafter called the “Subcontractor”) relative to all work performed by the Subcontractor on behalf of the Contractor for any and all projects named in subsequent Lehigh Subcontract Purchase Orders.

MASTER SUBCONTRACT AGREEMENT

1.0 Use of Master Subcontract Agreement. Lehigh is a general construction contractor and/or Construction Manager which, from time-to-time enters into certain contracts for the performance of general construction and/or construction management services (“Contracts”) with an owner or a prime contractor (collectively “Owner”) with respect to a construction project (the “Project”). The Subcontractor desires to perform portions of work under one or more of the Contracts as a subcontractor of Lehigh. The parties desire to enter into this Master Subcontract Agreement and to confirm their agreement with respect to standard subcontract terms for Subcontractor’s performance of any work which Lehigh may subcontract to Subcontractor. Contractual obligations between Lehigh and the Subcontractor as to any future work shall arise only upon the award of such work by Lehigh, and only upon the execution and delivery of Lehigh’s Subcontract Purchase Order (“Purchase Order”).

1.1 The parties agree that the terms of this Master Subcontract shall be deemed INCORPORATED BY REFERENCE into each Purchase Order. Each Purchase Order shall further define the respective rights and obligations of the parties as to the work to be performed by the Subcontractor, including the furnishing of all materials, tools, equipment, labor, permits, superintendence and other items (“Work” or “Subcontractor’s Work”). In the event of any conflict between this Master Subcontract and any Purchase Order, the provisions of the Purchase Order shall prevail. In the event that the Subcontractor performs work for Lehigh without Lehigh issuing Subcontractor a Purchase Order for such Work, all terms of this Master Subcontract shall control and be applicable to the performance of such work.

FORMATION OF SUBCONTRACTS

2.0 Issuance of Purchase Orders. When Lehigh desires to engage Subcontractor to perform a portion of the work under a Contract, Lehigh shall issue to Subcontractor a Purchase Order for that portion of the work. Upon acceptance, a Subcontract agreement for that portion of the work shall exist between the Contractor and the Subcontractor containing all of the terms and conditions of this Master Subcontract and the provisions of the Purchase Order (hereinafter “Subcontract”). Any of the following shall constitute Subcontractor’s acceptance of the Purchase Order:

- a. Subcontractor’s signing and returning to Lehigh a copy of the Purchase Order;
- b. Subcontractor’s giving Lehigh a written acceptance of the Purchase Order; or
- c. Subcontractor’s commencing performance under the Purchase Order, whether or not signed.

2.1 Contents of the Purchase Order. The Purchase Order shall be addressed to Subcontractor and shall contain the following information:

- a. The name of the Owner;
- b. The name of the Project of General Contract;
- c. The scope of Work to be performed by the Subcontractor;
- d. The amount and manner of payment to the Subcontractor;
- e. The time schedule for performance;
- f. Any specific requirements such as the amount, if any, of performance bonds and payment bonds to be provided by the Subcontractor.

2.2 Contract Documents. The contract documents include the Contract agreement, together with all changes, additions and modifications, addenda, revisions, plans, drawings, specifications, details, together with all general, technical, supplementary and special terms and conditions, any invitations for bids or information for bidders, if any, to the extent applicable to the Subcontract work, and all other documents listed in or referred to by Lehigh’s Contract with the Owner or prime contractor. All such documents are hereinafter referred to as the “Prime Contract” and the same are hereby EXPRESSLY INCORPORATED BY REFERENCE and are made a part hereof. All documents comprising this Master Subcontract Agreement and the Prime Contract are hereinafter collectively referred to as the “Contract Documents”. Nothing in this Agreement or the Prime Contract documents shall be construed to create a contractual relationship between persons or entities other than Lehigh and the Subcontractor.

GENERAL CONDITIONS

3.0. Subcontractor Representations. Subcontractor represents and affirms that it maintains a permanent place of business; that it has competent and sufficient manpower and adequate equipment to do the Work properly and expeditiously; that it has suitable financial ability required to competently perform the Subcontract Work; that it has appropriate technical knowledge and experience and that the applicable provisions of the Prime Contract will govern the Subcontract Work. Subcontractor represents and affirms that it has read and has a thorough knowledge and understanding of all plans, specifications, addenda, and Contract Documents relating to the Subcontract Work. Subcontractor shall be liable to the Contractor for any work performed by Subcontractor under this Subcontract in the same manner and to the same extent that the Contractor is liable to the Owner under the plans, specifications, addenda, and the Contract Documents applicable to the Project, which, insofar as the same are applicable, are INCORPORATED BY REFERENCE and made a part of the Subcontract with the same effect as if the same were set forth in full herein. Without limiting the generality of the foregoing, Subcontractor specifically agrees to be bound to and follow the dispute resolution procedure set forth in the Prime Contract, including; but not limited to, arbitration.

4.0 Communications. Unless otherwise provided in the Contract Documents and except for emergencies, Subcontractor shall direct all communications related to the Project with the Owner, Architect/Engineer, separate contractors, if any, or other subcontractors or suppliers on the Project through the Contractor.

5.0 Indemnity.

5.1 To the fullest extent permitted by law, Subcontractor shall indemnify, defend and hold harmless the Contractor and the Owner, and the Architect-Engineer and Construction Manager, if any, and their respective employees and agents (collectively “Indemnified Parties”) from and against all actions, claims, liability, damages, losses and expenses, including but not limited to attorneys’ fees, arising out of or resulting from a breach of this Agreement, the performance of the Subcontract or the Subcontract Work, any Labor Dispute, any property damage, and any action, claim, liability, damage, loss or expense that is attributable to any of the foregoing including bodily injury, sickness, disease or death, caused in whole or in part by acts or omissions of the Subcontractor, its subcontractors at any tier, including anyone directly or indirectly employed by them or anyone for whose acts they may be liable.

5.2 The Subcontractor shall also indemnify, defend and hold harmless the Indemnified Parties against and from any and all loss or liability with respect to injuries or death, or damage to the property, of any employee, representative, agent or invitee of the Subcontractor or any of its subcontractors while engaged in the Work , and whether occurring on or off the Project, howsoever such injuries or death may be caused and whether or not the same may have been alleged to have been caused by negligence of the Contractor, or by the condition of the premises, or otherwise, or as a result of any alleged breach of any statutory duty or obligation on the part of the Indemnified Parties where the Indemnified Parties, either individually or collectively, are not found to have committed a negligent act or omission.

5.3 The Subcontractor shall protect the property of the Indemnified Parties and others on the Project from damage or loss in any way arising in connection with the performance of the Subcontract or the Subcontract Work and shall make good any such damage or loss. The Subcontractor agrees, upon request of the Contractor, or its employees and agents, to assume the defense of any claim or lawsuit against any Indemnified Party, involving any claim covered by this paragraph and pay the amount of any judgment which may be entered against the Indemnified Parties. Upon failure of the Subcontractor to assume the defense of any such suit, the Subcontractor shall indemnify and hold harmless the Indemnified Parties or others against all expense, including attorney's fees, of such litigation.

5.4 In any and all claims against the Indemnified Parties by any employee of the Subcontractor, anyone directly or indirectly employed by the Subcontractor or anyone for whose acts the Subcontractor may be liable, the indemnification obligations herein shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts.

5.5 Nothing contained herein obligates the Subcontractor to indemnify the Contractor or its agents for the active or passive negligence or breach of duty by Contractor or its agents; however, in the event liability is shared by the parties to this Agreement, the Subcontractor shall contribute in the amount of its proportionate share for all actions, claims, liability, damages, losses, expenses or judgments. All indemnification provisions herein shall survive termination of this Agreement.

6.0 Insurance.

6.1 Subcontractor's Insurance: Before commencing the Subcontractor's Work, and as a condition of the Subcontract, the Subcontractor shall purchase and maintain insurance that will protect it from the claims arising out of its operation under this Agreement, whether the operations are by the Subcontractor, or any of its consultants or subcontractors or anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable.

6.2 Minimum Limits of Liability: Subcontractor shall maintain at least the following limits of liability in a company satisfactory to the Contractor:

6.2.1 Workers' Compensation and Employers Liability Insurance in accordance with the laws of the State in which the project is located. The limits of liability shall be at least:

a.	Each Accident	\$100,000
b.	Each Employee	\$100,000
c.	Policy Limit	\$500,000

6.2.2 Commercial General Liability

- a. Each Occurrence \$1,000,000
- b. General Aggregate \$2,000,000
- c. Products/Completed Operations Aggregate \$2,000,000

- d. Personal and Advertising Injury Limit \$1,000,000
- e. Coverage shall include explosion, collapse and underground hazard, broad form property damage, and broad form blanket contractual liability.

6.2.3 Automobile Liability

- a. Combined Single Limit Each Occurrence \$1,000,000
- b. Coverage shall include owned, hired, leased, and non-owned vehicles.

6.2.4 Umbrella or Excess Liability

- a. Combined Single Limit Each Occurrence \$4,000,000

6.3 Additional Interests: Certificates of insurance evidencing the foregoing coverages shall be delivered to Contractor prior to the commencement of the work and shall expressly name Lehigh Construction Group, Inc. as a primary additional insured on a non-contributing basis. All insurance certificates shall be endorsed as follows:

“The Commercial General Liability and the Automobile Liability policies indicated on this certificate have been endorsed to name Lehigh Construction Group, Inc. and its subsidiaries and affiliated companies as primary additional insureds. All liability policies and the Workers Compensation and Employers Liability policy shall include a waiver of subrogation against the certificate holder. This insurance company shall inform Lehigh Construction Group, Inc., in writing, by registered mail, thirty (30) days prior to the termination of these policies, and before any changes are made in the policy which change, restrict, or reduce the insurance provided.”

6.4 Number of Policies: Commercial General Liability Insurance and other liability insurance may be arranged under a single policy for the full limits required or by a combination of underlying policies with the balance provided by an Excess or Umbrella Liability Policy,

6.5 The carrying of required insurance shall not relieve Subcontractor of any obligation assumed under this Subcontract. Subcontractor shall be responsible for carrying any and all additional coverage and/or limits required by the General Contractor and the laws of the governmental entities in which the work is located.

7. Subcontractor's Inspection. Subcontractor accepts responsibility for the visual inspection of conditions which could affect the Subcontractor's Work at the Project, and based on that inspection, acknowledges its responsibility to satisfactorily perform the Subcontractor's Work without additional expense to the Contractor. Subcontractor is responsible to check and verify all necessary field dimensions.

8. Acceptance of Previous Work. Subcontractor's commencement of Work is an acknowledgment that all previous work to which the Subcontractor's Work is to be applied or attached is acceptable to the Subcontractor and is in satisfactory condition to receive its work, resulting in quality workmanship which will be acceptable to the Owner, Architects, Engineers, Construction Manager and/or Contractor.

9. Samples. All materials supplied by the Subcontractor shall conform strictly with the samples, as approved by the Contractor, Architects, Engineers and/or Construction Manager. Should the materials supplied under this Subcontract by the Subcontractor not conform to the sample, as approved, and if any questions arise, then any decision by the Contractor, Architects, Engineers and/or Construction Manager regarding such materials shall be final and binding upon the Subcontractor unless such decision shall be found to be arbitrary and capricious.

10. Submittals. Subcontractor, immediately following the issuance of a Purchase order for the Project will submit to the Contractor for the required approval of the Architects, Engineers and/or Construction Manager the materials, samples, manufacturer, shop drawings, and any other informational materials which are necessary to the fulfillment of this contract. A copy of all correspondence relating to this contract must be forwarded to the Contractor. Six copies of all shop drawings shall be furnished to the Contractor.

11. Time Is of the Essence. All work and/or delivery of materials, as ordered according to the Subcontract, shall be executed promptly at such time or times as required by the progress of the general construction of the Project. Subcontractor shall provide Contractor with any requested scheduling information of Subcontractor's Work. The Schedule of Work, including that of this Subcontract, shall be prepared by Contractor and may be revised by Contractor as the work progresses. Subcontractor recognizes that changes may be made in the Schedule of Work and agrees to comply with such changes without additional compensation. Subcontractor shall coordinate its Work with all other contractors, subcontractors and suppliers on the Project so as not to delay or damage their performance, work, or the Project.

12. Damages. Subcontractor shall be liable for any added costs, liquidated damages, and any other claims that may be assessed against the Contractor, or any other subcontractor, due to the Subcontractor's failure to meet work schedules and/or deliveries of materials as specified by the Contractor.

13. Contractor's Right To Purchase From Others. Contractor reserves the right to purchase from other sources materials and/or services not furnished by Subcontractor when required. In this and in any events which constitute a breach of the Subcontract, Subcontractor shall be liable to Contractor for all costs, expenses, damages and attorneys' fees sustained by the Contractor as a result of the Subcontractor's failure to fulfill its obligations under the Subcontract.

14. Subcontractor's Liability for Damages. Subcontractor shall be liable for any damages to the real estate, building, materials, property workmanship and equipment located on a Project, which are in any way caused by the Subcontractor or any of its employees. Subcontractor shall pay all costs, expenses and damages arising there from.

15. Subcontractor's Obligation to Clean Up. Subcontractor shall periodically, or as directed by the Contractor, remove at its own expense all rubbish, debris, and waste material from the building and premises of the Project. Subcontractor shall maintain its work area in a neat, orderly and safe manner. If the Subcontractor delays in cleaning or maintaining its work area, Contractor may remove or cause to be removed such rubbish, debris and waste material, and all costs and expenses, including Contractor's overhead charges, shall be paid by the Subcontractor.

16. Submission of Material Data Sheets. Subcontractor shall submit to the Contractor all Material Safety Data Sheets required by law for materials or substances necessary for the performance of the Subcontractor's Work. All such Material Safety Data Sheets shall be received by Contractor prior to Subcontractor's delivery of the material or substances to the Project.

17. Contractor's Decisions. Should the plans, specifications, addenda, general conditions and supplementary general conditions conflict, or should a question arise as to whether any material or labor is included within the scope of Work of the Subcontract, then Subcontractor agrees that a decision by the Contractor concerning the responsibility for performing any such work or materials under the Subcontract or any subcontracts shall be final and binding on the Subcontractor unless such decision is found to be arbitrary and capricious.

18. Assignment. Subcontractor shall not sublet, assign, or transfer the Subcontract, or any part thereof or any interest therein, or monies due or to become due, or modify any part of the Subcontract, without the prior written consent of Contractor. Should permission be granted by the Contractor to the Subcontractor to sublet, assign or transfer any part or all of the Subcontract, the same terms and conditions as were binding upon the original Subcontractor shall be binding upon its successors and assignees.

19. Labor Harmony. Subcontractor agrees that all labor employed by Subcontractor for its Work shall be in harmony with, and be compatible with, all other labor being used by the Contractor or other subcontractors on the Project. In the event of any strike, lockout, picketing, walkout, or other work stoppage or slowdown caused by any labor dispute at the Project involving employees, contractors, or subcontractors of Subcontractor, or in the event of action taken by others to interfere with or interrupt the work of the Contractor, its employees, contractors, subcontractors, suppliers or deliverymen (collectively "Labor Dispute"), Subcontractor will immediately take whatever action is necessary to cause all such activity to stop. Should Subcontractor's work for any reason be stopped or materially delayed, in the sole judgment of Contractor, because of a Labor Dispute, then Contractor shall have the right, after 24 hours' written notice to Subcontractor, to directly or through others employ such personnel as are necessary to complete Subcontractor's work, and the cost of completing the unfinished part of Subcontractor's work shall be charged to the Subcontractor.

20. Termination for Cause. If the Contractor has reasonable cause for determining that Subcontractor has failed to satisfy any problems with its Work, failed to supply adequate personnel and equipment, failed to remedy any contractual deficiencies, failed to remove/correct any safety hazard, failed to pay any debts or obligations relating to the project, or caused or participated in a Labor Dispute, then the Contractor, without prejudice to any other rights or remedies, upon giving Subcontractor 48 hours' written notice and the opportunity to cure, shall have the right to either terminate the Subcontract for cause or take whatever steps Contractor deems necessary to correct said deficiencies and charge the cost thereof to Subcontractor, who shall be liable for payment of same, including reasonable overhead, profit and attorneys' fees. If it is determined that Contractor did not properly terminate Subcontractor's right to proceed for cause, then such termination shall be deemed a termination for convenience.

21. Termination for Convenience. Contractor, in its sole and absolute discretion, shall have the right at any time to terminate for its convenience the Subcontractor's right to proceed with the Work in whole or in part upon 48 hours' written notice. Upon receipt of such a notice, Subcontractor shall stop the work. If this Subcontract is terminated for Contractor's convenience, Contractor shall pay to Subcontractor the reasonable and properly documented costs for the Work which has been satisfactorily completed, for materials, supplies and equipment fabricated, incorporated or installed in the Work. In no event shall Subcontractor be entitled to payment of anticipated profits on work not performed or materials or equipment not furnished.

22. Compliance with Laws. Subcontractor shall comply with all Federal, State and Municipal laws, rules, regulations and standards, including those of the Occupational Safety and Health Act (OSHA) of 1974, as amended, and the Contractor's policies and directions which may affect the Work performed. The Contractor may also require the Subcontractor to submit its three year safety data as a part of a Safety Pre-Qualification Process. This Process will be utilized: in the event that an Owner establishes specific safety criteria as a basis for determining qualified subcontractors, Contractor decides that this Process will be in the best interest of the Owner, or Contractor requires this data for its own selection process. The Subcontractor shall report any injury to any of Subcontractor's employees at the Project to the Contractor within 24 hours after such injury occurs. Subcontractor shall indemnify, defend and hold Contractor harmless from any and all claims, damages or liability arising from Subcontractor's actions or neglect in its performance under the items of the Subcontract, including, but not by way of limitation, OSHA fines and penalties.

23. Payment of Taxes. Subcontractor, as an independent contractor, agrees to make provision and assume full liability for, and to pay, any and all withholding taxes, unemployment and all other liabilities to employees, taxes and levies which shall become due or payable arising out of the employment of all employees in the performance of any Work under the Subcontract and also agrees to pay all taxes and levies on the purchase of materials, machinery or equipment used, furnished or supplied by Subcontractor in the performance of the Work under the Subcontract. Subcontractor also agrees to pay any and all local, state and federal taxes which may be due resulting from this Subcontractor's Work. The Subcontractor shall comply with valid government agencies' administrative regulations respecting the assumption of liability for the aforesaid contributions and taxes by the Subcontractor.

24. Progress Payments. Contractor shall make periodic progress payments to the Subcontractor for work satisfactorily completed under the Subcontract on the basis of the price as stipulated in the Purchase Order. Such payments shall cover up to 90% of the value of materials and work in place. Final payment shall be made upon final acceptance of the Project, and acceptance thereof by Subcontractor shall operate as a waiver of any and all claims against the Contractor under the Subcontract. All such payments are subject to, and conditioned upon, receipt of such lien waivers, affidavits, warranties and guarantees required by the Prime Contract or Contractor. Subcontractor will invoice for all payments using forms designated by Contractor. Approval and payment of the Subcontractor's monthly estimate is specifically agreed not to constitute or imply acceptance by the Contractor or Owner of any portion of the Subcontractor's Work. Any payment made by Contractor to Subcontractor, including final payment, shall in no way be construed as an acceptance of the work executed or a waiver of any claim against Subcontractor for Work not properly performed.

24.1 AIA Document #G706, Affidavit of Payment of Debts and Claims, will be required for all progress payments after the first payment. The final payment will require AIA Document #G706A, Affidavit of Release of Liens, before payment is released.

24.2 Upon Contractor's request, the Subcontractor shall submit to the Contractor with the signed Purchase Order a detailed list of all subcontractors and material suppliers that Subcontractor intends to use involving work or materials with a value of \$10,000 or more. The list shall include the company name, address, phone number and amount.

24.3 Subcontractor agrees that Contractor, in its sole discretion, may pay the Subcontractor's subcontractors, material suppliers or other project creditors by joint check at Contractor's election. Nothing contained in the preceding sentence or elsewhere in this contract shall obligate Contractor to make payments by joint check, nor shall said provisions give to third parties any claim or right of action against Contractor.

25. Conditions Precedent to Payment. Contractor will not be obligated to make payment to the Subcontractor until the Subcontractor has submitted all required bonds, guarantees, insurance certificates, pre-qualification form, etc. on forms acceptable to the Contractor, and until Subcontractor has executed and returned a signed acceptance of the Purchase Order applicable to the Project.

26. Failure of Payment. Receipt of payment by the Contractor from the Owner for the Subcontractor's Work is a condition precedent to payment by the Contractor to the Subcontractor. The Subcontractor hereby acknowledges that it relies on the credit of the Owner, not the Contractor for payment of its Work. If the foregoing condition precedent to payment is found to be unenforceable, in whole or in part, then in situations where Contractor has not been paid by the Owner, as a consequence of the Owner's financial and credit condition and/or inability or unwillingness to pay, Subcontractor agrees that it shall pursue its payment and related remedies as set forth in paragraph 26.1 below.

26.1 If the Owner fails to pay Contractor, through no fault of Subcontractor, any sums due under the Prime Contract including sums as may be otherwise due to Subcontractor from Contractor, Subcontractor agrees that it shall take all steps necessary to preserve and pursue its lien rights and remedies against the Owner and the Project. Subcontractor agrees to accept from Contractor the assignment of all of Contractor's lien rights against the Owner, if any, to the extent of any unpaid sum due to Subcontractor. Upon written request from Subcontractor, Contractor shall acknowledge in writing the sum agreed to be due and unpaid to Subcontractor and shall take appropriate steps to preserve Contractor's lien rights. Contractor shall reasonably cooperate with Subcontractor in the pursuit of such assigned lien rights and shall execute such other and further documents as may be necessary to permit Subcontractor to pursue such lien remedies. The exhaustion of all such lien remedies by Subcontractor, including the pursuit of a deficiency judgment, shall be a prerequisite to any direct action by Subcontractor against Contractor or its surety, if any. If, after exhausting all available lien remedies, a balance remains due to Subcontractor which, due to a continued default, breach or insolvency of the Owner is uncollectible, Subcontractor may then directly claim against Contractor or its surety for any balance remaining unpaid.

27. Warranty. Unless a longer period is provided for in the Prime Contract or the specifications for this Project, Subcontractor agrees to repair and/or replace at its own expense and at the convenience of the Owner, any defects in workmanship and/or materials discovered within one (1) year from the date of final acceptance of the Project.

28. Affirmative Action. Subcontractor agrees to be bound by any and all "affirmative action" requirements which are included as part of the Prime Contract by the Owner, and will submit all required reports and forms relative to minority employment and percentages, and all other employee reports, as required.

29. Cooperation. Subcontractor shall cooperate with any testing agency engaged by the Contractor and/or Owner to perform services in connection with the material furnished and work performed pursuant to the terms of this subcontract.

30. Other Subcontracts. If the Subcontractor shall at any time prior to or after the making of this subcontract have entered into another subcontract with the Contractor involving another project, then, to the extent that such funds do not constitute trust funds under Article 3A of the Lien Law, Contractor shall have the right to withhold any and all of the monies due or to become due on such other subcontract in the event of any default or threatened default in the performance of this agreement including the payment of all labor and materials to be furnished in connection therewith.

31. Subcontractor's Responsibility for Costs. Subcontractor shall pay the Contractor any and all costs, expenses and attorneys' fees which Contractor may suffer, incur or become liable for by reason of Subcontractor's breach, or Contractor's enforcing, or attempting to enforce, the terms and provisions, of the Subcontract.

32. Changes. Contractor, without nullifying this agreement, may direct Subcontractor in writing to make changes to Subcontractor's Work. Adjustment, if any, in the subcontract price or subcontract time resulting from such changes shall be set forth in a Subcontract Change Order pursuant to the Prime Contract.

33. Extra Work Authorizations. No work done or materials furnished of any description, whether growing out of changes or otherwise, shall be considered as extra nor paid as extra, unless a separate order is signed by Contractor authorizing such work or materials. Subcontractor's failure to obtain a written order authorizing such extra work shall operate as a waiver of any claim for extra compensation therefore. Subcontractor may not rely upon any verbal or oral directions from Contractor, Owner or anyone else as authorization for any extra work because, in all cases, a written order is a necessary condition precedent to payment for extra work.

34. Contract Bonds. If so directed by Contractor, Subcontractor shall furnish, and Contractor shall pay for, Performance and Labor and Material Payment Bonds (the "Bonds") in the amount of the Subcontract Price. The Bonds shall be underwritten by a good and sufficient surety or sureties acceptable to Contractor and the Owner. The Bonds shall be for the protection of the Owner and Contractor and persons furnishing labor and materials in connection with the performance of the Work.

35. Mechanic's Liens. In the event any subcontractor, material man or supplier of the Subcontractor shall file a mechanic's or other lien with respect to the Project, the Subcontractor shall discharge the same by bonding or otherwise within 15 days of the date such mechanic's or other lien is so filed. In the event that the Subcontractor breaches said obligation, the Contractor shall have the right to discharge the same by bonding or otherwise and the cost (including reasonable attorneys' fees and disbursements) incurred by the Contractor shall be paid by the Subcontractor. Any costs so incurred by the Contractor may be deducted from sums owed by the Contractor to the Subcontractor under this Subcontract.

36. Owner's Approval of Subcontractor. If the Owner makes a reasonable and timely objection to Subcontractor's engagement by the Contractor for this Project, Subcontractor agrees that Contractor may terminate this contract and Subcontractor shall have no claim for compensation nor any further rights hereunder.

37. Design-Build Contracts. If this Subcontract is being performed on a design-build basis with the Owner, and if the Owner purports to terminate its contract with Contractor pursuant to the terms of the Prime Contract, Subcontractor hereby offers to assign its rights and obligations under this Subcontract to Owner, at Owner's election, provided that Owner agrees to pay Subcontractor for all work performed on this Project and unpaid both before and after the Owner's acceptance of this assignment, subject to the rights of the sureties, if any.

38. Claim or Cause of Action. Any claim or cause of action by Subcontractor must be commenced within two years of the date when the cause of action accrued, but in no event later than one year after substantial completion of a Project, and in no event after final payment to Subcontractor for a Project. If any claim or dispute arises relating to Subcontractor's Work on any Project, Subcontractor shall immediately make all of its books and records available to Contractor for review and audit.

39. Binding Effect. This Subcontract shall be signed and executed by a legal, authorized representative of the Subcontractor. If this Agreement is not signed by Subcontractor or is not legally binding upon the Subcontractor, for any reason whatsoever, all work performed under this Agreement shall be performed at the risk of the Subcontractor, and Subcontractor hereby agrees to waive all claims for compensation for work performed and materials provided.

40. Severability. The illegality, unenforceability, or non-applicability of any provision hereof shall not affect the remaining provisions of this Subcontract, but such remaining provisions shall be construed as though such illegal, unenforceable or non-applicable provision had not been included herein.

41. Titles. The titles given to the Articles of this Agreement are for ease of reference only and shall not be relied upon or cited for any other purpose.

42. Governing Law. All matters related to the validity, performance, interpretation or construction of this Agreement or breach thereof, shall be governed by the laws of the State of New York.

43. Entire Agreement. This contract constitutes the entire agreement between the parties hereto and shall not be waived, amended or modified except by written instrument signed by both parties hereto. There are no agreements or understandings between the parties concerning this Agreement or the work to be performed hereunder which are not set forth in writing herein.

IN WITNESS WHEREOF, the undersigned parties have executed this Subcontract document as of the stated day and year first written above.

SUBCONTRACTOR

Company: _____

Signature: _____

Name: _____

Title: _____

Date: _____

CONTRACTOR

Company: Lehigh Construction Group, Inc.

Signature: _____

Name: _____

Title: _____

Date: _____