

CONTRACT REQUIREMENTS AND PROGRESS BILLINGS

A) **SUBCONTRACT AGREEMENT** - Attached is your Subcontract Agreement for the work referenced in the agreement. Please comply with the following:

- 1) Sign both documents.
- 2) Please return both copies of the completed subcontract Agreements to this office with the following items:
 - a) Certificate of Insurance for General Liability and Auto Insurance.
 - b) Certificate of Insurance for Workmen's Compensation.
 - c) Initialed copy of the Contract Requirements and Progress Billings.
 - d) Initialed copy of the Subcontract Procedures
 - e) Copy of Contractors License

Upon receipt of these documents, **MCD**DAVID CONSTRUCTION, INC. will sign the Subcontract Agreements and return a copy to you.

B) **CONTRACT AGREEMENT** - you must be in compliance with item A of this notice.

ALL BILLINGS (FAXES OKAY) MUST BE RECEIVED IN THIS OFFICE BY THE 25TH OF THE MONTH FOR WORK PROJECTED THROUGH THE END OF THE MONTH. PAYMENT WILL BE MADE BY THE 10TH OF THE FOLLOWING MONTH, LESS TEN PERCENT (10%) RETENTION, PENDING ACCEPTANCE BY THE CONTRACTOR. THE FINAL BILL, INCLUDING ALL FIELD WORK ORDERS FOR EXTRAS, MUST BE IN NO LATER THAN ONE WEEK AFTER TO COMPLETION OF WORK.

We have provided one copy of our Request for Payment form for your use. Please make copies as you need them. You may attach your invoice to the completed Request for Payment form. No invoice will be honored unless this form is completed. Make no changes to any line item on this form. Include only signed change orders, no verbal changes will be accepted.

- 1) Joint checks will be issued to all Subcontractors when their material suppliers have files a Preliminary Lien Notice and/or filed a Joint Check Agreement. The amount of the joint check will be the balance owed the supplier through the draw date (funds drawn for above and beyond what the supplier is owed will be paid in a separate check issued solely to the subcontractor). The joint check will be mailed directly to the supplier unless they waive this privilege by notifying McDavid Construction, Inc. in writing. You must submit a full and final unconditional lien waiver from all your suppliers before your final payment will be released.
- 2) You must submit and original Guarantee Letter on your letterhead before you will receive your retention. An acceptable format has been enclosed for your use.

C) **EXTRAS** - extras for changes to the scope of work will be handled as follows:

- 1) Subcontractor to submit a completed Change Order form for the changes in scope of work issued by McDavid Construction, Inc. to be included with Application for Payment.
- 2) No change orders will be accepted for payment twenty (20) days after completion of job.

Thank you for your cooperation in these requirements. Feel free to call if you have any questions.