



SUBCONTRACTOR AGREEMENT

This agreement, made this **12th day of November 2025** between Loberg Construction Co. (General Contractor) of 311 E. Illinois Avenue, Palatine, Illinois 60067 and:

(Subcontractor) is as follows:

DESERT SERVICES
PO Box 236
Scottsdale, Arizona 85252
(480) 513-8986

ARTICLE 1 – SCOPE OF WORK

SWPPP

DESCRIPTION OF WORK The subcontractor agrees to furnish all necessary labor, materials, tools, equipment, supplies and supervision necessary to perform the work described in detail, starting on page 3 of this agreement (hereafter referred to as "the work").

See Attachments:

- Exhibit 'A' - Project Specific Scope of Work
- Exhibit 'B' - Invoicing Instructions
- Exhibit 'C' - Drawings
- Exhibit 'D' - Insurance Requirements
- Exhibit 'E' - Jobsite Rules & Regulations
- Exhibit 'F' - Subcontractor Project Directory

Owner:

Project Name: Hippo Vet - Peoria, AZ
For the project located at: 23261 N Lake Pleasant Pkwy, Peoria, Arizona 85383
Project Start Date:
Project Number: 25-0160
Project Completion Date:
As shown on drawings: See Exhibit 'C'
And specifications dated: 8/8/2025
Including addendums number: N/A
Including alternates as follows: N/A
All prepared by:
(Architect) in accordance with the terms and provisions on the contract between the contractor and the owner.

1.2 FAMILIARITY WITH DOCUMENTS AND CONDITIONS OF SUBCONTRACT The subcontractor acknowledges that he/it has reviewed all of the plans, drawings, specifications, addendums and alternates referred to above including the general conditions, and special general conditions to the contract between the owner and contractor and is familiar with all of their terms. The subcontractor acknowledges that he/it has examined the site where work is to be performed and is familiar with the site conditions where the subcontractor's work is to be performed. The subcontractor acknowledges that

he has been given an approximation as to the time when the subcontractor's performance will be expected. The subcontractor agrees that it will not be entitled to reimbursement for any delay damages incurred which result from adverse weather conditions, labor shortages, strikes or owner caused delays, unless it presents such claims in a timely fashion to the contractor and the contractor is able to recover such costs or expenses from the owner.

1.3 WORK Work shall include, but is not limited to, the following:

- Exhibit 'A' – Project Specific Scope of Work
- A copy of As-Built plans (marking changes to original plans in red ink) must be issued to Loberg Construction Co. prior to final payment being issued.
- The one year subcontractor warranty letter must be submitted to Loberg Construction Co. prior to final payment being issued
- All required partial and final lien waivers must be submitted to Loberg Construction Co. prior to final payment being issued
- A signed W-9 Form must be submitted to Loberg Construction Co. prior to final payment being issued. It is each subcontractor's responsibility to obtain and pay for contractor license fee, which may or may not be required by municipality
- As required by authorities having jurisdiction, Subcontractor shall be responsible to schedule, per Contractor schedule; village, state and/or federal inspections for its respective scope of work. Subcontractor shall be responsible to provide onsite representation during said inspections.
- It is each subcontractor's responsibility to obtain and pay for all permit fees, inspections fees and bonds. Copy of the permit must be sent to Loberg Construction Co. via email upon receipt.
- It is the responsibility of each subcontractor to clean up after each working day. Written notification will be sent if a subcontractor does not adequately clean up their mess and if not cleaned up within 24 hours, Ernie Loberg Construction will clean and back charge the subcontractor accordingly.
- It is each subcontractor's responsibility to provide their own equipment needed to complete their scope of work (i.e., lifts, scaffolding, ladders, etc.)

ARTICLE 2 – CONTRACT PRICE

The sum to be paid to the subcontractor for performance of the work in the subcontract (subject to additions and deletions as herein provided) shall be

NINETEEN THOUSAND EIGHT HUNDRED NINETY-FIVE DOLLARS AND ZERO CENTS (\$19,895.00)

ARTICLE 3 – TAXES

Subcontractor hereby assumes and agrees to pay all sales, use, and other taxes levied or imposed on account of the sale of all personal property required by or used in the performance and execution of this Subcontract, and all taxes, duties, or charges levied or imposed, whether by any municipality, county, township, state, or the United States of America, on the materials and equipment provided and compensation paid by the said Subcontractor to individuals employed by it in the performance and execution of this Subcontract, and any interest or penalties assessed or imposed in connection with such taxes, contributions, and charges. Subcontractor waives any and all claims for additional compensation because of any new duties or taxes or any increases in the aforementioned duties or taxes unless payment therefore is specifically provided for in the Contract Documents, and Contractor receives same from Owner.

ARTICLE 4 – PERFORMANCE BY SUBCONTRACTOR

4.1 THE PROSECUTION OF WORK The subcontractor agrees that he shall perform all the work described in article 1.1 in accordance with all the contract documents in a timely fashion and workmanlike manner. The subcontractor agrees that it will follow the directions of the contractor with respect to scheduling of the work and sequencing of the work. The subcontractor has represented to the contractor that it is familiar with the types of work called for by this subcontract and has sufficient manpower to perform the work in a timely and expeditious manner. The subcontractor has not relied on the experience of the contractor in performing its work.

4.2 COMPLETION OF WORK Subcontractor shall keep contractor thoroughly informed as to the progress of the work. Subcontractor shall begin work within (3) days after notice from the contractor to commence and shall thereafter provide and/or perform the work and the several parts thereof, continuously, energetically, and expeditiously in full accord with the requirements of the agreement between parties as determined by the contractor and at such times and in such order as the contractor considers necessary to keep same sufficiently in advance of other parties of the building and/or project and to avoid delay in completion of the project on time, or ahead of time if the contractor in its sole discretion determines such acceleration to be practical and desirable.

4.3 PREVAILING WAGE & EQUAL OPPORTUNITY Subcontractor agrees to be bound by all applicable federal, state and local requirements concerning equal opportunity employment, as well as prevailing wage requirements (if applicable), including but not limited to the requirements of the contract between the owner and contractor. If project is subject to prevailing wages certified payroll forms must be submitted weekly whenever workmen are on site.

4.4 PERMITS AND COMPLIANCE Subcontractor agrees to obtain, at its own expense and without cost to the contractor, all licenses, permits, registrations or inspections necessary to perform its work. Subcontractor further agrees to abide by all applicable laws, ordinances, rules or regulations of the United States of America and/or the state, city, village or other such political subdivision where the work is to be done and/or any other duly constituted public authority, such as special tax districts or environmental protection agencies. Subcontractor warrants that all its work shall conform to any applicable building codes, regulations, ordinances, laws or statutes which are applicable or relevant.

4.5 LIEN CLAIMS If any material supplier, sub-subcontractor, employee or agent of the subcontractor asserts a mechanic's lien or bond claim against the project or contractor's sureties, the contractor shall have the right to withhold any payment subsequent to become due, a sum equal to one hundred fifty percent (150%) of the amount so claimed. The contractor in its sole discretion shall have the right to pay any such claims directly and deduct any sums so paid. The contractor shall further have the right to recover all costs incurred by the contractor by reason of assertion of any claim, including claims paid, reasonable attorney's fees, court costs and interest charges incurred.

4.6 USE OF EQUIPMENT If, at any time during the Work, Subcontractor, its agents, employees, or suppliers should, either with or without permission of Contractor, use any tools, appliances, hoists, elevators, scaffolding, ladders, false

work, shoring, materials, machinery or equipment which belong to or are furnished by Contractor, Subcontractor assumes full responsibility for any injury to person or property which may result from or in connection with use of any such tools, appliances, hoists, elevators, scaffolding, ladders, false work, shoring, materials, machinery or equipment by Subcontractor, its agents, employees or suppliers and agrees to indemnify, defend, and hold harmless Contractor, Owner, and Architect against loss, liability, costs, expense, and attorney's fees and court costs from such claims except to the extent that they are caused solely by the negligence of Contractor, Architect, and/or Owner, whichever the case may be.

4.7 CLEAN UP Subcontractor shall perform regular cleanup and prompt removal from Job Site and adjacent roadways of all dirt, mud, excessive dust, and debris resulting from the Work notwithstanding any reference in the Contract Documents requiring Contractor to perform said cleanup or rubbish removal. In cleaning or utilizing adjacent roadways, Subcontractor shall, at no cost to Contractor, provide flagmen to the extent that Contractor determines they are required. In the event Subcontractor fails to perform regular cleanup and prompt removal from the Job Site, Contractor shall perform said cleanup on Subcontractor's behalf and charge Subcontractor for the cost thereof. If a general cleanup of the Project is required on behalf of all subcontractors which either are working, or recently have worked, at the Job Site, Contractor shall perform said cleanup and charge the cost thereof to said subcontractors on a prorated basis using its sole discretion to determine the basis for the prorated charge. Upon completion of the cleanup, Subcontractor will be notified in writing, within a reasonable time period, as to the costs expended in its behalf.

4.8 SAFETY The Subcontractor, its agents, employees, materialmen and subcontractors will perform all work on the project in a safe and responsible manner. In particular, Subcontractor shall, at its own expense, conform to the safety policies and regulations established by the contractor and shall comply with all specific safety requirements promulgated by any government authority including without limitation the requirements of Occupational Safety and Health Act of 1970 and the Construction Safety Act of 1969 and all standards and regulations which have been or shall be promulgated by the parties or agencies which administer the Acts. Subcontractor shall comply with said requirements, standards, and regulation and require and be directly responsible for compliance therewith on the part of its said agents, employees, materialman and subcontractors; and shall directly receive, respond to, defend and be responsible for all citations, assessments, fines or penalties which may be incurred by reason of its failure on the part of its agents, employees, materialmen or subcontractors to so comply.

ARTICLE 5 – WARRANTIES, INDEMNIFICATION AND INSURANCE

5.1 INDEMNIFICATION To the fullest extent permitted by law, the subcontractor shall indemnify, defend and hold harmless Loberg Construction Co., Inc, the owner, Architect and others required in the contract documents, and their agents, invitees and other employees, from and against all claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from subcontractor's performance of its work under the contract documents. This indemnification and defense agreement shall not be limited in any way by any limitations on the amount or type of damages, compensation or benefits payable by or for the Subcontractor under Workers Compensation Acts, disability benefits acts or other employee benefit acts, however, the subcontractor shall not be required to indemnify or defend Loberg Construction Co. Inc. against the consequences of Loberg Construction Co., Inc. own negligence.

5.2 INSURANCE The Subcontractor shall maintain during the progress of the Work, and if required to return during the warranty period, insurance with the minimum limits and coverages as shown below or, if higher, the requirements set forth in the Contract Documents:

1. WORKER'S COMPENSATION including Occupational Disease insurance meeting the statutory requirements of the State in which work is to be performed together with a Broad Form All States endorsement and containing Employers' Liability insurance in an amount of at least \$500,000. All proprietors, partners, executive officers and members must be included for coverage. Waiver of Subrogation required in favor of Loberg Construction Co., Inc. and others if required in the Contract Documents.
2. COMMERCIAL GENERAL LIABILITY insurance providing limits of \$1,000,000 each occurrence and \$2,000,000 Aggregate.
 1. The policy must include Loberg Construction Co., Inc., the Owner, the Architect and others if required in the Contract Documents as ADDITIONAL INSUREDS using Form CG2010 11/85 or an equivalent on a primary and non-contributory basis and must provide Premises-Operations, Elevators, Independent Contractors, Broad Form Property Damage, Contractual Liability, Products & Completed Operations

coverage (which shall be maintained in force for a period of two years after substantial completion of the project or for such longer period of time as is described in the Contract Documents). XCU Exclusions must be deleted when applicable to operations performed by the Subcontractor. Per Project Aggregate must apply. Waiver of Subrogation required in favor of Loberg Construction Co., Inc. and others if required in the Contract Documents.

3. COMPREHENSIVE AUTOMBILE LIABILITY on an "Occurrence" basis covering all Owned, Non-owned and Hired Vehicles providing a limit of liability of \$1,000,000 per occurrence. The policy must include Loberg Construction Co., Inc., the Owner, the Architect and others if required in the Contract Documents as ADDITIONAL INSUREDS on a primary and non-contributory basis. Waiver of Subrogation required in favor of Loberg Construction Co., Inc., and others if required in the Contract Documents.
4. UMBRELLA LIABILITY on an "Occurrence" basis with the same Additional Insureds as the General Liability coverage required in section (B). The policy should provide limits of \$1,000,000 per Occurrence and \$1,000,000 Aggregate in excess of the above-mentioned coverage, terms and conditions required in section s(A), (B) and (C). The policy must include Loberg Construction Co., Inc., the Owner, the Architect and others, if required in the Contract Documents, as ADDITIONAL INSUREDS on a primary and non-contributory basis and provide a Waiver of Subrogation in their favor.
5. PROFESSIONAL LIABILITY insurance providing limits of \$1,000,000 per occurrence and \$1,000,000 Aggregate. Insurance is to be provided if subcontractor has any design responsibility as part of its work to cover liability for errors and omissions that may arise as a result of acts or omissions, negligent or otherwise, of a Subcontractor's employees or Subcontractors who perform such design work. No greater than a \$50,000 deductible shall be permitted. Professional liability insurance shall be maintained for two years after the completion of the project.
6. POLLUTION LIABILITY insurance providing limits of \$1,000,000 per occurrence and \$1,000,000 Aggregate. Insurance is to be provided if Subcontractor handles any hazardous waste as part of its work.
7. A certificate of insurance on an approved form must be delivered to Loberg Construction Co., Inc., If coverage outlined in the certificate is altered, cancelled or allowed to expire the subcontractor must give thirty (30) days written notice by registered mail to Loberg Construction Co., Inc..
8. Property Insurance. It is agreed that the subcontractor shall purchase and maintain property insurance for material and equipment used and left at the jobsite. Waiver of subrogation: Subcontractor waives all rights of subrogation against Contractor and Owner for loss of, or damage to Subcontractor's work, tools. Machinery, equipment, materials or supplies.
9. Insurance Company. The required insurance policies shall be issued by an insurance company with and A.M. Best's rating of "A VI" or better.
10. Equivalent insurance coverage must be obtained from each of your subcontractors or suppliers, if any, before permitting them on the site of the project. Otherwise, their protection must be included within your insurance policies.
11. It is understood and agreed that the insurance coverages and limits, required above, shall not limit the extent of the Subcontractor's responsibilities and liabilities specified within the Contract Documents or by law.
12. It is understood and agreed authorization is hereby granted to Loberg Construction Co., Inc., to withhold payments to the Subcontractor until a properly executed Certificate of Insurance providing insurance as required herein accompanies by a signed subcontract or purchase order are received by Loberg Construction Co., Inc.,

See attached subcontract agreement insurance rider.

5.3 WARRANTIES AND GUARANTEES Without limiting the guarantee and warranties made in this subcontract, the subcontractor also agrees to be bound to the contractor to the same extent and same terms as the contractor is bound to the owner. The subcontractor agrees that all rights and remedies given to the owner against the contractor shall flow down in like manner for the contractor to have against the subcontractor.

ARTICLE 6 – CHANGES IN THE SCOPE OF WORK – DELAY

6.1 ADDITIONAL WORK No extra work shall be performed until the subcontractor has received a written purchase order/contract revision/change order from the contractor or its authorized agent. To the extent that the procedure for request for extras is not covered by other documents then the procedure shall be as follows: the subcontractor shall submit a written quotation covering such change to contractor, the quotation shall be delivered to the contractor within (2 business) days of the subcontractor's receipt of notice of change and shall include supporting details to enable the contractor to determine how the cost was computed. If no quotation is delivered to the contractor within (2 business) days, then the contractor may at its option determine the amount to be allowed by the owner. The subcontractor agrees that payment for such extra work shall not be due it until such time as a written change order determining the price of the extra work has been issued by the contractor and the contractor has been paid by the owner for such extra work. The parties agree that any retention provision contained in the contract or the general contract shall also apply to payments for extras under this agreement.

6.2 REDUCTIONS IN THE WORK If the owner elects to reduce the amount of work to be done by the contractor or the contractor elects under this section to reduce the amount of work to be done by the subcontractor, the contractor shall have the right to eliminate portions of the work from this agreement and the value of the work so deleted shall be the value determined by the owner and/or contractor and shall result in a reduction of the amount due the subcontractor.

6.3 EXTENSIONS OF TIME – COMPENSATION Should the subcontractors performance of this subcontract be delayed, hindered, or disrupted by any acts of the contractor, other subcontractors, or the contractor's suppliers or delayed by any acts or causes which would entitle contractor to an extension of time under the contract documents, the subcontractor shall receive an equitable extension of time for performance of its obligations under this subcontract but shall not be entitled to any increase in the subcontract price or to direct or indirect damage or additional compensation of any kind as a consequence of such delays, hindrances, or disruptions whether same be reasonable or unreasonable, foreseeable or unforeseeable, or avoidable or unavoidable unless the owner is liable and pays the contractor for such delay. The contractor will pay the subcontractor the amount allowed by the owner for such delay, hindrance or disruption which affected the subcontractor.

6.4 NOTICE OF DELAY CLAIM The subcontractor shall comply with the provisions of the general contract with respect to applications for compensation for delay costs and to the extent that these provisions do not conflict, the subcontractor shall notify the contractor within (01) days of the occurrence of any event that caused the delay. Such notice must be in writing and shall provide full details as to the cause and effect of the alleged delay. The subcontractor shall notify the contractor in writing of any delays caused by the owner, in sufficient time so that a claim may be timely processed against the owner, if possible, under the terms of the contract between the contractor and the owner.

ARTICLE 7 – PAYMENT

7.1 PROGRESS PAYMENTS to the extent that the agreement between the contractor and the owner provides for periodic payments the subcontractor agrees to be bound by those terms unless provided for otherwise, on or about the last day of each month the contractor's president shall submit a proposed draw 1 to the owner. Upon approval 2 by the owner or its representative of the proposed draw, the subcontractor shall be notified as to the amount approved for payment and within seven (7) working days the subcontractor agrees to submit correct current lien waivers and invoices. Failure to comply shall give the contractor the right, in its sole discretion, to delete the subcontractor from that draw and delay payment until such time as the subcontractor submits proper lien waivers and invoices.

7.2 RETENTION From each draw or progress payment a 10.0% retention shall be withheld, and all other charges for material or services furnished by contractor to or chargeable to subcontractor may be deducted by the contractor.

- **State of Illinois Projects – Illinois State Law SB1636**

(815 ILCS 603/20 new)

Sec. 20. Retainage. No construction contract may permit the withholding of retainage from any payment in excess of the amounts permitted in this Section. A construction contract may provide for the withholding of retainage of up to 10% of any payment made prior to the completion of 50% of the contract. When a contract is 50% complete, retainage withheld shall be reduced so that no more than 5% is held. After the contract is 50% complete, no more than 5% of the amount of any subsequent payments made under the contract may be held as retainage.

7.3 SUPPORTING DOCUMENTS before payment is made to the subcontractor the subcontractor must have submitted to the contractor all sub-subcontractor and material waivers for the current payment, and if the project is subject to wage and hour regulations, certified payroll forms must be submitted weekly for each week the subcontractor has workmen on the project site.

7.4 CONDITIONS PRECEDENT The contractor shall be obliged to pay the subcontractor all amounts approved 2, 3 pursuant to article 3.1 within fifteen (15) days of receipt of the monies by the contractor from the owner. The parties acknowledge that receipt of payment from owner is a condition on the contractor's obligation to pay the subcontractor, as performance of this subcontract by subcontractor properly is a condition of payment to the contractor by the owner and so the subcontractor agrees that the contractor shall be under no obligation to pay the subcontractor for any work done on the project unless the contractor has been paid therefore by the owner. The time when such payment shall be due the subcontractor shall be postponed until contractor has received same from the owner and the subcontractor hereby accepts the risk that he will not be paid for work performed by him in the event that the contractor, for whatever reason, is not paid by the owner for such work. The subcontractor further agrees that the liability of the surety on any payment bonds given by the contractor in connection with this project, is subject to the same conditions precedent as are applicable to the contractors liability for payment to the subcontractor.

¹(a) "Payment application" means, in accordance with the terms and definitions of the applicable contract, any invoice, bill or other request for periodic payment, final payment, payment of change order or request for release of retainage from the contractor to the owner. (b) "Construction contract" means a contract or subcontract, entered into after the effective date of this Act, for the design, construction, alteration, improvement, or repair of Illinois real property, except for contracts that require the expenditure of public funds and contracts for the design, construction, alteration, improvement, or repair of single family residences or multiple family residences with 12 or fewer units in a single building. (c) "Contractor" and "subcontractor" shall have the meanings ascribed to them by the Illinois Mechanics Lien Act and cases decided under that Act.

² The payment application shall be deemed approved 25 days after the owner receives it unless the owner provides, before the end of the 25-day period, a written statement of the amount withheld and the reason for withholding payment. If the owner finds that a portion of the work not in accordance with the contract, payment may be withheld for the reasonable value of that portion only. Payment shall be made for any portion of the contract for which the work has been performed in accordance with the provisions of the contract. Instructions or notification from an owner to his or her lender or architect to process or pay a payment application does not constitute approval of the payment application under this.

³ If a subcontractor has performed in accordance with the provisions of his or her contract with the contractor or subcontractor and the work has been accepted by the owner, the owner's agent, or the contractor, the contractor shall pay to his or her subcontractor and the subcontractor shall pay to his or her subcontractor, within 15 calendar days of the contractor's receipt from the owner or the subcontractor's receipt from the contractor of each periodic payment, final payment, or receipt of retainage monies, the full amount received for the work of the subcontractor based on the work completed or the services rendered under the construction contract. If a contractor has performed in accordance with the provisions of a construction contract and the payment application has been approved by the owner or the owner's agent, the owner shall pay the amount due to the contractor pursuant to the payment application not more than 15 calendar days after the approval.

Interest; suspension of performance.

(a) If a payment due pursuant to the provisions of this Act is not made in a timely manner, the delinquent party shall be liable for the amount of that payment, plus interest at a rate equal to 10% per annum.

(b) A contractor or subcontractor who is not paid as required by this Act may, after providing 7 calendar days' written notice to the party failing to make the required payment, suspend performance of a construction contract without penalty for breach of contract, until the payment required pursuant to this Act is made.

(c) The interest imposed by this Act shall not be duplicative of the interest charged under the Mechanics Lien Act.

ARTICLE 8 – TERMINATION

8.1 CONDITIONS The contractor and the subcontractor shall generally have the right to terminate this contract in accordance with and in the same manner as the general conditions of the contract between the contractor and the owner

provide, provided, however, that if no such procedures are provided in any other contract documents then the terms of this article shall apply.

8.2 PROCEDURE If the subcontractor fails to perform its obligations under this agreement, then the contractor shall be obligated to deliver actual written notice to the subcontractor by email and/or U.S. Mail at the address shown above for the subcontractor. Proof of email mailing shall be sufficient to show that notice was given under article 4. The notice shall specify the nature of the defective performance and shall give the subcontractor not less than two (2) working days to correct the default. The contractor shall be entitled to, at its option and without prejudice to any other remedies it may have, after two (2) working days after delivery of written notice to the subcontractor may terminate the agreement and/or to provide such labor, materials, or services and deduct the costs thereof from any monies then due or thereafter to become due to the subcontractor, withhold any payments due the subcontractor until such time as the defects in performance are cured and in the event that the subcontractor is terminated. The contractor is further granted a lien upon all materials, tools, and appliances of the subcontractor that are on the project site to secure the payment of damages incurred by reason of the subcontractor's default.

8.3 SUBCONTRACTORS OBLIGATIONS If the contractor in its sole discretion determines that the subcontractor is financially irresponsible, the contractor may, at its sole option, use the subcontractor's earned contract funds to pay, satisfy, or otherwise discharge the subcontractor's obligations. The purpose of this provision is to prevent the subcontractor's financial irresponsibility from creating liens or otherwise impairing the contractor's position. This provision is intended to be solely for the benefit of the contractor and is not intended to create any benefits for third parties.

8.4 CONTRACTORS REMEDIES The subcontractor shall at all times supply a sufficient number of skilled workers to perform the work covered by this contract with promptness and diligence. Should workers performing work covered by this subcontract engage in a strike or other work stoppage or cease to work due to picketing or a labor dispute of any kind, contractor may, at its option and without prejudice to any other remedies it may have, after twenty four (24) hours written notice to the subcontractor, provide such labor and deduct the cost thereof from any monies then due or thereafter to become due to the subcontractor. The contractor may also, at its own option, terminate the subcontractor, complete the work with others or its own employees, and deduct the cost thereof from any monies then due or thereafter to become due to the subcontractor. These rights are not listed by way of limitation and do not limit any rights which the contractor may have by reason of law or statute.

8.5 GENERAL OVERHEAD The subcontractor acknowledges that delay in the performance of its work under this agreement will increase the overhead and general supervisory expense incurred by the owner and the contractor. To the extent that delays are caused by the subcontractor, it agrees that it shall be responsible to the owner and contractor for the cost of any such delays which it has caused.

8.6 LIQUIDATED DAMAGES In the event that the contract between the contractor and the owner provided for liquidated damages, the subcontractor agrees it will pay any such damages assessed against the contractor for delays which the subcontractor has caused.

ARTICLE 9 – GENERAL PROVISIONS

9.1 ENTIRE AGREEMENT No change or modification or waiver of any provision of this agreement shall be valid unless in writing and signed by each of the parties.

9.2 LAW GOVERNING The validity, interpretation and enforcement of all provisions of this agreement shall be governed by the laws of the state of Illinois.

9.3 INDEMNITY If any party to this agreement fails to do any act or give any notice required by this agreement that party agrees to indemnify and hold harmless the other party from any and all losses, expenses, and/or damages which that party may incur, including attorney's fees incurred by reason of such failure or inaction.

9.4 ARBITRATION The subcontractor agrees that all disputes under and arising out of performance of and/or interpretation of this agreement shall be submitted to mutually binding arbitration by the American Arbitration Association or such forum as the parties may mutually agree upon under the rules for arbitration of construction disputes of the American Arbitration Association. The subcontractor agrees to pay any expenses incurred by the contractor as a result of such arbitration including but not limited to arbitration fees and costs, witness fees, consultants fees, engineering

expenses, costs of reports, costs of transportation, and reasonable attorney's fees, if the contractor prevails in the arbitration. The subcontractor agrees that any mechanic's lien, payment bond, or other statutory rights which he may have may be enforced by the subcontractor only to the extent necessary to insure that no statutory limitations expire and the resolution of all disputes shall initially be made through arbitration under this paragraph. The parties further agree that any party to such arbitration shall be entitled to enforce any award under the Illinois arbitration statute. If either party fails to respond to or participate in the arbitration process the arbitrator shall consider such evidence through testimony or affidavits as he considers appropriate and shall make a decision, which shall be binding upon the parties.

9.5 COORDINATION OF DOCUMENTS In the event of conflicts between this agreement and the contract documents, this agreement shall supersede.

9.6 ASSIGNMENT AND BINDING EFFECT This agreement and all rights, benefits and obligations hereto may not be assigned or transferred without the express written consent of the contractor and assignments without such written consent shall best no rights in any assignee as against the contractor. This agreement shall be binding upon the parties hereto, their successors, heirs, executors, administrators and legal representatives.

9.7 NO RIGHTS IN OTHER CONTRACTS The subcontractor acknowledges that the only relationship it has with the work is contained in this subcontract agreement. It acknowledges that it is not the third party beneficiary of any agreements between the contractor, owner or the architect.

9.8 EXECUTION OF THIS AGREEMENT This contract becomes null and void if contractor does not receive a contract from the owner, or if the owner or the architect rejects the subcontractor. Certificates of insurance must be submitted to the contractor along with two (2) signed copies of this agreement. The contract must be signed and returned to the contractor within five (5) working days of its mailing to you, or three (3) days of its receipt by you, whichever is earlier. If the contractor has not received the signed contract back from the subcontractor within the time listed above, and the contractor receives no communication in writing from the subcontractor indicating it does not wish to be bound, the contractor shall rely upon the subcontractors actions to date and presume that the subcontractor shall act as such for the price and per all other conditions of the contract.

CONTRACTOR:

Loberg Construction Co.

By:

Signature:

Title:

Date:

SUBCONTRACTOR:

Desert Services

By: (printed name)

Signature: (Must be signed by owner or officer)

Title:

Date:



Loberg Construction Co. Project # 25-0160
Hippo Vet - Peoria, AZ
23261 N Lake Pleasant Pkwy
Peoria, Arizona 85383

PROJECT DIRECTORY

Superintendent: Rony Duke
E-mail: rduke@lobergconstruction.com
Cell: (817) 964-7279

Project Manager: Rad Poltorak
E-mail: rpoltorak@lobergconstruction.com
Office: (847)392-4300
Cell: (847) 630-2954

Project Engineer: Eddie Perez
E-mail: eperez@lobergconstruction.com
Office: (847)392-4300
Cell:

Project Accountant: Monica Roches
E-mail: invoices@lobergconstruction.com
Office: (847) 392-4300

LOBERG CONSTRUCTION CO. INFORMATION:

Mailing Address:

Loberg Construction Co.
311 E. Illinois Avenue
Palatine, Illinois 60067
Phone: +18473924300 Fax:



EXHIBIT 'A'

SCOPE OF WORK

SEWER/WATER TAP FEES *BILLING COST CODE: 01-160*

- A. The Subcontractor's Work includes all labor; supervision; materials; equipment; services; supplies; tools; facilities; transportation; storage; receiving; licenses; inspections; certifications; overhead; profit; insurance; and other items required or reasonably inferable to properly and timely perform and complete all work and services to be performed by the Subcontractor pursuant to this Agreement.
- B. Subcontractor's Work shall be completed in compliance with the standards described in the Prime Contract and in the Drawings, Specifications and other Subcontract Documents, or, if no such standards are specified, in compliance with industry standards.
- C. The Contractor shall provide the following for use by the Subcontractor; major building corners, elevation benchmark at building, one grid line in each direction at building. All other layout required for the Subcontractor's Work will be the Subcontractor's responsibility.
- D. Subcontractor is responsible to provide personnel knowledgeable for owner training of all major equipment and systems within this Subcontractor's scope of work. This will also include a start-up checklist for all equipment. These checklists will be this Subcontractor's responsibility and the owner's assurance that the work has been completed based on the contract documents.
- E. The Contractor will provide snow removal for general access only. Subcontractor is responsible for snow removal required for purposes of specific access and performing the Work under this agreement.
- F. The Contractor shall provide temporary general lighting to comply with minimum OSHA standards. Specific task lighting will be provided by this Subcontractor for its own work under this agreement.
- G. The Subcontractor will comply with the directions of the Contractor's project superintendent in regards to parking on or near the site.
- H. All hoisting required for the Subcontractor's scope of work shall be provided by the Subcontractor.
- I. At the request of Contractor's superintendent, Subcontractor shall submit Daily Construction Reports each day that the Subcontractor is on site.
- J. Subcontractor shall provide any required temporary protection of roof membrane or waterproofing to properly transport materials and complete its work in such areas. Roof or waterproofing repair costs that Contractor cannot attribute to specific Subcontractor shall be prorated at Contractor's discretion among all Subcontractors having performed work in the area requiring repair. If plywood is used as the protection of the roof or any similar materials rigid board insulation should be placed on the bottom of the plywood to prevent the sharp edges of the plywood from damaging the roof.
- K. Subcontractor shall respect the work of others. Special care shall be taken to protect surrounding work. Damages to work by others shall be repaired at the expense of the responsible party.
- L. Protection of existing site amenities, Owner's facilities, and utilities is the responsibility of the Subcontractor. Subcontractor shall not excavate without first notifying the Contractor's superintendent.
- M. Subcontractor shall include all firesafing and/or sealants associated with this Subcontractor's work as required per codes in rated walls/ceilings. Note that his work shall comply with the NFPA 101 (Life Safety Code) requirements for proper penetration sealing, such that life safety capabilities and performance intended in the design of the buildings fire/smoke partitions can be effectively preserved and maintained.
- N. Subcontractor shall include all core drilling required for this Subcontractor's work. Subcontractor shall try to install sleeves in concrete pours where appropriate to minimize amount of core drilling required. Subcontractor shall note any specification requirements on sizes of openings that need engineer approval prior to core drilling.
- O. Subcontractor shall furnish for installation by other trades any and all access panel required for the proper installation and access to its concealed work.
- P. **No smoking will be tolerated inside the building or on the property. Anyone found smoking in the building will be asked to leave and not return.**
- Q. All visitors to the job site shall report to the Contractor's Superintendent prior to walking any portion of the project.



- R. A Contractor's supervisor must be onsite during all work hours. Subcontractor will be responsible for notifying the Contractor 24 hours in advance if work will commence after normal working hours or on weekends. Start and finish times may be adjusted by the Contractor and will be communicated 24 hours prior to change at no cost to the Contractor.
- S. The Subcontractor shall submit the following closeout documents and materials upon completion of Subcontractor's Work:
 - 1. Prepare and submit operation and maintenance manuals, warranties guarantees, record documents and other information required by closeout procedures. General Contractor requires having this information electronically.
 - 2. As-Built drawings by the earlier of fourteen (14) days of completion of Subcontractor's Work or seven (7) days prior to the project's Substantial Completion. General Contractor requires having this information electronically.
 - 3. All warranties begin at Substantial Completion of project consistent with Owner/Contractor Agreement.
- T. This Subcontractor is to coordinate all work with associated tradesman.
- U. This Subcontractor is responsible for daily clean-up operations.
- V. This Subcontractor will provide all correspondence in written format to the project manager. The project Superintendent is only responsible to ensure the schedule and quality are instilled into the project and will NOT sign for any change orders with dollar value attached. The Superintendent can sign for work completed only on daily tickets. Project Manager will be responsible for all funds within the project and can make changes to the project with proper authorization from company management or professional services, however all changes will be conducted in written format.
- W. Supplemental Instructions to Bidders and Approved Subcontractors Contracted for this project:

The work of this Subcontractor includes, but is not limited to the following:

1. SCOPE:

The work of this Subcontractor includes, but is not limited to the following:
Providing all labor, materials, equipment and expertise to provide a complete site SWPPP as specified in construction documents issued by HUD Architect including all items as follows:

- SWPPP plan Design as Required per ADEQ Specifications
- SWPPP Narrative Design Manual as Required per EPA Specifications
- SWPPP Sign as Required per ADEQ Specifications
- Spill Kit as Required per ADEQ Specifications
- BMP Installations as follows:(*specific installations pending completed SWPPP Plan Design*
 - Stabilized Construction Entrance
 - Inlet Protection
 - Silt Fence Protection
 - Wattle or Compost Filter Sock Protection
 - Concrete Washout Installation
 - Etc.
- SWPPP Inspections *21 included*
- Dumpster and (2) Portable Toilet Rentals **Not included in contract price*

Provide efficient manpower and conferring with Project Superintendent to achieve productivity and meet Project Schedule.

- 2. This Subcontractor is responsible to provide all installation of materials per the manufacturer's specifications and as specified in construction documents.
- 3. This Subcontractor is responsible for all concrete coring and or sawing as it applies to this Subcontractors scope of work.



4. The subcontractor is responsible for all importing and exporting of materials to the projects site per the construction documents. All trucking fees are the responsibility of the subcontractor.
5. This Subcontractor is to provide all dimensional coordination of respective trades necessary for door openings, window openings and all others related to meet this Subcontractors and Other Subcontractor required needs.
6. This Subcontractor is to provide all required inspections to complete his scope of work; all extra inspections will be at the expense of this Subcontractor.
7. This Subcontractor is responsible to provide proper safety procedures for loading, unloading and installation of this Subcontractors scope of work.
8. This Subcontractor is responsible to provide samples and submittals to General Contractor for Owner to accept.
9. This Subcontractor will provide all necessary means and methods to meet industry standards and construction documents intentions for proper installation.
10. This Subcontractor is responsible to provide all equipment to complete his scope of work including but not limited to:
 - i. Lulls
 - ii. Cranes
 - iii. Helicopters
 - iv. Any and all lifts
 - v. Scaffolding
 - vi. Safety equipment
 - vii. Barricades
 - viii. Ladders
 - ix. Specialty Tools
11. This Subcontractor is responsible to meet all ADA and Life Safety requirements within this Subcontractors scope of work. Research on behalf of this Subcontractor must be made to ensure all requirements are met; any expenses due to ADA changes will be at the expense of this Subcontractor.
12. This Subcontractor is responsible for the removal of opening covers for this scope of work. If cover is removed and the opening is not filled it is the responsibility of the Subcontractor to reinstall cover.
13. The Subcontractor agrees to the following unit/alternate prices, which include all delivery, hoisting, supervision fringes, equipment, travel time, insurance, taxes (if applicable), bonds (if applicable), overhead and profit for the Work if ordered in writing by the Contractor.
14. List out labor rates.
15. List out material rates (if applicable).
16. List out an equipment rates (if applicable).
17. List out any other bid unit/alternate prices (if applicable).



EXHIBIT 'B'

INVOICING PROCEDURES

Invoicing procedures described below will be strictly enforced, failure to comply with these mandatory instructions will affect your timely payment.

Submittal Procedure

- Invoice needs to be submitted no later than the 20th of each month.
- If the 20th falls on a holiday or weekend, it must be submitted by the prior business day.
- Failure to submit your invoice by this date will automatically forfeit a payment from that draw.
- Invoices must be submitted to:
 invoices@lobergconstruction.com

Invoice Requirements

- Invoices **MUST** contain the following information:
 - Job Number: **25-0160**
 - Subcontractor Cost Code: **SEE EXHIBIT 'A' FOR APPLICABLE COST CODE(S)**
 - Job Name: **Hippo Vet - Peoria, AZ**
 - Address: **23261 N Lake Pleasant Pkwy, Peoria, Arizona 85383**
 - **Your company letterhead including contact information**
 - Your original contract amount
 - Description of the scope of work completed to date.
 - An estimate of the percentage of work completed projecting through the end of the month.
 - The requested dollar amount being invoiced in correlation with the percentage completed.
 - Show a 10% retainage deduction
 - Final total is the check and waiver amount
- Invoices received after the 20th of the month will be listed on the draw for the following month.
- AIA G702/G703 payment applications are acceptable.

Payment Terms

- Payment will be issued within 15 days of General Contractor receiving funds.
- Failure to provide required documentation will delay your payment.
- Required paperwork:
 - Signed contract
 - Certificate of Insurance
 - Current W-9
 - Partial and Final Lien Waivers
 - Close-Out Documents (Vary depending on client, see Exhibit 'A' Scope of Work)

**INVOICES WILL NOT BE PROCESSED OR APPROVED
UNTIL SIGNED SUBCONTRACT AGREEMENT AND COI ARE
RETURNED**



EXHIBIT 'D'

SUBCONTRACTOR AGREEMENT INSURANCE RIDER

Certificate of Insurance must accompany signed contract

(See additional insured's information attached and sample certificate of insurance)

Subcontractors of **Loberg Construction Co.** shall purchase and maintain during the entire project and during the warranty period, insurance with the minimum limits and coverage shown below or, if greater - the requirements set forth in the Contract Documents, from insurance companies acceptable to **Loberg Construction Co.**. Subcontractors Completed Operations coverage to be in force for 10 years or statute of Repose.

GENERAL LIABILITY: Subcontractor shall carry standard ISO General Liability coverage, written on an occurrence basis - including Completed Operations. The coverage must be endorsed to name **Loberg Construction Co.** as an "additional insured" (Form CG2010 11/85 or equivalent – meaning the additional insured coverage form to include work in progress - i.e. ongoing operations and completed work – i.e. Completed Operations) and include the Owner, Architect and others as "additional insured's" as required in the contract documents, for a minimum period of (3) years after the completion of your work. The "Additional Insured" form shall state that this insurance shall be primary without right of contribution from any other insurance available to the "additional insured's" and the amount of the company's liability under this policy shall not be reduced by the existence of such other insurance and coverage shall be maintained for a period of three (3) years after the completion of work. Copy of the additional insured endorsement form is to be attached to the Certificate of Insurance. **Loberg Construction Co.** & Additional Insured's are to be provided a waiver of subrogation.

Each Occurrence	\$1,000,000
General Aggregate - Per Project	\$2,000,000
Products and Completed Operations Aggregate	\$2,000,000
Personal/Advertising Injury	\$1,000,000
Damage to Property of Others	\$100,000
Medical Payments	\$5,000

COMMERCIAL AUTOMOBILE LIABILITY on occurrence basis covering all Owned, Non-Owned and Hired Vehicles for limits of liability equal to \$1,000,000 Combined Single Limit.

WORKER'S COMPENSATION including Occupations Disease insurance meeting the statutory requirements of the State in which work is to be performed, and containing **Employer's Liability** insurance in an amount of \$1,000,000.00 Each Accident / \$1,000,000.00 Disease – Policy Limit / \$1,000,000.00 Disease – Each Employee. Workers Compensation shall waive the rights of subrogation in favor of all additional insureds.

UMBRELLA LIABILITY and/or EXCESS LIABILITY with coverage at least as broad as the underlying policies. The per occurrence and aggregate limits shall be \$5,000,000.



It is understood and agreed that the insurance coverage and limits, required above, shall not limit the extent of Subcontractor's responsibilities and liabilities specified within Contract Documents or by law.

It is understood and agreed that authorization is hereby granted to refuse entry to job site and to withhold payments to Subcontractor until **Loberg Construction Co.** receives a properly executed Certificate of Insurance.

Subcontractor's Insurance Requirements set forth herein shall become and be part of any purchase order or contract issued by **Loberg Construction Co.** to Subcontractor as though fully set forth in said purchase order or contract.

Should Subcontractor fail or neglect to provide the required insurance, **Loberg Construction Co.** shall have the right, but not the duty, to provide such insurance and deduct from any money that may be due or become due to Subcontractor for any and all premium or costs **Loberg Construction Co.** incurs. Equivalent insurance coverage must be obtained from each Sub-subcontractor and Supplier, if any, before permitting them on the site of the project. Otherwise, such insurance for Sub-subcontractors and Suppliers must be included within Subcontractor's insurance policies.

A certificate of insurance form must be filed with **Loberg Construction Co.** prior to the commencement of any work and must state coverage will not be altered, cancelled or allowed to expire without thirty (30) days written notice by certified mail to **Loberg Construction Co.** If any of the above coverages are subject to or are in excess of any deductibles or self-retention, these amounts must be stated on the certificate, and said deductibles and self-retention will be the sole responsibility of Subcontractor. A duplicate certificate and additional insured endorsement shall be sent to: RBN Insurance Services 303 E. Wacker Drive Suite 650, Chicago, IL 60601. Attn: Stephanie Harris



Certificate Holder:

Company Name **Loberg Construction Co.**

Address 311 E. Illinois Avenue

City, State, Zip Palatine, Illinois 60067

Job Address:

Company Name **Hippo Vet - Peoria, AZ**

Address 23261 N Lake Pleasant Pkwy

City, State, Zip Peoria, Arizona 85383

Additional Insured(s):

and the officers, directors, partners, members, managers, agents and employees and any successor or assignee thereof and of any member of such partners, members, managers, officers, agents and employees and any successor or assignee thereof.



EXHIBIT 'E' JOBSITE RULES AND REGULATIONS

The following rules apply to all Loberg Construction Co. jobsites. By accepting & signing the contract you agree to conduct your crew according to the Rules & Regulations described below.

SCHEDULING

All crew schedules and changes to the schedule must be approved by and communicated verbally and in writing to the assigned Loberg Construction Co. Superintendent.

PARKING

Parking is allowed in designated areas only. Illegal parking, parking that obstructs customer traffic, and/or is disruptive to neighboring businesses will not be tolerated. Consult the Loberg Construction Co. Superintendent for any parking concerns.

CONDUCT

The following conduct on a jobsite may result in your crew member to be removed from the site: Foul language, Horseplay, Radio playing and Possession/Use of alcohol or drugs

BREAKS

Breaks should be communicated to the Loberg Construction Co. Superintendent and taken in the designated area. Food and beverages should not be consumed in finished areas of the project, unless approved by the Loberg Construction Co. Superintendent. All refuse and cups must be put in garbage cans following each break. Any items not thrown out will be disposed of by Loberg Construction Co. Superintendent. Portable toilets will be provided for the use of the crew. Existing toilets are not to be used by job site workers at any time unless directed by the Loberg Construction Co. Superintendent.

NO SMOKING POLICY

No smoking is allowed on the jobsite. The Loberg Construction Co. Superintendent will designate a smoking area at least 15 feet from the jobsite and this will be the only area smoking will be allowed. Anyone found smoking on the jobsite will be asked to stop immediately. Recurring infractions may result in the crew member to be removed from the site.

DRESS CODE

Appropriate attire is required. This includes, but is not limited to, proper footwear (construction boots), the use of hard hats, no torn clothing, no offensive language on clothing, and maintaining an overall professional appearance.

SAFETY

All crews must follow OSHA safety guidelines and utilize proper safety gear at all times.



EXHIBIT 'F' SUBCONTRACTOR PROJECT DIRECTORY

**Project #: 25-0160
Name: Hippo Vet - Peoria, AZ
Address: 23261 N Lake Pleasant Pkwy
City, State, Zip: Peoria, Arizona 85383**

Please provide the contact information below for the Team Members assigned to the above referenced project at **your** organization. This is **MANDATORY** for all subcontractors working with Loberg Construction Co. and **MUST** be returned within 48 hours of receipt – Thank You!

COMPANY NAME: Desert Services

ESTIMATOR/ORIGINAL CONTACT

Name:
Email:
Office:
Cell:

PROJECT MANAGER

Name:
Email:
Office:
Cell:

JOB SITE FOREMAN

Name:
Email:
Office:
Cell:

PROJECT ACCOUNTANT

Name:
Email:
Office:
Cell: