

Texas Alliance Group, Inc.

Terms & Conditions of Change Order

1. This agreement supersedes and governs over any and all proposals and other agreements.
2. Subcontractor agrees to immediately commence work when notified by Texas Alliance Group, Inc. (hereinafter TAG) and complete all work in a timely and professional manner.
3. Subcontractor agrees to provide adequate on-site supervision, labor, materials and equipment as required to complete its work in accordance with the posted construction schedule. All Work must be performed by Subcontractor's own labor. Subcontractor is prohibited from subcontracting any portion of the work to others without express written authorization from TAG. Subcontractor agrees to coordinate all work with other trades as not to delay or hinder the progress of this project
4. Subcontractor agrees to obtain and maintain all relevant licenses, trade permits, inspections, etc. as required to complete all its work.
5. Subcontractor shall pay all sales/use taxes, social security, unemployment tax, and all other relevant taxes applicable to labor and materials furnished under this agreement.
6. Subcontractor shall at all times comply with Federal and State Occupational Safety and Health Administration Acts (OSHA). Subcontractor shall reimburse TAG for any fines or losses incurred in connection with work covered by this agreement.
7. Subcontractor shall daily clean and remove from the premises all it's packaging, excess materials, trash and debris.
8. Subcontractor agrees to indemnify and hold harmless TAG and Owner of any and all liens and/or claims brought by, through or under subcontractor in connection with this agreement. Upon request, subcontractor agrees to immediately provide a status of account and/or a Final Unconditional Waiver of Lien from all its vendors, creditors, and subcontractors prior to receiving payment from TAG.
9. If Subcontractor fails to comply with this agreement, TAG reserves the right to take whatever actions deemed necessary to complete the subcontractor's contractual obligations at the subcontractor's sole expense. Subcontractor agrees that twenty-four (24) hours written notice constitutes final and adequate notification of breach. Subcontractor's failure to comply with this, or any other agreement with TAG, including other projects, shall be considered a failure to comply with this agreement, and all other agreements with TAG.
10. Subcontractor agrees that all claims, disputes and other matters in question arising out of or relating to this agreement or the breach thereof shall be decided by binding arbitration in Houston, Harris County, Texas in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association.
11. Lien waiver forms will be sent with the Purchase Order. An executed lien waiver for the amount of the invoice must be included with all payment requests and not altered in any fashion. Lien Waiver must be signed and notarized by the owner or an officer of the company.
12. All invoices will be paid Net 30 days within the pay period following receipt, provided that payment has been made in respect thereto by owner to TAG. TAG will only accept original invoices received in the corporate office. All invoices must clearly note the project name, location and work performed. All change orders must be invoiced separately. All invoices must be received within 90 days of completion of work. Subcontractor agrees to provide TAG with a valid certificate of insurance, executed Unconditional Lien Waivers and a Federal ID # prior to receiving payment from TAG. TAG holds retainage until work has been accepted by Owner and all final documents have been received from Subcontractor, including Final Unconditional Release of Lien.
13. **Without exception, TAG Superintendents are not authorized to issue/approve Change Orders. Do not commence any additional work without prior written receipt of a change order executed by a TAG Project Manager. Change Orders will not be paid without an executed Change Order issued prior to the commencement of extra work.**
14. All required submittals, shop drawings, as built drawings, warranties, maintenance and operating manuals, calculations, air balance reports, photographs of stored materials, etc. must be received prior to the release of payment.
15. **INSURANCE REQUIREMENTS:** Subcontractors must furnish evidence of current \$1,000,000 general liability, \$1,000,000 auto liability, and \$1,000,000 umbrella and workers compensation including employers' liability coverage. TAG, its officers, directors, and employees are to be covered as an additional insured, including coverage for both ongoing and completed operations, under the Subcontractor's general liability utilizing form GC 20 10 11 85 (or CG 20 10 10 01 plus GC 20 37 10 01) or equivalent language, auto liability and umbrella policies. Such additional insured coverage shall be primary and non-contributing with insurance provided by TAG. All policies shall be endorsed with a waiver of subrogation clause in favor of TAG and give TAG 30 days' notice of cancellation or material change. The specific project name and location must be clearly listed on each certificate of insurance.
16. **INDEMNITY AGREEMENT: SUBCONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS TAG FROM AND AGAINST ALL CLAIMS, LOSSES, DAMAGES, DEMANDS, INJURIES, JUDGMENTS, CAUSES OF ACTION, SUITS, SETTLEMENTS AND LIABILITIES OF EVERY KIND (INCLUDING WITHOUT LIMITATION LITIGATION COSTS, COURT COSTS AND ATTORNEYS' FEES), FOR BODILY OR PERSONAL INJURIES TO ANY PERSON (INCLUDING DEATH), FOR DAMAGES TO OR DESTRUCTION OF PROPERTY (INCLUDING THE WORK ITSELF), AND FOR ECONOMIC LOSS, WHETHER BROUGHT OR ASSERTED BY A PARTY OR PERSON INVOLVED WITH THE PROJECT OR ANOTHER THIRD PARTY OR PERSON, TO THE EXTENT CAUSED BY THE NEGLIGENCE, GROSS NEGLIGENCE, BREACH OF CONTRACT OR WARRANTY, VIOLATION OF STATUTE, RULE OR REGULATION OR OTHER ACT OR OMISSION OF SUBCONTRACTOR, ITS EMPLOYEES OR AGENTS, OR OTHER PARTY FOR WHOSE ACTS SUBCONTRACTOR IS LIABLE, IN ANY MANNER ARISING FROM THE WORK OF OPERATIONS PERFORMED HEREUNDER OR IN CONNECTION HERewith.**