

QUOTATION AND AGREEMENT GENERAL TERMS AND CONDITIONS

The Quotation and Agreement between Owner and Telfer Pavement Technologies, LLC (“Contractor”) shall be subject to all of the following terms and conditions:

I. AGREEMENT

The labor, equipment, materials and/or services (“Work”) to be performed by Contractor is/are described in the Quotation and Agreement, and shall be performed in accordance with the terms of the Quotation and Agreement and these Quotation and Agreement General Terms and Conditions, including any exhibits or schedules hereto, and any written addenda, amendments or change orders, all of which together form the agreement between the parties (the “Agreement”). The Agreement represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representation or agreements, either written or oral.

II. PERFORMANCE OF THE WORK

The Contractor shall furnish all labor, materials, equipment and services necessary to perform the Work in good and workmanlike manner.

Any changes to the Agreement shall be approved by both parties in writing.

It shall be the Owner’s responsibility to furnish Contractor’s main office with the most current set of approved plans and specifications, if any. Owner further shall advise Contractor, prior to execution of the Agreement, whether prevailing wages or other wage rates other than those ordinarily paid by Contractor will be required to be paid on the Project. If Contractor’s price as set forth in the Agreement was not expressly based upon prevailing wages or other required wage rates, then Contractor shall be entitled to a change order for the cost to comply with prevailing wage or other wage rate requirements.

III. FAILURE TO PAY

Should Owner fail to pay Contractor the moneys called for under the Agreement when they become due, then such unpaid sum shall bear interest at the maximum legal rate until payment in full has been received. In the event that it becomes necessary for Contractor, by lien or other action, to enforce collection of any amount payable by Owner hereunder, Owner agrees to pay Contractor all necessary expenses, including attorney’s fees, incurred by Contractor in the institution and prosecution of such action.

IV. COMMENCEMENT; COMPLETION

Contractor shall complete the Work within the agreed time (the “Contract Time”), provided, however, that neither party shall be responsible for delays due to causes arising from strikes, riots, inclement weather, fire, earthquake, war measures of the United States or other governments, or contingencies beyond their control. If Contractor is obstructed or delayed in the prosecution of completion of the Work due to any of: (i) neglect, delay, or fault of any other contractor having a contract with Owner for adjoining or contiguous work; (ii) abnormal weather conditions, or (iii) any delay on the part of Owner in furnishing materials or sites for the Work, or any delay not the fault of Contractor, then in any such event, Owner shall have no claim for damages for any such cause or delay, and Contractor shall be entitled to an extension of the Contract Time which is reasonable under the circumstances, and Contractor shall receive reasonable compensation for such delay.

V. WARRANTY

Contractor warrants that for a period of one (1) year from the date of substantial completion of the Work (the “Warranty Period”), the Work will be free from defects in workmanship or materials. Contractor shall correct defective Work at Contractor’s expense provided notice of such defective Work is given to Contractor within the Warranty Period. In no event shall Contractor be required to correct conditions caused by Owner, third parties or acts of God. Contractor shall be provided with seventy-

two (72) hours written notice prior to any work or repair related to a potential back charge to the Contractor.

VI. INSURANCE

Contractor has general liability and workers compensation insurance and will furnish a Certificate of Insurance in evidence of same.

VII. HAZARDOUS MATERIAL AND SUBSIDENCE

Owner agrees to defend, indemnify and hold Contractor and Contractor's directors, officers, employees, agents and affiliates harmless from any and all claims, damages, costs or liabilities arising out of or related to any Hazardous Materials that were present at, on or under the property prior to the commencement of the construction of the Work or that are thereafter introduced to the site by persons other than Contractor or any of its subcontractors, suppliers or vendors, regardless of tier. "Hazardous Materials" means any and all pollutants, toxic materials, gaseous emissions or substances, or other hazardous materials (including, without limitation, substances such as lead, PCB's, hydrocarbons, or asbestos).

VIII. TERMINATION

The Agreement may be terminated by Contractor in the event that Owner breaches any provision of the Agreement; files a petition in bankruptcy or is adjudged bankrupt; fails to make timely payment of Contractor's invoice(s); fails to provide access to the Project during the Contract Time; or if the Work is stopped for a period of thirty (30) calendar days for any reason other than Contractor's default. Upon the occurrence of any of the foregoing, Contractor may give written notice of termination to Owner stating the reason for termination, and if Owner does not remedy or cure the matter specified in the notice, within five (5) days from the date of such notice, the Agreement shall terminate, and all monies due to Contractor shall become immediately payable.

IX. NOTICES

All notices permitted or required to be given hereunder shall be in writing and given in person, or by certified mail, return receipt requested, or by overnight delivery service to Owner or Contractor, as the case may be, at the address set forth on the first page of the Quotation and Agreement.

X. RISK AND RESPONSIBILITY FOR WORK

Owner shall have the risk of damage or loss to the Work or any portion thereof from all causes except to the extent resulting from the actions or omissions of Contractor, its employees, agents or subcontractors.

XI. LAW GOVERNING

Regardless of the place of contracting, place of performance, or otherwise, the Agreement shall be governed by the law of the State of California. Any actions or proceedings to enforce the Agreement shall be filed in the county where the project is situated.

XII. ENFORCEMENT.

In the event either party retains the services of legal counsel in connection with any legal proceeding to enforce such party's rights or the other party's obligations pursuant to the Agreement, the prevailing party and such proceeding shall be entitled to recover its reasonable attorney fees and litigation expenses incurred in connection with such efforts.

CONTRACTORS ARE REQUIRED BY LAW TO BE LICENSED AND REGULATED BY THE CONTRACTOR'S STATE LICENSE BOARD, WHICH HAS JURISDICTION TO INVESTIGATE COMPLAINTS AGAINST CONTRACTORS, IF A COMPLAINT REGARDING A PATENT ACT OR OMISSION IS FILED WITHIN FOUR (4) YEARS OF THE DATE OF THE ALLEGED VIOLATION. A COMPLAINT REGARDING A LATENT ACT OR OMISSION PERTAINING TO STRUCTURAL DEFECTS MUST BE FILED WITHIN 10 YEARS TO THE DATE OF THE

ALLEGED VIOLATION. ANY QUESTIONS CONCERNING A CONTRACT MAY BE REFERRED TO THE REGISTRAR, CONTRACTOR'S STATE LICENSE BOARD, P.O. BOX 26000, SACRAMENTO, CALIFORNIA 95826.