Construction Contract

1. Parties, project and property

1.1 Date and parties. This Construction Contract is made on **[Contract date: _____]** between **[Owner's full legal name: _____]**, [Owner's entity type or status: _____], with a mailing address at [Owner's mailing address: _____] (the "Owner"), and **[Contractor's legal name: _____]**, [Contractor's entity type: _____], with a business address at [Contractor's business address: _____] (the "Contractor"). The Owner and the Contractor are each a "Party" and together the "Parties".

1.2 Project. The Owner engages the Contractor to build the following project: **[Project description: _____]** (the "Project"). The Project is privately owned and funded. If it becomes a public work, or takes public money that brings bond, wage or procurement rules, the Parties will amend this Contract before the affected Work goes on.

1.3 Property. The Project is located at **[Site street address: _____]**, in [County of the site: _____] County, [State of the project: _____], described as [Legal description of the site: _____] (the "Site"). The "Project State" is [State of the project: _____].

1.4 Ownership. The Owner states that it owns the Site or holds an interest that allows the Work, and that the record owner is [Record owner of the site: _____]. If the Owner is not the record owner, it will give the Contractor the record owner's written consent before the Work starts.

1.5 Authority. Each person who signs for a Party states that he or she has authority to bind that Party. The Owner's representative is [Owner's representative: _____]. The Contractor's representative is [Contractor's representative: _____]. A representative may give instructions, approvals and notices for the Party, but only the people named in Schedule E may sign a Change Order.

1.6 Design professional. The architect or engineer for the Project, if any, is [Architect or engineer: _____] (the "Design Professional"). The Design Professional does not become a Party and cannot change the Contract Price or the Contract Time.

2. Contract documents and order of precedence

2.1 Contract Documents. The contract between the Parties consists of:

(a) signed Change Orders and other signed amendments, the latest first;

(b) this Construction Contract, Sections 1 to 41;

(c) Schedules A to G;

(d) the specifications listed in Schedule A;

(e) the drawings listed in Schedule A; and

(f) the Contractor's proposal, only to the extent Schedule A lists it.

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Together they are the "Contract Documents" or this "Contract".

2.2 Order of precedence. If the Contract Documents conflict, the document higher in the list above controls. In the drawings, figured dimensions control over scaled ones, and large-scale details control over small-scale ones. Work shown in one Contract Document and not in another is required as if shown in both, if it is reasonably inferable as needed for the intended result.

2.3 Review by the Contractor. Before it starts each part of the Work, the Contractor will compare the Contract Documents with one another and with the conditions it can see at the Site. It will report in writing, within 3 business days after discovery, every error, omission, conflict or departure from code that it finds or that it should reasonably have found with ordinary diligence. The Contractor reviews as a builder and not as a design professional.

2.4 Responsibility for design. The Owner is responsible for design documents that it or the Design Professional supplies. The Contractor does not warrant those documents. The Contractor is responsible for design only where Schedule A says that it supplies design, and it will then use a professional licensed in the Project State. A Contractor that goes ahead knowing of an unreported defect bears the cost that a timely report would have avoided.

2.5 Interpretation questions. A Party may ask for a written interpretation. The Owner, or the Design Professional for it, will answer within 7 days after a written request. If the answer changes the Work, Section 15 applies.

2.6 Supplied documents. The Owner will give the Contractor a complete set of the current drawings and specifications. The Contractor will keep one current marked set at the Site.

3. Definitions

3.1 Defined terms. In this Contract:

(a) "Applicable Law" means every federal, state and local statute, code, ordinance, regulation, permit and lawful order that applies to the Work, the Site or a Party.

(b) "Business Day" means a day other than a Saturday, a Sunday or a legal holiday in the Project State. "Day" without more means a calendar day.

(c) "Change Order" means a written change signed by both Parties under Section 15.

(d) "Contract Price" means the amount in Section 8, as changed by Change Order. "Contract Time" means the period in Section 7, as changed by Change Order.

(e) "Defective Work" means Work that does not meet the Contract Documents, Applicable Law or the warranty in Section 26.

(f) "Final Completion" means that all Work is complete, every punch list item is corrected, and the conditions in Section 13.5 are met.

(g) "Hazardous Material" means a substance regulated by Applicable Law as hazardous or toxic, including lead-based paint, asbestos, polychlorinated biphenyls and petroleum products.

(h) "Lender" means a lender that finances the Project and that Schedule B names.

(i) "Subcontractor" means a person that performs part of the Work under an agreement with the

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Contractor or with another Subcontractor. "Supplier" means a person that furnishes materials or equipment for the Work.

(j) "Substantial Completion" means that the Work, or an agreed part, is complete enough under the Contract Documents for the Owner to occupy or use it for its purpose, with only minor punch list items left, and that each governmental approval needed for lawful occupancy has been issued, except an approval withheld for a reason outside the Contractor's responsibility.

(k) "Work" means all labor, materials, equipment, supervision, services and related items needed to complete the scope in Schedule A.

3.2 Reading rules. "Including" means including without limitation. Headings are for convenience. "Written" includes email where Section 37 allows it. A reference to a law includes its amendments.

4. Scope of work and exclusions

4.1 Work included. The Contractor will perform the Work described in Schedule A and will complete the Project in accordance with the Contract Documents. The Contractor supplies and pays for all labor, supervision, materials, equipment, tools, temporary utilities, transport, storage and disposal that the Work needs, except items Schedule A assigns to the Owner.

4.2 Standard of work. The Contractor will perform in a good and workmanlike manner, with the skill and care of experienced contractors on similar projects in the area of the Site, and in accordance with the manufacturer's written instructions and Applicable Law. All materials will be new unless Schedule A says otherwise.

4.3 Exclusions. The Work does not include the items listed as exclusions in Schedule A. An item that is neither listed nor excluded is included if it is reasonably inferable from the Contract Documents as needed for a complete and working result.

4.4 Means and methods. The Contractor controls and is responsible for construction means, methods, techniques, sequences, procedures and coordination. The Owner may inspect, but it does not direct the Contractor's employees.

4.5 No extra work without a Change Order. The Contractor is not obliged to perform, and the Owner is not obliged to pay for, work outside Schedule A unless Section 15 is followed, or the work is an emergency under Section 23.6.

4.6 Owner's other contractors. If the Owner uses separate contractors at the Site, the Owner will coordinate them with the Contractor's schedule. The Contractor will allow them reasonable access and will report visible defects in their work that affect its own.

5. Contractor license, standing and status

5.1 License and registration. The Contractor states that, on the date of this Contract, it holds every license and registration that the Project State and its localities require for the Work, including license or registration number **[Contractor license or registration number: _____]** issued by [License agency: _____], class [License class or type: _____], with an expiration date of [License expiration date: _____].

5.2 Continuous standing. The Contractor will keep each required license and registration active, in the

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correct class and in its exact legal name, from the date of this Contract until Final Completion and during warranty work. It will notify the Owner within 2 Business Days if a license expires, or is suspended, limited or revoked, and will stop the affected Work until it is lawful to go on.

5.3 Subcontractor licenses. The Contractor will use only Subcontractors that hold each license required for their part, and will give the Owner their license numbers on request.

5.4 Experience and capacity. The Contractor states that it has the experience, staff and financial capacity to perform, and that no pending claim, judgment or tax lien known to it would materially affect performance, except as disclosed in writing before signing.

5.5 Independent contractor. The Contractor is an independent contractor. Neither it nor its personnel are employees, partners or agents of the Owner. The Contractor pays its own wages, payroll taxes, benefits, workers' compensation and income taxes.

5.6 Complaint information. The state agency that takes complaints about contractors, its telephone number and website, are: [State agency for complaints: _____]. Schedule G adds the specific complaint statement that the Project State requires, if any.

6. Owner responsibilities, site access and evidence of financing

6.1 Information. Before the Work starts, the Owner will give the Contractor the surveys, soil reports, utility records, easements, association rules and known Hazardous Material reports that it holds for the Site. The Contractor may rely on the Owner's survey of boundaries and on information the Owner says is accurate, but not on opinions in a report that says otherwise.

6.2 Site access. The Owner will give access to the Site from [Date of site access: _____] during [Working hours: _____] on working days, with space for parking, storage, toilets and deliveries as shown in Schedule A. The Owner will keep occupants, pets and valuables away from the work area.

6.3 Utilities. The Owner will provide water and electricity at existing points for the Work without charge, unless Schedule A says otherwise.

6.4 Evidence of financing. Before the Work starts, the Owner will give reasonable evidence that it has funds or a loan commitment to pay the Contract Price. The Contractor may ask again in writing if the Owner misses a payment, if a change raises the Contract Price materially, or if the Contractor identifies a reasonable concern in writing. The Owner will answer within 10 Business Days. If it does not, the Contractor may suspend after 10 days' more written notice.

6.5 Recorded notices. The Owner will record, post and deliver each owner's notice that the Project State requires before work begins, such as a notice of commencement, and will give the Contractor a copy with the recording information. The Contractor will cooperate and will supply its details.

6.6 Decisions. The Owner will make selections and answer written questions by the dates in Schedule C, or within 5 Business Days where no date is stated. A late answer that delays critical Work is an excusable delay under Section 17.

6.7 Defects noticed. If the Owner becomes aware of a defect or error in the Work or the Contract Documents, it will promptly tell the Contractor in writing. A failure to do so does not waive the Owner's rights unless it causes prejudice, and then only to that extent.

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6.8 Right to stop or carry out work. If the Contractor does not correct Defective Work or persistently fails to follow the Contract Documents, the Owner may give a written order to stop the affected Work until the cause is removed. If the Contractor does not begin to correct the failure within 7 days after a further written notice, the Owner may correct it and deduct the reasonable cost, without giving up any other remedy.

7. Contract time, schedule and milestones

7.1 Start. The Contractor will start the Work on **[Planned start date: _____]**, or within 7 days after the last of these events, whichever is later: permits are issued, Site access is given, the deposit is paid, evidence of financing is provided, and any legal cancellation or rescission period has ended.

7.2 Completion dates. The Contractor will achieve Substantial Completion by **[Substantial completion date: _____]** and Final Completion within [Days from substantial to final completion: _____] days after Substantial Completion, subject to Section 17. These dates and any milestone dates in Schedule C form the Contract Time.

7.3 Importance of time. Time limits in this Contract are of the essence. The Owner agrees that the Contract Time is reasonable for the Work, and the Contractor agrees that it has allowed for ordinary weather, ordinary supply times and other reasonably foreseeable conditions.

7.4 Schedule. Within 10 days after signing, the Contractor will give the Owner a schedule that shows the order of the Work, milestone dates, submittals, Owner decisions and the critical path. It will update the schedule at least monthly and whenever a Change Order alters the Contract Time. An updated schedule alone does not extend the Contract Time.

7.5 Progress reports and meetings. The Contractor will report progress at least [How often progress is reported: _____], stating work done, work planned, problems, open decisions and forecast completion.

7.6 Recovery. If the Work falls more than 7 days behind a milestone for reasons that do not extend the Contract Time, the Contractor will deliver a written recovery plan within 5 Business Days and carry it out at its own cost.

7.7 Early use. The Owner may occupy or use a completed part before Substantial Completion only by written agreement that records the condition of that part, insurer consent where needed, and responsibility for utilities, security and damage.

8. Contract price, allowances and unit prices

8.1 Contract Price. The Owner will pay the Contractor a fixed price of **[Contract price: _____]** for the Work (the "Contract Price"). It includes all labor, materials, equipment, overhead, profit, insurance, bonds listed in Schedule D, and taxes, except as Schedule B states.

8.2 Breakdown. Schedule B contains a schedule of values that allocates the whole Contract Price to parts of the Work. It is the basis for payment applications. The Contractor will not place a disproportionate share of value on early Work.

8.3 Allowances. Schedule B lists each allowance. An allowance covers the cost of the item delivered to the Site, less trade discounts, including tax. Installation, overhead and profit for the stated allowance are

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in the Contract Price and not in the allowance. When the actual cost is known, the Parties will sign a Change Order for the difference. The Contractor will not exceed an allowance without written consent.

8.4 Unit prices. Where Schedule B states unit prices, payment is for quantities measured in place and confirmed by both Parties. If a final quantity differs from the estimate by more than 20 percent, either Party may ask for an equitable change in the unit price for the quantity above 120 percent or below 80 percent.

8.5 Price certainty. The Contractor has checked the Site and the Contract Documents and takes the risk of ordinary changes in labor and material prices. The Contract Price changes only by Change Order, by an award or judgment, or as this Contract expressly states.

8.6 Alternates. Alternate prices in Schedule B stay open until the date stated there. The Owner accepts an alternate by written notice before that date.

9. Deposit and advance payments

9.1 Amount. On signing, or after any cancellation period ends if Applicable Law so requires, the Owner will pay a deposit of **[Deposit amount: _____]**. The deposit may not exceed the limit the Project State sets for this kind of work. If it does, it is reduced to that limit and the excess is refunded within 5 Business Days.

9.2 Purpose. The deposit is an advance on the Contract Price. The Contractor may use it only for the Project: permits, mobilization, deposits on special-order materials and other costs listed in Schedule B.

9.3 Credit. The deposit is credited as follows: [How the deposit is credited: _____].

9.4 Special-order materials. A payment for materials before installation needs a written request with the purchase order, proof of payment or a supplier's invoice, the storage place, proof of insurance and a document that passes title to the Owner when paid.

9.5 Refund. If this Contract ends before the deposit is earned, the Contractor will refund the unearned part within 10 Business Days, with an itemized account. If a legal cancellation right is used, the refund period and amount set by that law control.

9.6 Trust or escrow duties. If Applicable Law makes a deposit or progress payment trust money, or requires a bond, separate account or escrow, the Contractor will comply.

10. Applications for payment and progress payments

10.1 Progress payments. The Owner will make progress payments for Work completed, by the [Payment method: _____] method: either monthly by percentage complete, or on completion of each milestone in Schedule B. Schedule B states the dollar amount or method and the stage of construction for each payment.

10.2 Application. On or before day [Monthly billing day: _____] of each month, or on reaching a milestone, the Contractor will send an application for payment that states:

(a) the percentage or milestone complete for each line of the schedule of values;

(b) approved Change Orders;

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(c) stored materials, with proof under Section 9.4;

(d) earlier payments and retainage; and

(e) the amount due.

It will attach the lien documents in Section 14 and the documents in Schedule F.

10.3 Review. Within 7 days after a complete application, the Owner will approve it, or will approve the undisputed part and give a written, itemized statement of what it disputes, why, and what would cure it. If the application is incomplete, the Owner will identify the missing items within the same period. An application not disputed in that period is treated as approved for payment timing, but not as acceptance of the Work.

10.4 Due date. The Owner will pay each approved amount within **[Days to pay an approved application: _____] days** after it receives a complete application, or within the shorter period that Applicable Law sets. Nothing in this Section extends a prompt payment deadline that cannot be extended.

10.5 Contractor's certification. By each application the Contractor states that the Work billed is complete to the extent claimed, conforms to the Contract Documents, and that earlier payments were used to pay Subcontractors and Suppliers for the Work they covered, except amounts withheld in good faith and disclosed.

10.6 Payment downstream. The Contractor will pay each Subcontractor and Supplier its share within the period Applicable Law sets or, if none, within 7 days after it receives payment. The Owner may ask the Contractor for proof of payment.

10.7 No acceptance by payment. A payment, inspection or occupancy does not accept Defective Work or waive a claim.

10.8 Title on payment. Title to Work and materials passes to the Owner when the Owner pays for them, free of liens by the Contractor and those claiming through it, or when they are incorporated in the Project if earlier.

11. Retainage

11.1 Retainage. The Owner may keep back **[Retainage percentage: _____] percent** of each progress payment as retainage until it is due under this Section, but never more than the maximum that Applicable Law allows for this Project. If the stated percentage is above the limit, the limit applies.

11.2 Reduction. When the Work is 50 percent complete and progress is satisfactory, the Parties may agree in writing to stop or reduce further retainage.

11.3 Release. Within [Days to release retainage: _____] days after Substantial Completion, or earlier if Applicable Law requires, the Owner will release retainage, less 150 percent of the reasonable cost to finish punch list items and less amounts that Section 12 lets it withhold, or less only the smaller amount Applicable Law permits. The balance is due with final payment.

11.4 Accounts and interest. If Applicable Law requires an escrow account, interest, a bond in place of retainage, or notice, the Owner will comply. The Contractor may offer substitute security where that law gives the right.

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11.5 Statutory reserves. If Applicable Law requires the Owner to reserve a percentage of the Contract Price for lien claimants, the Owner will reserve it in addition to or in place of retainage as that law states, for the stated time. Reserved funds are not a default.

11.6 Subcontractors. The Contractor will not hold a higher percentage from a Subcontractor than the Owner holds for that Subcontractor's work.

12. Withholding, late payment interest and suspension for nonpayment

12.1 Grounds for withholding. The Owner may withhold from a payment, to the extent Applicable Law allows, a reasonable amount for:

(a) Defective Work not corrected;

(b) third-party claims or liens caused by the Contractor, or reasonable written evidence that one will be filed, unless bonded;

(c) failure to pay Subcontractors, Suppliers or wages when due;

(d) reasonable evidence that the Work cannot be finished for the unpaid balance;

(e) damage the Contractor caused to the Owner or a separate contractor; and

(f) liquidated damages that have accrued, or a missing insurance certificate or lien document.

12.2 Notice and release. The Owner will give written notice of each withholding, with the reason and amount, within the time that Applicable Law sets. The Owner will pay the withheld amount within 7 days after the reason is cured.

12.3 Late payment interest. An amount not paid when due bears simple interest at **[Late payment interest rate: _____]** from the due date until paid, or at the rate that Applicable Law requires if that rate is mandatory. Interest may never exceed the lawful maximum.

12.4 Suspension for nonpayment. If an undisputed amount is not paid when due, the Contractor may give the Owner and each Lender written notice that it will suspend. If the amount is not paid within 10 days after the notice, the Contractor may suspend the Work until it is paid, unless Applicable Law sets another procedure. The Contract Time is extended by the suspension and a reasonable time to restart, and the Contract Price is increased by the reasonable cost of shutdown and restart. The Contractor will secure the Work before it leaves.

12.5 Duty to keep working. Except for a suspension under Section 12.4 or another that this Contract or Applicable Law allows, the Contractor will keep working and the Owner will keep paying undisputed amounts during a dispute.

13. Substantial completion, punch list and final payment

13.1 Request. When the Contractor believes that the Work is substantially complete, it will ask for an inspection and give the Owner a list of items to finish or correct.

13.2 Inspection and certificate. Within 5 Business Days the Parties, and the Design Professional if any, will inspect. If the Work is substantially complete, they will sign a certificate that states the date of Substantial Completion, the punch list with a value for each item, the dates to finish and the transfer of

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utilities, security and insurance. If it is not, the Owner will list the reasons in writing, and the Contractor will finish and ask again.

13.3 Punch list. The Contractor will complete the punch list by the dates in the certificate. An omitted item does not release the Contractor from its duty to finish the Work. The Owner will give reasonable access.

13.4 Effects of Substantial Completion. On that date the warranty period starts, liquidated damages stop for the certified Work, and retainage is released as Section 11 states.

13.5 Final payment. The Owner will make final payment, including remaining retainage, within [Days to final payment: _____] days after all of the following, or within the shorter period that Applicable Law sets:

(a) the punch list is complete and final inspections have passed;

(b) the Contractor has given each certificate of occupancy or completion that is its responsibility;

(c) the Contractor has given final lien documents under Section 14;

(d) the Contractor has given warranties, manuals, keys, record drawings and spare parts in Schedule A; and

(e) the surety, if any, has consented in writing.

13.6 Effect of final payment. Final payment waives the Owner's claims except those for Defective Work discovered later, liens, warranty, indemnity, insurance, unsettled claims and rights that cannot be waived. Acceptance of final payment waives the Contractor's claims except those made in writing and identified as unsettled at the time of the final application, and rights that cannot be waived.

14. Lien waivers and liens

14.1 Conditional waiver with each payment. With each application the Contractor will give a conditional lien waiver, on the form the Project State requires, for itself and, if the Owner requests, for each first-tier Subcontractor and Supplier whose work is billed. A conditional waiver takes effect only when the claimant actually receives the payment it covers.

14.2 Unconditional waiver. After a payment clears, the Contractor will give an unconditional waiver for the amount and period paid, on the required form, before the next application.

14.3 No advance waiver. Nothing in this Contract requires the Contractor, a Subcontractor or a Supplier to waive a lien right, bond claim or right to payment before payment for the labor or materials it covers. A clause that Applicable Law would treat as an advance waiver has no effect.

14.4 Notices to owner. The Contractor will give the Owner, with each application, a list of the persons that have served a preliminary notice or notice to owner and the amount each is owed. The Owner may require a written release from each person that has given such a notice before it pays the amount attributable to that person's work.

14.5 Discharge of liens. If the Owner has paid the amounts then due and a Subcontractor, Supplier or laborer records a lien for Work, the Contractor will, within 15 days after written notice, release it, bond it off or otherwise discharge it at its cost. If it does not, the Owner may do so and charge the reasonable

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cost, including reasonable attorney's fees where Applicable Law allows.

14.6 Lien rights kept. This Section does not limit a lien or a deadline to record one that Applicable Law gives the Contractor. The Contractor will give the notices that the Project State requires.

15. Change orders and claims

15.1 Change Orders. The Owner may order changes in the Work within the general scope of the Project. No change to the Work, Contract Price or Contract Time is effective unless a Change Order in the form of Schedule E, signed by both Parties before the change is performed, states the change and its effect on price and time.

15.2 Proposal. Within 7 days after a request for a change, the Contractor will give a written proposal with labor, materials, equipment, subcontract cost, markup and schedule effect. A lower price for omitted Work is calculated in the same way.

15.3 Pricing. A change is priced by, in this order: agreed lump sum, unit prices in Schedule B, or actual reasonable cost plus [Markup for changes: _____] for overhead and profit. The Contractor will keep daily records of time and materials for cost-based work and give them to the Owner each week.

15.4 Written directive. If the Parties cannot agree on price or time, the Owner may issue a signed written directive that orders the change within the general scope. The Contractor will perform it and the Owner will pay the undisputed part of its reasonable cost with each application. Either Party may make a claim for the rest.

15.5 Claims. A Party that seeks more money, more time or another remedy will give written notice of claim within [Days to give notice of a claim: _____] days after it first knew, or should have known, of the event. The notice states the facts and the remedy sought. Full cost and schedule support follows within 21 days after the notice. A late notice bars a claim only to the extent that the delay prejudiced the other Party and Applicable Law allows.

15.6 Minor changes. The Owner may order in writing a minor change that does not alter price, time, or appearance of the Work materially. If the Contractor believes it does alter them, it will say so before it performs the change.

15.7 Records of oral instructions. If the Owner gives an oral instruction, the Contractor will confirm it by email before performing it and state the effect on price and time. The confirmation is not a Change Order until the Owner signs or replies in writing with clear acceptance.

16. Differing and concealed site conditions

16.1 Notice. The Contractor will notify the Owner in writing, before the conditions are disturbed and within 3 Business Days after discovery, if it finds:

(a) concealed or subsurface physical conditions that differ materially from those the Contract Documents show; or

(b) unknown physical conditions of an unusual nature that differ materially from those ordinarily found in Work of this kind.

16.2 Investigation. The Owner will inspect within 5 Business Days. If the conditions differ materially

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and change the cost or time of the Work, the Parties will sign a Change Order that equitably adjusts the price and time. If the Owner disagrees, it will give written reasons, and the Contractor may make a claim under Section 15.

16.3 No adjustment. The Contractor has no claim for a condition that it knew of before signing, or that a reasonable inspection of accessible parts of the Site and the documents it was given would have shown. It also has no claim if it disturbed the condition without notice, to the extent that the Owner was prejudiced.

16.4 Utilities. Before any excavation the Contractor will ask the utility companies or owners, through the state one-call service where there is one, to locate underground installations, and will wait for the locates. It will expose utilities with care and report a conflict at once. Damage to an installation properly marked is at the Contractor's cost. Damage to an installation that was not marked or shown despite a proper request is treated as a concealed condition.

16.5 Remains and artifacts. If human remains, burial markers or archaeological objects are found, the Contractor will stop the affected Work, protect the area and notify the Owner and the proper authority.

17. Excusable delay and extensions

17.1 Excusable delay. The Contract Time is extended by the number of days that critical Work is delayed by an event beyond the Contractor's control and not caused by the fault of the Contractor or its Subcontractors, including acts of God, fire, flood, unusually severe weather, epidemic, war, terrorism, civil disorder, government order, utility failure, strike not limited to the Contractor's own personnel, and an unforeseeable shortage of materials with no reasonable substitute.

17.2 Compensable delay. The Owner's own acts, such as late access, late decisions, interference, suspension or defective Owner-supplied documents, also extend the Contract Time. They entitle the Contractor to the direct cost of the delay, which includes reasonable extended general conditions and excludes the losses that Section 31 waives.

17.3 Weather. Bad weather is unusually severe only if it exceeds the average for the month at the nearest official weather station over the previous 5 years and it delays critical Work. The Contractor will attach the weather record and its daily log.

17.4 Notice and mitigation. The Contractor will give notice of a delay within the period in Section 15.5 and will take reasonable steps to reduce it. Concurrent delay for which the Contractor is also responsible gives time but not money for the overlapping days, unless the Parties agree otherwise.

17.5 Extended force majeure. If an event in Section 17.1 stops substantially all of the Work for more than 90 days in a row, either Party may end this Contract by 10 days' written notice while the stoppage continues. Payment then follows Section 33.2, without overhead or profit on Work not performed.

18. Liquidated damages for late completion

18.1 Amount. If the Contractor does not achieve Substantial Completion within the Contract Time, it will pay the Owner **[Liquidated damages per day: _____]** for each day of delay until Substantial Completion. The total may not exceed [Cap on liquidated damages: _____]. If the first field says "None", this Section does not apply, and the Owner may recover its proven direct damages for late completion, subject to Section 31.

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18.2 Reasonable estimate. The Parties agree that the Owner's loss from late completion would be hard to calculate at signing, and that this amount is a reasonable estimate of that loss and is not a penalty. The basis of the estimate is: [Basis for the daily amount: _____].

18.3 Exclusive remedy for delay. Liquidated damages are the Owner's only damages for late Substantial Completion. They do not limit termination, correction of Defective Work, reasonable extra cost to complete or other losses not caused by lateness.

18.4 Relief. No liquidated damages accrue for a day for which the Contractor is entitled to an extension, or after the Owner terminates or takes exclusive use of the whole Work. The Owner may deduct accrued amounts from payments after notice under Section 12.2.

19. Permits, codes, inspections and taxes

19.1 Permits. The Contractor will obtain and pay for building permits, trade permits and inspections, except for the following, which the Owner will obtain and pay for: [Permits the Owner obtains: _____]. Zoning approvals, easements, impact fees and permanent utility connection fees are the Owner's unless Schedule B says otherwise.

19.2 Codes. The Work will comply with Applicable Law. If the Contract Documents require something that violates a code, the Contractor will notify the Owner before performing it. A Contractor that performs Work that it knows to be contrary to code corrects it at its own cost.

19.3 Inspections. The Contractor will schedule each official inspection, give the Owner reasonable notice and correct failed Work. Work covered before a required inspection will be uncovered and restored at its cost.

19.4 Stormwater and grading. If the Project disturbs one acre or more of land, or is part of a larger common plan of development that does, the Contractor will not start ground work until the permit coverage and erosion controls needed are in place. [Party that gets stormwater coverage: _____] will obtain the coverage. Local rules may set a lower threshold.

19.5 Change in law. If a law that was not in force or publicly announced on the signing date changes the cost or time of the Work, the Parties will adjust the Contract by Change Order.

19.6 Taxes. The Contractor pays sales, use, excise and similar taxes on its purchases, unless Applicable Law places the tax on the Owner by law or Schedule B states otherwise. Each Party pays its own income and franchise taxes.

19.7 Tax information. The Contractor will give the Owner a signed Form W-9. If the Owner makes payments in the course of a trade or business, it will file the information returns that the Internal Revenue Service requires for reportable payments.

20. Labor, supervision and employment eligibility

20.1 Supervision. The Contractor will keep a competent superintendent at the Site whenever Work is performed. The superintendent is [Site superintendent: _____]. The Contractor will not replace this person without notice and a replacement of equal skill.

20.2 Personnel. The Contractor will employ only skilled people for their tasks and will remove from the Site a worker who is disorderly, unsafe or not fit for the work, on a reasonable written request from the

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Owner.

20.3 Wages and classification. The Contractor will pay all wages, overtime, taxes and benefits when due, classify workers correctly and comply with employment, nondiscrimination and wage payment law. It will be responsible for wages of its Subcontractors' workers to the extent Applicable Law makes it so.

20.4 Employment eligibility. The Contractor will verify the identity and employment eligibility of each person that it hires to work in the United States, as federal law requires, and will require its Subcontractors to do the same. It will not knowingly employ an unauthorized worker. If the Project State requires E-Verify, it will use it.

20.5 Conduct. Site rules, working hours, noise limits, smoking, and use of the Owner's property follow Schedule A. The Contractor and its people will not enter occupied areas outside the work area without permission.

20.6 Labor harmony. The Contractor will take reasonable steps to avoid labor disputes that delay the Project and will give prompt notice of an actual or threatened dispute.

21. Subcontractors and suppliers

21.1 Subcontracting. The Contractor may subcontract parts of the Work to qualified persons. The principal Subcontractors and Suppliers are: [Principal subcontractors and suppliers: _____]. The Contractor will give written notice of a change in a principal Subcontractor and will not use a person to whom the Owner reasonably objects in writing within 5 Business Days.

21.2 Responsibility. The Contractor is responsible to the Owner for the Work and acts of its Subcontractors, Suppliers and their workers as for its own. A subcontract does not reduce a duty the Contractor owes under this Contract or Applicable Law, including site safety.

21.3 Written subcontracts. Each subcontract will be in writing, require the Subcontractor to perform under the Contract Documents, state a payment period, require the insurance in Schedule D, bind it to the lien, safety, warranty, records and dispute terms that relate to its work, and permit assignment under Section 21.5.

21.4 Payment. The Contractor is responsible for paying its Subcontractors and Suppliers. No contract between the Owner and a Subcontractor exists because of this Contract.

21.5 Contingent assignment. The Contractor assigns each subcontract to the Owner, effective only after termination for cause under Section 32 and only for those that the Owner accepts by written notice. The Owner then assumes obligations that arise after acceptance. The surety's rights come first if a performance bond is in force.

21.6 Subcontractor disclosure. On the Owner's request, the Contractor will give the name, contact details, license number and trade of each Subcontractor.

22. Materials, submittals and substitutions

22.1 Submittals. The Contractor will submit samples, shop drawings and product data listed in Schedule A early enough to allow the Owner 7 days for review. It will check each submittal for field dimensions and coordination before sending it.

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22.2 Review. Approval means that the submittal fits the design intent. It does not relieve the Contractor of errors in dimensions, quantities or means, unless it pointed out a deviation in writing and the Owner accepted it in writing.

22.3 Substitutions. The Contractor will use the brand and model specified. It may propose a substitute in writing with cost, warranty and performance data and the reason. The Owner may refuse. An accepted substitute is recorded in a Change Order, and any saving is shared as stated in that order.

22.4 Long-lead items. The Contractor will order items with long lead times by the dates in Schedule C and tell the Owner at once of a threatened shortage or discontinued item.

22.5 Owner-supplied items. The Owner will deliver listed items by the dates in Schedule C. The Contractor will inspect them on delivery, report visible damage or shortage in 2 Business Days, and then store and install them. The Contractor does not warrant the items themselves but does warrant their installation.

22.6 Ownership and storage. Materials at the Site remain the Contractor's responsibility, under Section 29, until the risk passes. Salvaged materials belong to [Owner of salvaged materials: _____].

23. Site safety, cleanup and protection of work

23.1 Safety responsibility. The Contractor is responsible for safety at the work area, for its own people, its Subcontractors, visitors and the public. The Owner's right to inspect does not shift that duty.

23.2 Program. The Contractor will keep a written safety program, hold regular toolbox meetings, give protective equipment, name a competent person, and carry out frequent and regular inspections of the job site, materials and equipment. It will follow the occupational safety rules that apply, including those for falls, scaffolds, excavations, electrical hazards and silica.

23.3 Incidents. The Contractor will report to the Owner a serious injury, property damage above [Property damage reporting threshold: _____], or a government inspection within 24 hours and will cooperate in the investigation. It remains responsible for reporting to the authorities as law requires.

23.4 Protection. The Contractor will protect the Work, existing structures, trees, utilities and neighboring property from damage, and will restore what it damages. It will barricade openings, secure the Site after hours and protect finished Work from weather and theft.

23.5 Cleanup. The Contractor will keep the Site orderly, remove waste at least weekly, dispose of it lawfully, and on completion leave the Work broom clean with windows, fixtures and floors cleaned. If it does not clean within 3 Business Days after notice, the Owner may do so and charge the reasonable cost.

23.6 Emergencies. In an emergency that threatens people or property, the Contractor will act at its discretion to prevent harm, then notify the Owner and document the work in a change or claim within 3 Business Days.

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24. Hazardous materials: lead and asbestos

24.1 Known materials. The Owner states that known Hazardous Materials at the Site are: [Known hazardous materials: _____]. If the field says "None known", this is a statement of the Owner's actual knowledge, and not a promise about hidden conditions.

24.2 Lead. If the Work disturbs painted surfaces in housing generally built before 1978, or in a child-occupied facility, the Contractor will, unless an exemption applies, hold the needed firm certification from the Environmental Protection Agency or an authorized state, give the required renovation pamphlet, record the written acknowledgment and follow lead-safe work rules.

24.3 Asbestos. Before a demolition or renovation that federal or state asbestos rules cover, the Owner will have the affected area inspected for asbestos by a qualified inspector, and [Party paying for the asbestos survey: _____] will pay for it. The Contractor will not disturb suspected asbestos until the area is cleared. A person licensed to do so will give notices and perform any abatement.

24.4 Unexpected discovery. If the Contractor finds a suspected Hazardous Material that Schedule A does not require it to remove, it will stop the affected Work, secure the area and give notice at once. The Owner will have the material tested, removed or made safe. The Contract Time and Contract Price will be adjusted for the stop and restart.

24.5 Contractor materials. The Contractor is responsible for Hazardous Materials that it or its Subcontractors bring to the Site, and will store, use, label and remove them under Applicable Law.

24.6 Allocation. To the extent allowed by law, the Owner bears the cost of existing Hazardous Materials not disclosed or not caused by the Contractor, except to the extent the Contractor negligently disturbs material after it is identified. The Contractor bears the cost of materials it brings or negligently releases.

25. Inspection, testing and correction of work

25.1 Access to inspect. The Owner, the Design Professional, the Lender and public authorities may inspect the Work at reasonable times, with reasonable notice to the superintendent and subject to safety rules.

25.2 Tests. The Contractor will arrange the tests and inspections that the Contract Documents and Applicable Law require, and will pay for those in Schedule B. If the Owner wants extra tests, it pays, unless a test shows Defective Work.

25.3 Uncovering. The Contractor will not cover Work that the Owner has asked to inspect. If it does, it uncovers and restores at its cost. If the Owner asks to see other covered Work, the Contractor will uncover it. The Owner pays if it conforms, and the Contractor pays if it does not.

25.4 Correction. The Contractor will promptly correct Defective Work found before Final Completion at its cost, including disposal, retesting and damage to other work.

25.5 Accepting non-conforming Work. The Owner may accept Defective Work in writing, with a fair reduction in the Contract Price. Acceptance is limited to the item described.

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26. Warranty

26.1 Warranty. The Contractor warrants to the Owner that materials will be new and of good quality unless the Contract Documents allow otherwise, and that the Work will be free of defects in workmanship and materials and will conform to the Contract Documents. The warranty does not cover damage from abuse, improper use or maintenance by the Owner, normal wear, or alteration by others.

26.2 Correction period. For **[Correction period: _____]** after Substantial Completion, the Contractor will correct Defective Work at its own cost after written notice. The correction period starts again for the corrected item for the same length from the correction date, but not more than [Cap on the extended correction period: _____] after Substantial Completion.

26.3 Response. The Contractor will respond within 5 Business Days after notice, or 24 hours if the defect threatens safety, security or further damage, and will correct it within a reasonable time. The Owner will give access. If the Contractor does not respond, the Owner may correct the defect and recover the reasonable cost, subject to any notice and repair procedure that Applicable Law requires.

26.4 Not the only remedy. The correction period is a duty to repair. It is not a time limit on other warranties or claims, and does not shorten a limitation or repose period.

26.5 Manufacturer warranties. The Contractor will deliver each manufacturer's warranty and assign it to the Owner, and will register products where registration is required. A consumer product supplied with a written warranty will come with the single-document terms that federal law requires.

26.6 Statutory warranties. If Applicable Law gives a warranty for new homes or other improvements that cannot be waived or shortened, it applies in addition to this Section and prevails over any conflicting term.

27. Insurance

27.1 Contractor's insurance. The Contractor will maintain, from the start of Work until Final Completion and for the period stated in Schedule D after it, the coverage and limits in Schedule D, including commercial general liability with products-completed operations, automobile liability, workers' compensation as law requires, and umbrella or excess liability if stated.

27.2 Form. Insurers will be authorized or eligible in the Project State and rated at least [Minimum insurer rating: _____]. To the extent the law and the policy allow, the Owner is an additional insured on the general liability policy for liability caused in whole or in part by the Contractor's acts or omissions, and the Contractor's coverage is primary to the Owner's.

27.3 Certificates. The Contractor will give certificates and requested endorsements before it starts, and renewals before expiry. The Contractor will give at least 10 days' notice of cancellation for nonpayment and 30 days' notice of other cancellation that it receives or learns of.

27.4 Property insurance. [Party that buys builder's risk insurance: _____] will buy builder's risk or equivalent property insurance for the replacement cost of the Work, including materials stored at the Site, that names the Owner, Contractor and Subcontractors as insureds for their interests, for the perils in Schedule D. The Party that buys it pays the premium, and the deductible is paid by [Party that pays the deductible: _____], except to the extent that the loss is caused by the other Party's negligence.

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27.5 Subcontractors. The Contractor will require each Subcontractor to carry the coverage in Schedule D, with limits fit for its work, and collect certificates.

27.6 Effect. Insurance limits do not limit liability. Failure to ask for a certificate does not waive the requirement. The Contractor must not begin Work without the insurance in force.

28. Performance and payment bonds

28.1 Performance and payment bonds. If Schedule D says that bonds are required, the Contractor will deliver, before starting, a performance bond and a payment bond, each for the full Contract Price, issued by a surety authorized in the Project State, in forms acceptable to the Owner. If Schedule D says "None", no bond is required under this Contract.

28.2 Coverage of changes. Bonds cover Change Orders without notice to the surety, to the extent the bond form allows. The Contractor will tell its surety of changes that raise the Contract Price by more than 10 percent.

28.3 Cost. The cost of required bonds is in the Contract Price, unless Schedule B lists a separate line. If the Owner asks for a bond after signing, it pays the reasonable premium by Change Order.

28.4 Default of surety. If the surety becomes insolvent or loses its authority, the Contractor will replace the bond within 10 Business Days.

28.5 Claims. The Owner will follow the notice and claim steps of the bond. Persons paid less than the amounts due may claim under the payment bond as it and Applicable Law allow.

29. Risk of loss, title and waiver of subrogation

29.1 Risk of loss. Until Substantial Completion, or earlier occupancy of a part as agreed in Section 7.7, the Contractor bears the risk of loss or damage to the Work and materials at the Site, except loss that the Owner, its separate contractors or persons under their control cause, or loss insured under Section 27.4 to the extent of available proceeds.

29.2 Repair. After an insured loss, the Contractor will repair or replace the Work if the Owner asks, the proceeds are available and the Parties agree on price and time. The Parties will use insurance proceeds first for that repair, with Lender consent where the loan requires.

29.3 Title. The Contractor states that it will have good title to all materials it delivers, free of security interests other than those arising by law for unpaid amounts.

29.4 Waiver of subrogation. Each Party waives claims against the other, Subcontractors and the Design Professional for damage covered by property insurance that applies to the Work or other property at the Site, to the extent of the insurance proceeds, if the insurer's consent is not needed or has been obtained. This waiver does not apply where a law forbids it.

29.5 Owner's contents. The Owner will insure contents and existing property it keeps at the Site, and the Contractor remains liable for damage it causes negligently, subject to the waiver above.

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30. Indemnification

30.1 Contractor's indemnity. To the fullest extent the law allows, the Contractor will indemnify and hold harmless the Owner and its members, officers and employees from third-party claims, losses, damages and reasonable defense costs for bodily injury, death or damage to tangible property (other than the Work itself) arising from the Work, **but only to the extent caused by the negligence, wrongful act or omission, or breach of contract of the Contractor, its Subcontractors, Suppliers or anyone for whose acts they are responsible**.

30.2 Owner's indemnity. To the same extent and on the same basis, the Owner will indemnify and hold harmless the Contractor from third-party claims to the extent caused by the negligence, wrongful act or omission of the Owner, its separate contractors or anyone for whose acts it is responsible.

30.3 No indemnity for own fault. No Party is obliged to indemnify, defend or hold harmless another for that other's own negligence, sole or concurrent, wrongful act, or breach. Defense costs are shared in proportion to fault found, unless Applicable Law requires otherwise. If a law limits this Section further, the smaller obligation applies.

30.4 Workers' claims. A Party's indemnity under this Section is not limited by a workers' compensation benefit limit only where the law allows, and only by a separate waiver that the Parties sign if the Project State requires one.

30.5 Procedure. The Party that seeks indemnity will give prompt written notice, cooperate and allow the other to control the defense and settlement with counsel reasonably acceptable to both. A settlement that admits fault or imposes a duty on the indemnified Party needs its consent.

30.6 Intellectual property. The Contractor will indemnify the Owner from claims that a method, product or design it selects infringes a patent or copyright, except where the Contract Documents require it. The Owner will do the same for items it specifies.

31. Mutual waiver of consequential damages

31.1 Mutual waiver. The Owner and the Contractor each waive claims against the other for consequential damages that arise from this Contract. For the Owner, they include loss of use, rent, income, profit, financing and business reputation. For the Contractor, they include loss of profit on other work, loss of bonding capacity, home office overhead and loss of business reputation, except anticipated profit that Section 33 expressly allows.

31.2 Not waived. The waiver does not affect liquidated damages under Section 18, direct damages, the cost of correcting Defective Work, the indemnity for third-party claims in Section 30, fraud, gross negligence, willful misconduct, recovery under required insurance, interest, or liability that cannot be limited by law.

31.3 Termination. The waiver continues after the Contract ends.

32. Default, cure and termination for cause

32.1 Contractor default. The Contractor defaults if it:

(a) repeatedly fails or refuses to supply enough skilled workers or proper materials;

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(b) fails to pay Subcontractors, Suppliers or wages as this Contract and Applicable Law require;

(c) persistently disregards Applicable Law, a lawful order or the schedule;

(d) fails to correct Defective Work or keep required licenses, insurance or bonds in force; or

(e) otherwise materially breaches this Contract.

32.2 Cure. The Owner will give written notice that states the default and gives [Days to cure a default: _____] days to cure. If the default cannot reasonably be cured in that time, the Contractor must begin within it and continue diligently. Only 24 hours need be given for a condition that threatens life or property.

32.3 Termination for cause. If the Contractor does not cure in time, the Owner may end this Contract by a second written notice to the Contractor and any surety, take possession of the Site and materials paid for, accept assigned subcontracts and finish the Work by a reasonable method. No further payment is due until the Work is complete.

32.4 Account. If the unpaid balance of the Contract Price exceeds the reasonable cost to finish plus the Owner's recoverable damages, the Owner will pay the Contractor for Work properly performed, up to the excess. If the cost exceeds the balance, the Contractor will pay the difference within 30 days after an itemized statement.

32.5 Bankruptcy. A Party's bankruptcy filing is not, by itself, a ground to terminate where the law makes such a clause unenforceable. A Party may ask for adequate assurance of performance and may use other rights that the law allows.

32.6 Wrongful termination. If a court or arbitrator finds that the Contractor was not in default, the termination is treated as one for convenience under Section 33.

32.7 Owner default. The Owner defaults if it fails to pay an undisputed amount when due, fails to give access or evidence of financing that this Contract requires, or otherwise materially breaches it. The Contractor may then use Section 12.4, Section 33 or other lawful remedies.

33. Termination or suspension for convenience; termination by contractor

33.1 Termination for convenience. The Owner may end this Contract for its convenience, in whole or in part, by 10 days' written notice. On receipt, the Contractor will stop as directed, protect the Work, cancel orders where possible and place no new ones.

33.2 Payment. The Owner will pay, within 30 days after a supported account:

(a) the value of Work completed and materials properly ordered for the Project, under the schedule of values and less earlier payments;

(b) the reasonable cost of demobilization and unavoidable cancellation charges; and

(c) the following termination fee, if any, in place of profit on Work not performed: [Fee on termination for convenience: _____].

33.3 Suspension for convenience. The Owner may suspend the Work by written notice for up to 60 days in total. The Contract Time and Contract Price will be adjusted for the delay and its reasonable direct cost.

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33.4 Contractor termination. The Contractor may end this Contract by 14 days' written notice, with an opportunity to cure, if the Work is stopped for 60 days or more in a row through no act or fault of the Contractor because:

(a) a court or public authority orders a stop;

(b) the Owner does not pay an undisputed amount when due;

(c) the Owner does not give required evidence of financing; or

(d) the Owner suspends the Work beyond the time in Section 33.3.

The Owner then pays the amounts in Section 33.2, and reasonable profit on the Work performed.

33.5 Duties after termination. The Contractor will deliver records, drawings, warranties, keys and permits, transfer assigned subcontracts if the Owner asks, and leave the Site safe. Accrued rights, warranties for Work performed and the terms that by nature continue survive.

34. Dispute resolution and defect notice

34.1 Negotiation. The Parties' representatives will meet within 10 days after a written request to resolve a dispute. If they do not resolve it in 20 days after the request, the next step applies.

34.2 Mediation. The dispute will go to mediation with [Mediation provider: _____] in [County of the site: _____] County, [State of the project: _____]. The Parties share the mediator's fee equally. Either Party may file to keep a deadline or to obtain urgent relief before or during mediation.

34.3 Final step. A dispute not resolved within 45 days after a mediation request will be decided by **[Final dispute forum: _____]**. If the field says arbitration, the arbitrator's award is final and may be entered in a court with jurisdiction, the administrator and rules named apply, the hearing is held in [County of the site: _____] County, [State of the project: _____], and the Federal Arbitration Act governs to the extent it applies. A consumer Owner's rights to a small claims case and to any non-waivable remedy remain.

34.4 Joinder. A Subcontractor, Supplier, surety, the Design Professional or the Lender may be joined in the same proceeding if it has agreed to be bound and the claim has common facts.

34.5 Defect notice and right to repair. If Applicable Law requires an owner to give a contractor written notice of an alleged construction defect and an opportunity to inspect or repair before a claim, the Owner will follow it, and the Contractor will answer within the stated time. A deadline that the law suspends stays suspended.

34.6 Time limits. A claim must be brought within the limitation or repose period the law sets. This Contract does not shorten it.

34.7 Costs. Each Party bears its own attorney's fees and costs, except as a statute requires or this Contract expressly states. A rule of the Project State that makes a fee clause reciprocal will apply.

34.8 Lien and bond rights. Nothing here prevents a Party from recording or enforcing a lien, giving a bond notice or seeking a stay of a lien action pending the dispute process.

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35. Governing law and venue of the project state

35.1 Law. The law of the Project State governs this Contract, without its conflict of laws rules, except where federal law applies.

35.2 Venue. Any litigation that this Contract allows will be brought in the state or federal courts for [County of the site: _____] County, [State of the project: _____], if those courts have jurisdiction, and any arbitration or mediation will take place there.

35.3 Mandatory law. If a term of this Contract conflicts with a law of the Project State that the Parties cannot waive, the law applies and the rest continues. The term is limited only so far as that law requires.

35.4 Home office elsewhere. A clause in a proposal, invoice or other form that selects the law or courts of another state does not apply to this Project.

36. Records, plans and ownership of documents; confidentiality

36.1 Records. The Contractor will keep complete records of costs, time, permits, submittals, inspections and changes for at least [Years to keep records: _____] years after final payment. For cost-based changes, claims and unit price Work, the Owner may inspect and copy supporting records on 5 Business Days' notice.

36.2 As-built drawings. The Contractor will keep a marked set at the Site and deliver record drawings showing changes, concealed utilities and dimensions at Final Completion.

36.3 Ownership. Drawings and specifications supplied by the Owner or Design Professional remain theirs. The Contractor may use them only for the Project. Design documents that the Contractor prepares under this Contract become the property of the Owner upon payment for them, for use on the Project, with no liability to the Contractor for changes or reuse it did not approve.

36.4 Confidentiality. Each Party will keep confidential the other's nonpublic business, financial and personal information, and security details of the Site, and use them only for the Project. This does not apply to information that is public, already known, required by law or needed to enforce this Contract, including a lien or bond claim.

36.5 Publicity. The Contractor may use photographs of the Project in its marketing only with the Owner's written consent, and never the Owner's name or the street address without it.

37. Notices

37.1 Form. A notice under this Contract must be written and delivered by hand, by certified mail with return receipt, by recognized overnight courier, or by email to the address below. A notice of default, termination, claim or suspension must also go by one of the first three methods.

37.2 Addresses.

Owner: [Owner's notice address and email: _____]
Contractor: [Contractor's notice address and email: _____]
Copy to the Lender, if any: [Lender's notice details: _____]

37.3 When received. A notice is received on hand delivery, one Business Day after dispatch by overnight courier, 3 Business Days after mailing, or on sending an email if no bounce notice is received and it was

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sent by 5:00 p.m. on a Business Day, and otherwise the next Business Day.

37.4 Changes. A Party may change its details by notice. A notice that a statute requires in a special form must meet that form.

38. Assignment and lender consent

38.1 No assignment without consent. Neither Party may assign this Contract without the other's written consent, which may not be unreasonably withheld. The Contractor may assign money due if the Owner has notice and its defenses remain.

38.2 Lender. The Owner may assign its rights to a Lender as security. On notice of an Owner default, the Contractor will, at the Lender's request, continue to perform for the Lender if it agrees in writing to pay for Work performed after the request and cures the unpaid amounts for earlier Work within the stated time.

38.3 Lender documents. The Contractor will sign reasonable consents and certificates for a Lender within 7 days, if they do not reduce its rights or lien or alter price, time or payment.

38.4 Successors. This Contract binds and benefits the Parties and their lawful successors and permitted assigns. There are no other third-party beneficiaries.

39. General terms

39.1 Entire agreement. The Contract Documents are the entire agreement of the Parties on the Project and replace earlier negotiations, proposals and promises.

39.2 Amendment. This Contract may be changed only by a writing signed by both Parties, including a Change Order.

39.3 Waiver. A failure or delay to use a right is not a waiver. A waiver must be written, is limited to its terms and does not cover later breaches.

39.4 Severability. If a term is invalid, it will be reduced to the extent needed to be valid and the rest stays in force.

39.5 Survival. Sections on warranty, indemnity, insurance, records, confidentiality, disputes, payment and liens survive completion or termination.

39.6 Construction. Both Parties had a chance to obtain counsel. No rule that reads an unclear term against its drafter applies, except where a law for consumers requires it.

39.7 Remedies. Except where this Contract says that a remedy is exclusive, remedies are cumulative. A Party will take reasonable steps to mitigate its loss.

39.8 Nonwaivable rights. No clause waives a right that Applicable Law does not let a Party waive, including the right to cancel a home solicitation sale, to rescind a credit transaction, to claim a lien, to prompt payment, to a statutory warranty or to a state complaint process.

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40. Counterparts and electronic signatures

40.1 Counterparts. The Parties may sign this Contract in counterparts. Each is an original, and together they are one instrument.

40.2 Electronic signatures. The Parties may sign and deliver this Contract by electronic signature or scanned copy, which has the same effect as an ink signature where the law allows. Documents that must be recorded, notarized or delivered on paper will be signed in that form.

40.3 Consumer records. If a law requires a paper notice, a paper copy or affirmative consent to receive documents electronically, the Contractor will follow it. A consumer Owner may ask for a paper copy without charge.

40.4 Copies. The Contractor will give the Owner a legible copy of all signed documents when they are signed, and a signed receipt for any cash paid.

41. Consumer and state notices

41.1 Federal cooling-off right. If the sale is a door-to-door sale under 16 C.F.R. part 429 (for example, a contract a consumer signs at home), the Contractor will tell the Owner orally of the right to cancel, place the statement required by the rule next to the Owner's signature in bold type of at least 10 points, and give the Owner two completed copies of the Notice of Cancellation in Schedule G. The status is: [Federal cooling-off rule: _____]. No clause in this Contract waives that right, and no Work that would be hard to undo will start until the period ends, unless the law allows.

41.2 Security interest in a home. If credit to a consumer is secured by a security interest in the principal dwelling, including by the Contractor, and the federal right of rescission applies, the creditor will give the required notices. The consumer may rescind within the period in 12 C.F.R. § 1026.23 (generally until midnight of the third business day after the latest of the listed events), and no money will be disbursed or Work begun before the period ends, unless a lawful waiver applies.

41.3 State statements. If the Project State requires a lien warning, recovery fund notice, customer disclosure, residential disclosure, complaint statement, arbitration notice, insurance notice or other statement, it is part of this Contract when its exact current text is attached in Schedule G in the required type size and place and is signed where required. The Contractor is responsible for delivering it on time.

41.4 Attached notices. The notices attached to this Contract are: [State notices attached: _____]. If the field says "None", the Parties have checked and found that none applies.

41.5 Home improvement. If the Work is home improvement under the law of the Project State, the specific state form terms, deposit limits, payment timing, cancellation period and language rules apply over any different term. The Parties will add an approved addendum where needed.

SIGNATURES

The Parties have read this Contract and Schedules A to G and sign below.

If the federal cooling-off rule applies (see Section 41.1): "You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the attached notice of cancellation form for an explanation of this right."

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OWNER: [Owner's full legal name: _____]
By (signature):
Printed name and title: [Owner's signer and title: _____]
Date signed: [Owner's signing date: _____]

CONTRACTOR: [Contractor's legal name: _____]
By (signature):
Printed name and title: [Contractor's signer and title: _____]
License or registration number: [Contractor license or registration number: _____]
Date signed: [Contractor's signing date: _____]

Owner's acknowledgment: I received a complete copy of this Contract on the date that I signed it.
Owner's initials:

SCHEDULE A: SCOPE, DRAWINGS AND SITE RULES

1. Scope of Work: [Full scope of work: _____]

2. Work or design supplied by the Contractor: [Design supplied by the contractor: _____]

3. Drawings (title, number, date, revision): [Drawing list: _____]

4. Specifications and proposal included: [Specifications and proposal: _____]

5. Exclusions: [Exclusions: _____]

6. Items the Owner supplies (item, delivery date): [Items supplied by the owner: _____]

7. Submittals required: [Submittals required: _____]

8. Closeout documents, spare parts and training: [Closeout documents, spare parts and training: _____]

9. Site rules and storage areas: [Site rules and storage areas: _____]

10. Work to be demolished or salvaged: [Demolition or salvage items: _____]

Anything in this Schedule that calls for work that a code forbids is replaced by the nearest lawful work. Drawings and specifications listed above are part of this Contract.

SCHEDULE B: PRICE AND SCHEDULE OF VALUES

1. Contract Price: [Contract price: _____]

2. Schedule of values (part of Work, value): [Schedule of values: _____]

The total of the schedule of values equals the Contract Price.

3. Payment milestones, if used

Payment 1: [Milestone 1: _____]. Amount: [Milestone 1 amount: _____]
Payment 2: [Milestone 2: _____]. Amount: [Milestone 2 amount: _____]
Payment 3: [Milestone 3: _____]. Amount: [Milestone 3 amount: _____]
Payment 4: [Milestone 4: _____]. Amount: [Milestone 4 amount: _____]

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4. Allowances (item, amount): [Allowances: _____]

5. Unit prices (unit, price, estimated quantity): [Unit prices: _____]

6. Alternates (description, price, last acceptance date): [Alternates: _____]

7. Deposit use: [What the deposit pays for: _____]

8. Taxes, fees and tests excluded from the Contract Price: [Taxes, fees and tests not in the price: _____]

9. Lender: [Construction lender: _____]

SCHEDULE C: PROJECT SCHEDULE

1. Start date: [Planned start date: _____]

2. Milestones (event, date): [Milestones and dates: _____]

3. Substantial Completion date: [Substantial completion date: _____]

4. Owner decision and selection dates: [Owner decision dates: _____]

5. Long-lead items (item, order date): [Long-lead items and order dates: _____]

6. Non-working days: [Non-working days: _____]

The dates above follow Sections 7 and 17. The Contractor updates this Schedule as Section 7.4 states. An update does not change the Contract Time without a Change Order.

SCHEDULE D: INSURANCE AND BONDS

1. Commercial general liability (each occurrence, aggregate): [General liability limits: _____]

2. Automobile liability: [Automobile limits: _____]

3. Workers' compensation and employer's liability: as required by law in the Project State, with employer's liability limits of [Employer's liability limits: _____]

4. Umbrella or excess liability: [Umbrella or excess limits: _____]

5. Products-completed operations coverage continues for: [Completed operations period: _____]

6. Builder's risk limits and perils: [Builder's risk limits and perils: _____]

7. Performance and payment bonds: [Performance and payment bonds: _____]

8. Deductible or self-insured retention, and who pays: [Deductibles and who pays: _____]

Certificates and endorsements are delivered before the Work starts. A limit may be met by a combination of primary and excess coverage.

SCHEDULE E: CHANGE ORDER FORM

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This Change Order amends the Construction Contract dated [Contract date: _____] between [Owner's full legal name: _____] and [Contractor's legal name: _____] for the Project at [Site street address: _____].

1. Change Order number and date: [Change order number and date: _____]

2. Requested by and reason: [Change reason: _____]

3. Change in the Work (add, omit, alter): [Change in the work: _____]

4. Drawings or documents affected: [Documents affected: _____]

5. Change in the Contract Price (plus or minus): [Change in price: _____]

6. New Contract Price: [New contract price: _____]

7. Change in the Contract Time (days, new date): [Change in time: _____]

8. Effect on retainage, insurance or bonds: [Effect on retainage, insurance or bonds: _____]

The price and time in this Change Order are the full adjustment for the change described, unless a reserved claim is stated here: [Reserved claims: _____]. All other terms stay the same.

People who may sign a Change Order: for the Owner, [Owner's change order signer: _____]; for the Contractor, [Contractor's change order signer: _____].

Owner (signature):
Printed name and date:

Contractor (signature):
Printed name and date:

SCHEDULE F: PAYMENT APPLICATION AND LIEN WAIVER CHECKLIST

Application for payment. Each application states:

1. Application number, period and date
2. Original Contract Price, net Change Orders and current Contract Price
3. Work completed by line of the schedule of values
4. Stored materials and their documents
5. Total earned, less retainage, less earlier payments
6. Current amount due, balance to finish and percent complete

Attachments with each progress application

1. Conditional progress waiver by the Contractor on the form used in [State of the project: _____]
2. Conditional waivers from Subcontractors and Suppliers, if requested
3. Unconditional waivers for the last payment received

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List of persons who gave a notice to owner, with amounts due

5. Updated schedule and, for stored materials, proof of title and insurance
6. Inspection reports passed in the period

Attachments with the final application

1. Conditional final waivers
2. Final inspection, occupancy or completion certificate
3. Warranties, manuals, record drawings and keys
4. Punch list signed as complete
5. Consent of surety, if a bond was given
6. Any final affidavit that the law of the Project State requires

After final payment clears, the Contractor gives unconditional final waivers on the required form.

SCHEDULE G: CONSUMER AND STATE NOTICES

Part 1. Federal Notice of Cancellation. Complete both copies only if the federal cooling-off rule applies, and give both to the Owner when the Owner signs. Print the notice in bold type of at least 10 points, in the language of this Contract.

NOTICE OF CANCELLATION

Date of transaction: [Date of transaction for the notice: _____]

You may CANCEL this transaction, without any Penalty or Obligation, within THREE BUSINESS DAYS from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within TEN BUSINESS DAYS following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your Notice of Cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this Cancellation Notice or any other written notice, or send a telegram, to [Contractor's legal name: _____], at

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[Contractor's business address: _____] NOT LATER THAN MIDNIGHT OF [Last day to cancel: _____].

I HEREBY CANCEL THIS TRANSACTION.

Date:
Buyer's signature:

Part 2. Florida construction lien law notice. Use only for a direct contract above $2,500 for a Florida dwelling of one to four units. Print it in capitalized, boldfaced type of at least 12 points on the front page, or on a separate page that the Owner signs and dates.

ACCORDING TO FLORIDA'S CONSTRUCTION LIEN LAW (SECTIONS 713.001-713.37, FLORIDA STATUTES), THOSE WHO WORK ON YOUR PROPERTY OR PROVIDE MATERIALS AND SERVICES AND ARE NOT PAID IN FULL HAVE A RIGHT TO ENFORCE THEIR CLAIM FOR PAYMENT AGAINST YOUR PROPERTY. THIS CLAIM IS KNOWN AS A CONSTRUCTION LIEN. IF YOUR CONTRACTOR OR A SUBCONTRACTOR FAILS TO PAY SUBCONTRACTORS, SUB-SUBCONTRACTORS, OR MATERIAL SUPPLIERS, THOSE PEOPLE WHO ARE OWED MONEY MAY LOOK TO YOUR PROPERTY FOR PAYMENT, EVEN IF YOU HAVE ALREADY PAID YOUR CONTRACTOR IN FULL. IF YOU FAIL TO PAY YOUR CONTRACTOR, YOUR CONTRACTOR MAY ALSO HAVE A LIEN ON YOUR PROPERTY. THIS MEANS IF A LIEN IS FILED YOUR PROPERTY COULD BE SOLD AGAINST YOUR WILL TO PAY FOR LABOR, MATERIALS, OR OTHER SERVICES THAT YOUR CONTRACTOR OR A SUBCONTRACTOR MAY HAVE FAILED TO PAY. TO PROTECT YOURSELF, YOU SHOULD STIPULATE IN THIS CONTRACT THAT BEFORE ANY PAYMENT IS MADE, YOUR CONTRACTOR IS REQUIRED TO PROVIDE YOU WITH A WRITTEN RELEASE OF LIEN FROM ANY PERSON OR COMPANY THAT HAS PROVIDED TO YOU A "NOTICE TO OWNER." FLORIDA'S CONSTRUCTION LIEN LAW IS COMPLEX, AND IT IS RECOMMENDED THAT YOU CONSULT AN ATTORNEY.

Owner's signature:
Date:

Part 3. Other state notices. Attach the exact current official text that applies:

1. Florida residential work: the written statement of the consumer's rights under the recovery fund, unless labor and materials together do not exceed $2,500.
2. Florida, unless the parties agree in writing that chapter 558 does not apply: "ANY CLAIMS FOR CONSTRUCTION DEFECTS ARE SUBJECT TO THE NOTICE AND CURE PROVISIONS OF CHAPTER 558, FLORIDA STATUTES."
3. California: the Contractors State License Board statement under Business and Professions Code section 7030(a), in at least 10-point type, on a licensed prime contractor's written contract other than a home improvement or service and repair contract, which have their own required statements.
4. Washington: the Notice to Customer, given before work starts, for the residential and commercial contract sizes the statute covers.
5. Texas residential construction: the disclosure statement, given before the Owner signs.

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Arizona contracts above $1,000: the statement of the Owner's right to file a complaint with the registrar, with the telephone number and website address and the time limit, in at least 10-point bold type.

7. Any other state: the notice, license statement or form its law requires.

Received by the Owner (signature and date):

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