

Attachment "A"

TERMS AND CONDITIONS OF WORK/PURCHASE ORDER

1. **Definitions:** The term "Contractor" means Lantz Construction Company. The term "Subcontractor" means any individual, corporation or other entity that is to perform or provide the Work under this Work/Purchase Order. The term "Work" means all items, materials, equipment, labor or other services that is the subject of this Work/Purchase Order.
2. **Payment Terms:** Net thirty (30) days if in compliance with the terms and conditions of this Work/Purchase Order.
3. **Confirmation:** Subcontractor agrees to immediately confirm the shipping date via facsimile to Contractor at (540)896-6502. Subcontractor agrees to notify Contractor at least 48 hours in advance of arrival of materials/services so that delivery, offloading, and/or performance of the work can be coordinated.
4. **Submittals/Shop Drawings for the Work** shall be provided to Contractor in a timely manner and prior to the time that Contractor is required to submit those documents to the applicable party.
5. **Time is of the Essence.** The Work provided by Subcontractor pursuant to this Work/Purchase Order shall commence immediately or as set forth in the Project Schedule and shall be completed in a timely manner as determined by Contractor.
6. **Invoicing Instructions:** All invoices shall be submitted in duplicate, noting the Order Number above, and addressed to Lantz Construction Company, Attn: Accounts Payable Department, 539 South Main Street, Broadway, Virginia 22815. To expedite payment, the above Order Number must be shown on all correspondence, invoices, shop drawings, packages, packing slips, or other papers.
7. **Questions:** All questions should be directed to Contractor's Project Manager in charge of the Project. He or she can be reached via Telephone at (540)896-8911 or Facsimile at (540)896-6502.
8. **Warranty:** Subcontractor warrants that all Work shall be new and of good quality and in strict conformance with all specifications, if any, and will be free from defects in design, material and workmanship for a period of one (1) year after the final acceptance of the Work, or such longer period as may be otherwise provided. All Work not conforming to these requirements, including substitutions not properly approved and authorized by Contractor in writing, may be considered defective. If Subcontractor breaches this warranty, Subcontractor, at Contractor's option, will repair the defective Work, replace the defective Work, or refund the purchase price. If Contractor selects repair or replacement, any defects will be remedied without cost to Contractor. All such defective Work that is so remedied will be similarly warranted as stated above.
9. **Subcontractor's Liability and Indemnification:** Subcontractor will save and hold Contractor harmless from and against all liabilities, claims and demands, and damages on account of personal injuries, including personal injury, death, and property loss or damage to Contractor or to others (including Subcontractor and employees and invitees of Subcontractor and of Contractor) arising out of or in any manner connected with the performance of the Work or any defect in the Work, or caused by the negligent or willful act or omission of Subcontractor, or a supplier of Subcontractor, or employees or invitees of either of them, and Subcontractor will, at its own expense, defend any and all actions based on such negligent or willful acts or omissions and will pay all attorney's fees and all costs and other expenses arising out of these obligations of indemnification.
10. **Insurance:** If Subcontractor, either as principal or by agent or employee, enters upon the property of Contractor or site of the Project in order to perform any Work, Subcontractor agrees to maintain the following insurance coverages: (a) Workers' Compensation Insurance fully covering all persons engaged in the performance of the Work in accordance with Virginia law; (b) Employer's Liability Insurance for Bodily Injury per accident with limits of not less than \$100,000 and Bodily Injury by Disease with limits of not less than \$100,000 per policy; (c) Comprehensive Commercial General Liability Insurance for personal injury and property damage, including contractual liability insurance, with combined limits of not less than \$1,000,000 per occurrence; and (c) Comprehensive Automobile Liability Insurance covering personal injury and property damage with combined limits of not less than \$1,000,000 per occurrence. Subcontractor's Worker's Compensation insurer or Subcontractor, if self-insured, agrees to waive all rights of subrogation against Contractor except for claims caused by Contractor's sole negligence. Also, Subcontractor will name Contractor as an additional insured on its Commercial General Liability and Automobile Liability policies. Subcontractor's insurance will be primary without right of contribution of any other insurance carried by or on behalf of Contractor.
11. **Termination:** Contractor may terminate this Work/Purchase Order at any time by giving written notice to Subcontractor. After receiving written notice of termination, Subcontractor will immediately cease the Work indicated in the notice of termination. In the event of such a termination, payment of costs incurred by Subcontractor will be negotiated by Contractor and Subcontractor on the basis of Subcontractor's actual costs for the Work completed as of the termination date.
12. **Environment, Health, Safety & Security:** If Subcontractor, either as principal or by agent or employee, enters upon the property of Contractor or the Project site, Subcontractor agrees to comply with all applicable governmental regulations, including but not limited to VOSH or OSHA regulations, and Contractor's rules and regulations associated with environmental, health, safety, and security.
13. **No Violation of Law:** Subcontractor hereby warrants that it will comply with all foreign, federal, state and local laws and regulations. As a condition of accepting this Work/Purchase Order, Subcontractor further warrants that it is in compliance with applicable state and federal laws and regulations concerning nondiscrimination in employment and employee practices.
14. **Changes:** Contractor may, at any time, in writing, make changes to the general scope of this Work/Purchase Order. If any such change causes an increase or decrease in the cost or time required for the performance of any Work under this Work/Purchase Order, an equitable adjustment will be made to the price or delivery schedule, or both, and this Work/Purchase Order will be modified in writing accordingly. The cost of the Work covered under this Work/Purchase Order, as generally described herein, shall not exceed the amount indicated above without prior written notification from the Subcontractor to Contractor, and prior written approval from Contractor to the Subcontractor.
15. **Miscellaneous:** Subcontractor shall operate as an independent contractor in the performance of this Work/Purchase Order. Neither party shall assign or transfer this Work/Purchase Order or any interest therein without the prior written consent of the other party. This Work/Purchase Order constitutes the entire agreement between the parties and supersedes all prior negotiations, representations, or agreements. Neither of the parties shall be bound by any promises, representations, or agreements other than those expressly set forth herein. This Work/Purchase Order shall be construed according to Virginia law and the parties agree that the venue for any legal proceeding arising out of this Work/Purchase Order shall be Rockingham County, Virginia. One or more waivers of any conditions by either party shall not be construed as a waiver of a further breach of the same condition or any other. The partial or complete invalidity of any one or more provisions of this Work/Purchase Order shall not affect the validity or continuing force and effect of any other provisions. This Work/Purchase Order shall be binding upon and inure to the benefit of the parties, their respective successors and assigns. Subcontractor shall be liable for all costs, damages, and legal fees and expenses in the event of any breach.
16. **Acceptance:** Subcontractor indicates acceptance of this Work/Purchase Order by signing below and that the signer represents that he or she has the express authority to bid Subcontractor to these terms and conditions.