ALBERICI CONSTRUCTORS, INC.

ADDENDUM FOR DESIGN-BUILD PROJECTS

This Addendum is attached to and is hereby incorporated into the Subcontract Agreement Between Alberici Constructors, Inc. (“Contractor”) and XXXXXXXXXXXXXXXX ("Subcontractor"), dated 1/26/2012. Any term used herein with the initial capital letters that is not otherwise defined shall have the same meaning ascribed to the term in the Subcontract Agreement. In the event of any inconsistency between the provision of this Addendum and those contained in the body of the Subcontract Agreement, the provisions of this Addendum shall control. Any deletion from the Subcontract Agreement shall not affect the remaining numbering thereof. References to Paragraphs, Subparagraphs, and Articles shall mean those set forth in the body of the Subcontract Agreement.

Article 3

Paragraph 3.1 is deleted and replaced with the following:

3.1 Subcontract Work The Contractor retains the Subcontractor as an independent contractor, to provide all design, labor, materials, equipment and services necessary or incidental to complete the XXXXXXXXXXXXXXXXXXXXXXXXXXXX portion(s) of the Project, as set forth in Exhibit A to this Agreement, in accordance with and reasonably inferable from that which is indicated in the Subcontract Documents and consistent with the Progress Schedule prepared by the Contractor and agreed to by the Subcontractor. The Subcontractor agrees to perform such part of the work (hereafter called "Subcontract Work") for the Project under the general direction of the Contractor and subject to the final approval of the Contractor, Architect/Engineer or other specified representative of the Owner.

3.1.1 Designer Design services provided by the Subcontractor shall be procured from licensed, independent design professionals retained by the Subcontractor or furnished by licensed employees of the Subcontractor, or as permitted by the law of the place where the Project is located. The standard of care for design services performed under this Agreement shall be the care and skill ordinarily used by members of the architectural and engineering professions practicing under similar conditions at the same time and locality. The person or entity providing design services shall be referred to as "the Designer". If the Designer is an independent professional, the design services shall be procured pursuant to a separate agreement between the Subcontractor and the Designer. The Designer is . The Subcontractor shall notify the Contractor in writing if it intends to change the Designer, which shall be subject to the Contractor's approval. The Subcontractor shall be responsible for coordinating its design with the Project design.

Article 4

Paragraph 4.1 is deleted and replaced with the following:

4.1 Responsibilities The Subcontractor shall furnish its best skill and judgment in the performance of the Subcontract Work and shall perform its work to the satisfaction of the Contractor, the Owner and the Architect/Engineer, so the Contractor may fulfill its obligations to the Owner. The Subcontractor shall furnish all of the design, labor, materials, equipment, and services, including but not limited to, competent supervision, shop drawings, samples, tools, and scaffolding as are necessary for the proper performance of the Subcontract Work. The Subcontractor shall be responsible for taking field dimensions, providing tests, obtaining required permits and affidavits, ordering of materials and all other actions as required to meet the Schedule of Work.
Paragraph 4.10 is deleted and replaced with the following:

4.10.1 Preliminary Schedule and Estimate  The Subcontractor shall evaluate the Owner's Program and other information provided by the Contractor and provide in writing for Contractor’s review and approval a preliminary schedule and cost estimate for the Subcontract Work. The schedule and estimate shall be updated periodically as required by this Agreement, and it shall be the responsibility of the Subcontractor to adhere to approved schedules and estimates. If an update indicates that a previously approved schedule will not be met, the Subcontractor shall recommend corrective action to the Contractor in writing.

4.10.2 Schematic Design Documents  The Subcontractor shall prepare, for written approval by the Contractor and Owner, Schematic Design Documents consisting of drawings, outline specifications and other conceptual documents illustrating the basic components of the design of the Subcontract Work and their relationship to other Project elements. When the Subcontractor submits the Schematic Design Documents the Subcontractor shall identify in writing all material changes and deviations that have taken place from the Subcontractor’s preliminary evaluation, schedule and estimate. Three printed sets and one reproducible set of these Documents shall be provided to the Contractor. Following completion of the Schematic Design Documents, the Subcontractor shall update the preliminary schedule and estimate for the Contractor’s review and approval.

4.10.3 Design Development Documents  Based on the approved Schematic Design Documents, the Subcontractor shall prepare, for approval by the Contractor and Owner, Design Development Documents consisting of further definition of design elements, including drawings, outline specifications and other documents to fix and describe the size and character of the Subcontract Work including their relationship to other Project elements. When the Subcontractor submits the Design Development Documents the Subcontractor shall identify in writing all material changes and deviations that have taken place from the Subcontractor’s Schematic Design Documents. Three printed sets and one reproducible set of these documents shall be provided to the Contractor. Following completion of the Design Development Documents, the Subcontractor shall update the schedule and estimate for the Contractor’s review and approval.

4.10.4 Construction Documents  Based on the approved Design Development Documents, the Subcontractor shall prepare, for approval by the Contractor, Owner and governmental authorities, including revisions necessary to secure needed approval, Construction Documents setting forth in detail the requirements for construction of the Subcontract Work consisting of drawings and specifications that comply with codes, laws and regulations enacted at the time of their preparation. When the Subcontractor submits the Construction Documents the Subcontractor shall identify in writing all material changes and deviations that have taken place from the Subcontractor’s Design Development Documents. Construction shall be in accordance with these approved Construction Documents. Three printed sets and one reproducible set of these documents shall be provided to the Contractor. Following completion of the Construction Documents, the Subcontractor shall update the schedule and estimate for the Contractor’s review and approval.

4.10.5 Ownership of Documents  Upon payment to the Subcontractor Pursuant to Paragraph 7.3, or upon the making of Final Payment pursuant to Paragraph 7.4, the Contractor shall receive ownership of the property rights, except for copyrights, of all documents, drawings, specifications, electronic data and information prepared, provided or procured by the Subcontractors or the Designer and distributed to the Contractor for this Project. (Design-Build Documents)
4.10.5.1 If this Agreement is terminated pursuant to Subparagraphs 10.4, 10.5 or 10.7, the Contractor shall receive ownership of the property rights, except for copyrights, of the Design-Build Documents upon payment for all Work performed in accordance with this Agreement, at which time the Contractor shall have the right to use, to reproduce or make derivative works of the Design-Build Documents to complete the Work.

4.10.5.2 If this Agreement is terminated pursuant to Paragraph 10.6, the Contractor shall receive ownership of the property rights, except for copyrights, of the Design-Build Documents upon payment of all sums provided in Paragraph 10.6, at which time, the Contractor shall have the right to use, reproduce and to make derivative works from, the Design-Build Documents to complete the Work.

4.10.5.3 It is understood that the Owner shall receive from the Contractor the same ownership of property rights, except for copyright, of the Design-Build Documents, as the Contractor receives from the Subcontractor, in accordance with ownership of documents provision of the Owner-Contractor Agreement. In accordance with the Owner-Contractor Agreement, the Owner may use, reproduce or make derivative works from the Design-Build Documents for subsequent renovation and remodeling of the Work, but shall not use, reproduce or make derivative works from the Design-Build Documents for other projects without the written authorization of the Contractor and Subcontractor, who shall not unreasonably withhold consent.

4.10.5.4 Similarly, the Subcontractor shall obtain from its Designer property rights and rights of use that correspond to the rights given by the Subcontractor to the Contractor in this Agreement.

Article 5
Delete Paragraph 5.1 and replace with the following:

5.1 Communication The Contractor shall transmit to the Subcontractor, with reasonable promptness, all submittals, transmittals, and written approvals relative to the Subcontract Work. Unless otherwise specified in the Subcontract Documents, communications by and with the Subcontractor’s, sub-subcontractors and suppliers shall be through the Subcontractor. With respect to Subcontractor’s Design Services, the Contractor shall review and approve Subcontractor’s schedules and estimates, and shall review and approve and submit to the Owner for the Owner’s review and approval Schematic Design Documents, Design Development Documents and Construction Documents, all as submitted in accordance with Paragraph 4.10. When the Contractor submits Schematic Design Documents, Design Development Documents and Construction Documents to the Owner, the Contractor shall submit to the Subcontractor in writing the same listing of all material changes and deviations that have taken place in the documents as the Contractor submits to the Owner with the documents.
Article 7

Delete Paragraph 7.1 and replace with the following:

7.1 To the extent required by applicable law, the cost of services performed directly by the Designer is computed separately and is independent from the Subcontractor's compensation for work or services performed directly by the Subcontractor; these costs shall be shown as separate items on applications for payment. If a Designer is retained by the Subcontractor, the payments to the Designer shall be as detailed in a separate agreement between the Subcontractor and the Designer.

7.1.1 The Contractor agrees to pay to the Subcontractor for the satisfactory completion of design service for the Subcontract Work the sum of Zero Dollars ($0.00), which sum includes all applicable taxes, and is subject to additions or deductions as provided in Article 8.

7.1.2 The Contractor agrees to pay to the Subcontractor for the satisfactory completion of Subcontract Work the sum of Zero Dollars ($0.00), which sum is Tax Exempt in accordance with Exhibit I, and is subject to additions or deductions as provided in Article 8. Any applicable alternates or unit prices are set forth in Exhibit A to this Agreement.