



TRADE SUBCONTRACT AGREEMENT

SUBCONTRACT DATE:

CONTRACTOR

NAME : Genesis Environmental Solutions, Inc
ADDRESS : 8422 S 7 Hwy

CITY, STATE, ZIP : Blue Springs, MO 64014

PHONE NUMBER : 816-229-5900

FAX NUMBER : 816-229-5900

POINT OF CONTACT :

SUBCONTRACTOR

NAME :
ADDRESS:

CITY, STATE, ZIP:

PHONE NUMBER :

FAX NUMBER :

POINT OF CONTACT:

This Subcontract Agreement ("Subcontract") is entered into on _____ by and between Genesis Environmental Solutions, Inc (GES), ("Contractor") and _____, ("Subcontractor") Subcontractor. Contractor has entered into a contract to perform certain construction work as follows:

PROJECT NAME :

PROJECT NUMBER:

PROJECT LOCATION :

This Subcontract includes and incorporates by reference: (1) Addendum No. 1; (2) Exhibits ; (3) the entire integrated agreement between Contractor, including all documents incorporated into that agreement, including but not limited to the plans and specifications, general provisions, supplemental provisions, ("Subcontract Documents"). Subcontractor and its subcontractors will be and are bound by any and all of the Contract terms as they relate in any way, directly or indirectly to the work covered by this Subcontract.

WHEREFORE, in consideration of the covenants and conditions set forth in this Subcontract, Contractor and Subcontractor agree as follows:

1. SCOPE OF WORK. Subcontractor agrees to provide all labor, material, skill and instrumentalities necessary or incidental to the execution of its work and to perform all the work for the portion of the construction work as follows ("Subcontract Work"):

Furnish and install, all taxes included, the work all in accordance with the Contract.

Subcontractor shall perform all of the Subcontract Work in a diligent and workmanlike manner and in compliance with the Subcontract Documents and industry standard. Subcontractor warrants that all materials and equipment it provides under this Subcontract shall be new unless otherwise specified, of good quality, in conformance with the Subcontract Documents, and free from defective workmanship and materials. The Subcontractor further warrants that its work shall be free from defects. Unless a different date is specified in the Prime Contract, warranties shall commence on the date of completion and acceptance of the project by Owner. Subcontractor shall promptly remove and replace at its own cost all defective or non-conforming work or material. Subcontractor shall be responsible for all costs of correcting such work, including, but not limited to, any required additional testing or inspections, and compensation for services and expenses of the Owner and Contractor made necessary by the defective work.

DESCRIPTION OF SUBCONTRACTOR'S SCOPE OF WORK:

OTHER SCOPE CONSIDERATIONS:

START DATE :

COMPLETION DATE :

SUBMITTALS :

* * * IMPORTANT: No materials are to be ordered prior to official approval of the submittals. Subcontractor assumes all liability, costs and responsibility for ordering materials without the express written approval of GES* * *

* * * END OF SCOPE OF WORK * * *

2. COMPENSATION.

2.1. Subcontract Price. Contractor agrees to pay, and Subcontractor agrees to accept for strict performance of the Subcontract Work and subject to the provisions of this Subcontract upon full, faithful and prompt performance, the firm fixed Subcontract price of **00/100 dollars (\$) ("Subcontract Price")**, subject to additions and deductions as provided for in this Subcontract. The Subcontract Price is fixed and shall not be increased due to escalation of Subcontractor's cost to perform its scope of work, including, but not limited to, costs for labor, wage-rates, price of materials or rates or price of equipment.

2.2 Payment. Subcontractor will submit invoices for services rendered no more frequently than monthly. Invoices shall be a form acceptable to GES. Payment to GES by the Client/Owner for services rendered by Subcontractor is a condition precedent to payment to

subcontractor. No payment will be made by GES to subcontractor until all documents mentioned in contract agreement are submitted and approved.

2.3. Disputes. In the event of a good faith dispute arising from Subcontractor's performance, including, but not limited to, deficient materials and/or workmanship, disputes between Subcontractor and/or lower-tier Subcontractors, Contractor may withhold up to 150% of the disputed amount.

2.4. Owner Payment. If Contractor is not paid by Owner any sum claimed due by Subcontractor, Subcontractor agrees to look solely to the credit abilities of Owner, and not of Contractor for payments under this Subcontract. It is expressly agreed that under this Subcontract, except to the extent of such Owner payments made to Contractor pertaining to Subcontractor's work, Contractor's payment obligations to Subcontractor are non-recourse to any assets of Contractor until such time as Subcontractor has exhausted its remedies against Owner, including mechanic's lien, stop notice, or bond remedies. In the event Contractor is involved with a claim to Owner which includes seeking amounts for final payment or progress payments to Subcontractor, Subcontractor agrees not to pursue a claim against Contractor or its surety until Contractor's dispute resolution requirements, including lawsuits, have been completed with Owner. This clause does not alter or limit Subcontractor's right to file a lien or stop notice to the extent such rights exist. If any portion of this section is determined to be void, invalid or illegal, all other portions of this section shall remain in full force and effect.

2.5. Verification of Payment. Upon Contractor's request, Subcontractor shall provide such further evidence satisfactory to Contractor that all subcontractors and all payrolls, taxes, bills for materials, equipment, supplies, other items, and all indebtedness connected with the Subcontract and included on the prior and current applications for payment, have been (or will be from the current payment) satisfied.

2.6. Reductions from Payment. Contractor may withhold in whole or in part any payment to Subcontractor to such extent as may be necessary to protect Contractor from loss in connection with this Subcontract, including costs and attorneys' fees, on account of: (1) defective work not remedied; (2) claims filed or reasonable evidence indicating the probable filing of a claim; (3) failure of Subcontractor to make payments properly to its subcontractor(s) or for material, labor, or fringe benefits; (4) a reasonable doubt that this Subcontract can be completed for the balance then unpaid; or (5) damage to another subcontractor, the Owner, or any other third party. If required by Contractor and before payment to Subcontractor, Subcontractor shall provide lien or claim waivers for any subcontractors, material-men and suppliers used to complete the work of this Subcontract. Contractor, at its option, may make payment by joint check to Subcontractor and its subcontractors, material-men or suppliers.

3. INDEMNIFICATION. All work covered by this Subcontract, including work done (1) at the site of construction, (2) work done preparing or securing materials or equipment for delivery to or installation at the site of construction, (3) delivering materials or equipment to the site of construction, or (4) installing materials or equipment at the site of construction (the "Work") shall be at the risk of

Subcontractor exclusively. To the fullest extent permitted by law, Subcontractor shall defend, indemnify and hold harmless Owner, to the extent required of Contractor in the Prime Contract, and Contractor and its respective agents, employees, officers directors, insurers, successors and assigns, ("Indemnified Parties") from all allegations, claims, demands, causes of action, damages, costs, and liabilities of every kind and nature whatsoever, including costs, expenses and attorneys' fees, (collectively "Claims") arising out of or in connection with the performance or non-performance of the Subcontract or the Work by Subcontractor, its employees, agents, officers, directors, shareholders, representatives, affiliates, independent contractors, suppliers, subcontractors or anyone for whose acts Subcontractor may be liable. This indemnification shall extend to claims occurring after this Subcontract is terminated as well as while it is in force. Subcontractor's duty to indemnify, hold harmless and defend Indemnified Parties shall include all Claims caused or alleged to be caused in whole or in part by any negligent act or omission, whether active or passive, of an Indemnified Party and regardless of fault; provided, however, Subcontractor shall not be obligated to indemnify an Indemnified Party for the sole negligence or willful misconduct of an Indemnified Party, or for defects in design furnished by an Indemnified Party. Subcontractor shall defend Indemnified Parties from all Claims until it is determined by a final judgment from a court of competent jurisdiction, arbitration proceeding or other final resolution, the Claim arises or Claims arise out of an Indemnified Party's sole negligence, willful misconduct or a defect in design furnished by an Indemnified Party. The defense obligations shall arise immediately upon presentation of a claim or suit by any third party and written notice of such claim or suit by Contractor to Subcontractor. The duty to defend applies even if such claims or suits are groundless, false or without merit. The indemnity set forth in this Section shall not be limited by insurance requirements or by any other provision of this Subcontract.

4. TIME OF THE ESSENCE. Subcontractor agrees that time is of the essence in the performance of all its obligations under this Subcontract. Subcontractor shall commence the work promptly and prosecute same energetically and expeditiously, in full cooperation with Contractor, other Subcontractors, and in accord with the requirements of the general construction as determined by Contractor, even if the schedules by Contractor differ from schedules set forth in the initial Subcontract Documents, until fully completed and accepted; taking into account acts of God, strikes, lockouts and similar action beyond the control of Subcontractor. Subcontractor shall coordinate its work with the work of the Contractor and other subcontractors so no delays or interference will occur in completion of any part or the entire Project.

5. APPLICABLE LAWS. Subcontractor shall comply with all applicable State and Federal health, safety and environmental laws, ordinances, codes and regulations of all governmental authorities, relating to its work and workmen; employ labor under the conditions satisfactory to Contractor and discontinue the employment on this project of any employees unsatisfactory to Contractor. To the best knowledge and belief of the parties, this Subcontract now contains no provision that is contrary to Federal or State Law or any ruling or regulation of a Federal or State agency. Should, however, any provision of this Subcontract, at any time during its term be in conflict with any such law, ruling or regulation, then such provision shall continue in effect only to the extent permitted. In the event any provision of this Subcontract is thus held inoperative, the remaining provisions of this

Subcontract shall, nevertheless, remain in full force and effect. Subcontractor shall report in writing to Contractor any errors, inconsistencies or omissions relating to its work that appear in the Subcontract Documents. If Subcontractor fails to provide such report to Contractor all work it then performs shall be at its sole risk.

6. ASSIGNMENT. Subcontractor shall not assign or sublet this Subcontract as a whole nor any monies due or to become due it under this Subcontract, without previous written consent of Contractor.

7. LIQUIDATED DAMAGES / DELAY DAMAGES. Subcontractor shall proceed with its work under this Subcontract with reasonable diligence. Subcontractor agrees that its work will be completed within the durations established by the Project Schedule, as adjusted from time to time by Contractor. The Project Schedule will be available to Subcontractor before the start of Subcontractor's scope of work or as otherwise agreed by the parties. Should Subcontractor be delayed in the prosecution or completion of the work through no fault of Subcontractor, then Subcontractor shall be entitled to a time extension for its work by the number of days that Subcontractor has been delayed, but no allowance or extension shall be made unless a claim is presented in writing to Contractor within 48 hours of the commencement of such delay, and under no circumstances shall the time for completion of the work be extended to a date which will prevent Contractor from completing Contractor's scope of work within the time that Owner allows Contractor for such completion. An extension of time for Subcontractor's completion of the work pursuant to this section shall be Subcontractor's sole remedy unless compensation is obtained by Contractor from Owner. Further, Subcontractor acknowledges that in order for Contractor to coordinate and manage the work required under the Subcontract Documents it is necessary for Contractor to allocate site access and access to work areas, utilities, storage space, and other characteristics of the project site (collectively "Site Resources") and certain trades may be given preference, at the discretion of the Contractor, to Site Resources in order to maintain the optimum project schedules as determined by the Contractor. Accordingly, so long as Contractor acts in good faith in allocating Site Resources, Subcontractor waives any and all claims for damages, extensions of time, or increases in cost as a result of any delay, disruption, interference, obstruction, suspension, acceleration, constructive acceleration, out-of-sequence work, changes, or other causes arising from Contractor's allocation of Site Resources, except to the extent compensation is obtained by Contractor from Owner in relation to delays to Subcontractor's work. If Subcontractor's work is not completed in accordance with the Project Schedule and this Paragraph it is understood that the Contractor will suffer damage. It being impractical and infeasible to determine the amount of actual damage, it is agreed that in such event Subcontractor shall pay to Contractor as fixed and liquidated damages, and not as a penalty, the amount of \$.00 for each calendar day. Any money due or to become due the Subcontractor may be retained by Contractor to cover said liquidated damages. This amount is agreed to by the parties as a reasonable estimate of Contractor's per diem costs in the event of such delay and regardless of whether Contractor is liable to Owner under the Prime Contract as a result of Subcontractor's delay. If no amount is inserted for liquidated damages Subcontractor shall, nevertheless, be liable for all damages resulting from the failure of Subcontractor, Subcontractor's employees and agents, lower-tier subcontractors, suppliers or any person or entity for whose acts Subcontractor may be liable, to comply

with the time durations for Subcontractor's work in the Project Schedule, including, but not limited to, Contractor's actual losses from general conditions, overhead costs and expenses, and liquidated damages assessed against Contractor by Owner.

8. **INDEPENDENT CONTRACTOR.** Subcontractor certifies that it is an independent contractor within the scope of all federal, state and local codes, acts and ordinances and is solely responsible under all such codes, acts and ordinances for all payroll taxes, deductions, withholdings and contributions. Subcontractor shall protect and fully indemnify the Owner, Contractor, and its sureties, against all liability for claims and liens for labor, materials, equipment and supplies, including attorney's fees, resulting which may accrue from labor employed by, or materials, equipment and supplies ordered by Subcontractor.

9. **INSURANCE.** Subcontractor shall, at its own expense, procure and maintain during the entire period of performance under this Subcontract, broad form general liability and property damage insurance, employer's liability and worker's compensation coverage in the amounts set forth in Addendum No. 1 attached hereto and which covers the indemnity and defense obligations of this Subcontract, or in such other coverages and amounts from time to time deemed necessary by Contractor in writing and in all cases in coverages and amounts equal to or greater than those provided by Contractor and required by Owner. Subcontractor shall have Contractor designated as additional insured under all insurance policies required under this Subcontract or any addenda attached hereto. All insurance provided by Subcontractor shall be primary and any insurance carried by Contractor and/or Owner shall not contribute with Subcontractor's insurance. All certificates of insurance must be received prior to the commencement of any work performed for the Contractor. The Contractor will verify Subcontractor's policies are valid and have not been cancelled prior to the commencement of any work by Subcontractor. Before commencing work under this Subcontract, Subcontractor shall certify to GES (Contractor), in writing, that the required insurance has been obtained. Subcontractor shall have insurance broker send certificates via Fax or e-mail and mail original to GES at the address above.

10. **CHANGES.** No change in the work (whether by way of additions, deletions or modifications to the work) shall be a basis of an addition to the contract price or an extension to the contract time unless and until such changed work has been authorized by a written change order, executed by GES, in advance of its performance, describing the changed work that was authorized, and stating the adjustment to the contract price and time, (if any). Subcontractor waives the right to recover compensation for any changed work performed in advance of or without having received a written change order issued in strict accordance to the article. No course of conduct or dealings between the parties, nor express or implied acceptance of changes to the work nor any claim that contractor, GES or owner has been unjustly enriched by such change, whether or not there is in fact unjust enrichment, shall constitute a waiver or estoppels or shall be the basis for any claim to an increase in the contract price or in the contract time. All change order request by subcontractor for an adjustment of the contract price or the contract time, arising out of changes to the work, shall be submitted to contractor (in writing) for prior written approvals on a change order request from approved by the contractor and shall be accompanied by a complete itemization of all cost of the proposed changes, and evidence thereof, to contractors reasonable satisfaction. Subcontractor shall not perform changed work which is

the subject of a change order request until, and unless, the change order request has been transformed into a fully executed change order document and signed by GES.

11. DISPUTE RESOLUTION.

11.1 Claims Related to Owner. If Subcontractor's claim arises in whole or in part from any act or omission by Owner or for which Owner is responsible, or if Contractor elects to include Subcontractor's claim in a claim to the Owner, Subcontractor shall comply with and be bound by any applicable claims or arbitration procedures in the Contract Documents, and shall file such claims in writing with Contractor within seven days of the event giving rise to the claim. If Contractor believes the claim has potential merit, Contractor will submit any such claim to Owner and prosecute the same on behalf of Subcontractor, with full cooperation by Subcontractor and at Subcontractor's expense, or at Contractor's option, may authorize Subcontractor to pursue such claim in Contractor's name. Any decision to submit Subcontractor's claim to the Owner shall not be an admission of, or agreement by, Contractor as to the merits of the claim. In the event Contractor notifies Subcontractor that its claim is or will be submitted to the Owner by Contractor, or Subcontractor is authorized to pursue such claim directly, Subcontractor shall forego and dismiss all proceedings or actions against Contractor, and stay any lien or other proceedings until a final decision or agreement is reached on the claim to the Owner. If Owner shall award additional compensation or damages or an extension of time therefore, Contractor shall award the same to Subcontractor to the extent so awarded. If any claim of Subcontractor is presented together with claims of Contractor or others, Contractor shall determine Subcontractor's share if any award by Owner.

11.2 Arbitration. For any claim, dispute or other matter in question arises between Contractor and Subcontractor with respect to interpretations of this Subcontract, extra work or other changes in Subcontractor's work ordered by Contractor, or other disputes involving delays or damages claimed by Contractor against Subcontractor or by Subcontractor against Contractor, and not involving the Owner or a claim in which 11.1 applies, either party may file a demand for arbitration. In such event, the claim, dispute, or other matter shall be resolved by arbitration. If arbitration by either party is demanded in accordance with the preceding provisions, then the following requirements shall apply: (a) the arbitration shall be conducted in accordance with the then-prevailing Construction Industry Arbitration Rules of the American Arbitration Association, unless the parties mutually agree to the contrary in writing; (b) the decision made by the arbitrator(s) shall be final and binding upon the parties, and judgment may be entered upon such decision in any court having jurisdiction; (c) the arbitration shall be conducted in the County Jackson County, State of Missouri; (d) any arbitration may include, by consolidation, joined or otherwise, any person or entity not a party to this Subcontract if that person or entity is involved in a common question of law or fact, the presence of such person or entity is required if complete relief is to be accorded in the arbitration, and the interest of that person or entity is not insubstantial; (e) the agreement to arbitrate set forth in this paragraph, including, but not limited to, the agreement to arbitrate with other persons or entities, shall be specifically enforceable; (f) all claims that are related to or are dependent upon each other shall be heard by the same arbitrator(s); (g) Contractor shall have the right, at its sole option, to defer the arbitration proceedings until the completion of Subcontractor's Work, at which time all pending disputes for which arbitration has been demanded

pursuant to this Section may be heard in a single proceeding; and (h) unless otherwise provided under the Construction Industry Arbitration Rules, the arbitrator(s) shall fix their own compensation and assess the costs and charges of the proceedings against either or both of the parties. If Subcontractor files a Miller Act suit or other action against the Contractor, its payment bond surety, or both, Subcontractor shall, upon the Contractor's request, consent to a stay of such suit or action pending the completion of the arbitration proceedings. Subcontractor further agrees that its compliance with this process for the resolution of disputes and claims shall not be deemed to be a waiver of its Miller Act rights. The venue for all disputes not resolved by arbitration under this clause shall be a state or federal court in the State of Missouri, County of Jackson.

12. DUTY TO PROCEED. In the event of any dispute or controversy with Contractor, another subcontractor, or other third party involved with the project, Subcontractor shall not cause or permit any delay or cessation of its work or cause delay or disruption to the work of any other subcontractor or Contractor on the project, but shall proceed with performance of its work pending resolution of such dispute or controversy. Contractor shall continue to make payments in accordance with the Subcontract.

13. DEFAULT AND TERMINATION. Contractor may terminate this Subcontract in whole or in part for default if Subcontractor fails to properly perform in accordance with the terms and conditions of this Subcontract. After written notice of default and Subcontractor fails to cure such default within 48 hours, Contractor may terminate this Subcontract at its sole discretion. If Contractor terminates this Subcontract Subcontractor shall be liable for all Contractor's costs for such other goods and services, plus a mark-up of fifteen percent (15 %), incurred by Contractor to complete the Subcontract Work. If Owner terminates the Prime Contract in whole or in part for any reason, Contractor may terminate this Subcontract in whole or in part. Contractor may terminate this Subcontract immediately in the event of: (i) any proceeding in insolvency, dissolution or liquidation by or against Subcontractor; (ii) any assignment of Subcontractor's assets for the benefit of creditors; or (iii) any transfer of substantially all of Subcontractor's business or assets to a third party. Upon termination, Subcontractor will immediately return to Contractor all equipment, supplies, property or other items procured by or given to Subcontractor for performance of this Subcontract. In addition, Subcontractor will deliver to Contractor all work completed or in process under this Subcontract. Upon termination, Contractor shall pay all unpaid allowable charges due to Subcontractor.

14. SUSPENSION. Subcontractor agrees to honor a stop work order issued by Contractor as a result of a stop work issued to Contractor by Owner, Contractor's liability to Subcontractor shall be limited to the amount Owner is determined liable to Contractor for Subcontractor's damage. This limitation shall apply whether the suspension is caused in whole or in part by the negligence, breach of contract or other act of Contractor.

15. WASTE. During the course of construction, Subcontractor shall remove daily, its waste materials and maintain the premises at all times in a clean and orderly condition. Upon completion of the work under this Subcontract, or early termination of this Subcontract, Subcontractor shall remove from the site all temporary structures and debris incident to its operation. If Subcontractor fails to clean

up within two days after written notification by Contractor to do so, Contractor may proceed with that function as it adjudges necessary and in the manner it may deem expedient and will deduct the cost thereof from monies due under this Subcontract.

16. BONDS. With the execution of this Subcontract, Subcontractor shall, if required by Contractor, and at Subcontractor's expense, obtain a Labor and Material Bond and Faithful Performance Bond in an amount required by Contractor. Said bonds shall be secured by a surety company acceptable to Contractor.

17. SAFETY. In addition to conforming to OSHA & FEDERAL OSHA regulations for the construction industry, Subcontractor shall follow safety guidelines set forth in the 29CFR1910 General Industry Standards and 1926 Construction Standards. Subcontractor shall take reasonable safety precautions with respect to performance of this Subcontract, shall comply with safety measures initiated by Contractor and with applicable laws, ordinances, rules, regulations and orders of public authorities for the safety of persons or property in accordance with the requirements of the Prime Contract. The Subcontractor shall report to Contractor, immediately, any injury to an employee or agent of Subcontractor which occurred at the site.

18. CONTACT WITH OWNER; APPROVAL. Unless otherwise specified by Contractor in writing, Subcontractor shall not contact Owner with respect to the work to be performed under the Prime Contract, including Subcontractor's work under this Subcontract. Subcontractor shall promptly report to Contractor any Subcontractor contact with Owner that is initiated by Owner. Subcontractor's failure to perform its obligations as set forth in the two preceding sentences shall be a material breach of this Subcontract.

19. E-VERIFY. Subcontractor shall comply with the provisions of FAR 52.222-54, which is incorporated by reference, and certifies it has previously enrolled in the U.S. Citizenship and Immigration Services E-Verify program ("E-Verify") or will enroll in E-Verify within 30 calendar days of award of this Subcontract. To assure Subcontractor's compliance, it shall furnish General Contractor evidence of its enrollment and use of E-Verify and the insertion of this clause in its lower tier subcontracts.

20. NONDISCLOSURE. Subcontractor agrees it shall not publicly release information, photographs or other documents concerning any aspects of the materials or services relating to this bid, contract or purchase order without prior written approval of the Contractor.

21. STATEMENT AND ACKNOWLEDGEMENT. Standard Form SF 1413 must be signed by Subcontractor and its lower tier subcontractors, and returned to Contractor at the address above.

IN WITNESS WHEREOF, the Parties have executed this Subcontract effective on the day and year first above written.

CONTRACTOR

GENESIS ENVIRONMENTAL SOLUTIONS, INC

SIGNATURE : _____

PRINTED NAME : _____

TITLE: _____

SUBCONTRACTOR

SIGNATURE : _____

PRINTEDNAME: _____

TITLE: _____

EIN: _____

DUNS: _____