

ARIZONA WATER COMPANY
GENERAL CONDITIONS OF CONTRACT

DEFINITIONS

- A. Authorization to Bill. The words "Authorization to Bill" means the current copy of the Company's Form E-3-25-1 and the procedures described in Paragraph 39 of these General Conditions of Contract.
- B. Company. The words "Company" or "Arizona Water Company" mean Arizona Water Company, and where applicable, any division of Arizona Water Company, whose principal place of business is located at 3805 North Black Canyon Highway, Phoenix, Arizona 85015-5351 (Post Office Box 29006, Phoenix, Arizona 85038-9006).
- C. Company's Authorized Representative. The words "Company's Authorized Representative" mean any officer of the Company, and any of the Company's Engineers, any Division Manager or Superintendent of the Company and/or such other person(s) designated in writing as the "Company's Authorized Representative" by the President or any Vice President of the Company.
- D. Construction Drawings. The words "Construction Drawings" mean plans prepared by or on behalf of Arizona Water Company.
- E. Contract. The word "Contract" means the written document titled "Contract" or "Proposal/Contract" when such document has been signed by an officer or other authorized representative of both the Contractor and the Company.
- F. Contractor. The word "Contractor" means either an individual or other entity employed to do the work as shown on the Construction Drawings and as specified herein.
- G. Inspector. The word "Inspector" means the Company's Authorized Representative or a person designated in writing by the Company's Authorized Representative.
- H. Invitation to Bid. The words "Invitation to Bid" means the current copy of Arizona Water Company's Form E-3-11-4 Request for Proposal/Contract or Form E-3-12-2 Invitation to Bid.

GENERAL CONDITIONS OF CONTRACT

1. GENERAL

These General Conditions of Contract govern all works of installation and construction unless deviations are provided for on the Construction Drawings or in the Contract.

2. BONDS

The Contractor shall, upon request by the Company, furnish a performance bond and a material payment bond in the amount of 100% of the Contract price, in a form and from a surety acceptable to the Company.

3. LABOR AND/OR MATERIAL RELEASES

The Contractor shall supply labor and/or material releases satisfactory to the Company when requested to do so. Forms will be provided by the Company.

4. LICENSE

The Contractor shall have, as may be required by law, a valid license applicable to the work to be performed.

5. INSURANCE

The Contractor shall maintain in full force and effect insurance at no less than the following minimum amounts:

WORKER'S COMPENSATION

In accordance with requirements of the laws of the State of Arizona.

EMPLOYERS' LIABILITY

Each accident \$1,000,000/
\$1,000,000 each employee/
\$1,000,000 policy limit.

COMMERCIAL GENERAL LIABILITY (Including contractual liability covering death, bodily injury and property damage)

Combined single limit of not less than \$1,000,000 per occurrence.
\$2,000,000 General Aggregate

CONTRACTORS POLLUTION LIABILITY

\$2,000,000 per occurrence

AUTOMOTIVE LIABILITY (Including owned, non-owned and hired vehicles)

Combined single limit of not less than \$1,000,000 per occurrence.

PRODUCTS – COMPLETED OPERATIONS

\$2,000,000 General Aggregate

*SUBCONTRACTOR'S PUBLIC LIABILITY
AND PROPERTY DAMAGE INSURANCE
AND VEHICLE LIABILITY INSURANCE*

Contractor shall either require each of its subcontractors to procure and to maintain Subcontractor's Public Liability and Property Damage Insurance and Vehicle Liability Insurance of the type and in the amounts specified in this Section 5 or insure the activities of its subcontractors in Contractor's own policy, in like amounts.

*COMMERCIAL EXCESS LIABILITY
COVERAGE*

\$5,000,000 per occurrence

Such insurance shall name the Company, its officers, agents, and employees as additional insured and be primary for all purposes.

The Company will at all times have the right to require that all of such insurance be placed with insurance companies that are satisfactory to it. The Contractor shall file with the Company a certificate evidencing that each policy of insurance for the above coverages in the minimum amounts specified has been purchased and is in good standing.

Such certificate shall provide that notice be given to the Company at least thirty (30) days prior to cancellation or material change in the form of such policies or any of them. Such certificates shall be kept on file by the Company and the Company must have current certificates on file, or a certificate must accompany any bid proposal, before that proposal will be accepted by the Company.

6. CONTRACTOR UNDERSTANDS WORK AND WORKING CONDITIONS

By executing a Contract with the Company, the Contractor warrants that it has, by careful examination, satisfied itself as to the nature and location of the work, including soil conditions, the character, quality and quantity of the materials to be encountered, the character of the equipment and facilities needed preliminary to and during prosecution of the work, the general and local conditions, and all other matters which can in any way be expected to affect its work under the Contract. Verbal agreements or conversations with any officer, agent or employee of the Company, either before or after the execution of the Contract, are not binding upon the Company and shall not affect or modify any of the terms or obligations herein contained.

7. SPECIFICATIONS AND DRAWINGS

The Contractor shall keep on the job a complete copy of all drawings and specifications furnished by the Company which are applicable to the Contract with the Company. Anything mentioned in the specifications and not shown on the drawings or shown on the drawings and not mentioned in the specifications shall be of like effect as if shown or mentioned in both. In case of a discrepancy between the figures, drawings or specifications and physical conditions of the job, the matter shall be immediately submitted to the Company's Authorized Representative for decision as to adjustments, if any, because of the discrepancy; without a decision from the Company's Authorized Representative no discrepancy shall be adjusted by the Contractor, save only at its own

risk and expense. Any deviation from the specifications must be approved in writing by the Company's Authorized Representative.

8. PROPERTY PROTECTION

Trees, fences, poles, underground structures and all other property shall be protected unless their removal is authorized on the Construction Drawings. Any property damaged shall be restored by the Contractor, at its expense, to the owner's satisfaction.

9. SPECIAL PERMITS, LICENSES AND INSURANCE

The Company shall obtain all permits for railroad, county, state, city and irrigation district rights-of-way as well as Forest Service, State Land Department and Bureau of Land Management permits. (Pipeline Contractors)

Whenever blasting is required, the Contractor shall obtain all permits, licenses and insurance required at its expense. (All Contractors)

The Contractor will be required to obtain, and shall certify in writing to the Company that it has obtained, all additional permits required to perform the work including, but not limited to, a National Pollution Discharge Elimination System Permit and/or an Aquifer Protection Permit as those permits relate to disposal of drilling, development and test waters and/or any other discharge or similar activity. (Well Drilling Contractors)

10. SURVEYS

The Company shall be responsible, or arrange, for all surveys required for the work covered in the Contract, unless otherwise specified.

11. BENCH MARKS, PROPERTY STAKES AND SURVEY STAKES

Bench marks, property stakes and survey stakes shall be preserved by the Contractor; in case they are destroyed or removed by Contractor or its employees, the Company will replace them at the Contractor's expense, and the Contractor and its sureties shall be liable therefore.

12. TOOLS, EQUIPMENT AND MATERIALS

The Contractor shall furnish all of the necessary tools, equipment, and pipeline materials required for the work. All material furnished by the Contractor shall be of the quality specified by the Company in its Construction Specifications (E-8-1).

13. SUPERINTENDENCE BY CONTRACTOR

The Contractor shall assure adequate superintendence of the work by a competent foreman or superintendent (with full authority to act on behalf of Contractor) satisfactory to the Company, who will be on the job at all times when work is in progress.

14. ORDER AND DISCIPLINE

The Contractor shall at all times enforce strict discipline and good order among its employees.

15. INDEPENDENT CONTRACTOR

The Contractor is an independent contractor and any provisions in the Contract, the specifications, or these General Conditions of Contract and Arizona Water Company's Construction Specifications which may appear to give the Company the right to direct the Contractor as to the details of the doing of any work to be performed by the Contractor, or to exercise a measure of control over said work, shall be deemed to mean and shall mean, that the Contractor shall follow the desires of the Company in the results of the work only and not in the means whereby said work is to be accomplished, and the Contractor shall use its own discretion and shall have complete and authoritative control over the work and as to the details of the doing of the work.

16. PUBLIC SAFETY AND CONVENIENCE

Contractor shall at all times conduct its work so as to ensure the least possible obstruction to traffic and other inconvenience to the general public and the residents and businesses in the vicinity of the work, and to ensure the protection of persons and property.

To protect persons from injury and to avoid property damage, Contractor shall provide and maintain adequate barricades as required during the progress of the work and until it is safe to use the property for its intended purpose. The rules and regulations of the local governmental agencies and specific permit requirements respecting safety provisions shall be observed at all times.

In the case of blasting, the Contractor shall exercise extreme caution to protect the general public and personal and public property from harm or damage.

17. PROPERTY PROTECTION

Trees, fences, poles, and all other property shall be protected unless their removal is authorized by the Company. Any property damaged shall be restored by Contractor, at his expense, to Company's satisfaction.

18. RESPONSIBILITY OF CONTRACTOR

The work shall be under Contractor's responsible care and charge. Contractor shall bear all loss and damage whatsoever and from whatsoever cause, except that caused solely by the act of Company, which may occur on or to the work during the fulfillment of the Contract. If any loss or damage occurs, Contractor shall immediately make good any such loss or damage, and in the event of Contractor refusing or neglecting to do so, Company may, or by the employment of some other person, make good any such loss or damage, and the cost and expense of so doing shall be charged to Contractor.

The mention of any specific responsibility or liability imposed upon Contractor shall not be construed as a limitation or restriction of any general liability or duty imposed upon

Contractor by the Contract. The reference to any specific duty or liability being made herein is merely for the purpose of explanation.

Contractor alone shall at all times be responsible for the safety of Contractor, Contractor's employees, and its subcontractors' employees, and for Contractor and its subcontractors' plant and equipment and the method of performing the work.

19. ERRORS AND OMISSIONS

If Contractor, in the course of the work, becomes aware of any errors or omissions in the Contract Documents or in the instructions, or if Contractor becomes aware of any discrepancy between the Contract Documents and the physical conditions of the site of the work, Contractor shall immediately inform Company in writing. Any work done by Contractor after such discovery, until authorized by Company, will be done at Contractor's risk.

20. LAWS, REGULATIONS

Contractor shall give all notices required by law and comply with all laws, ordinances, rules and regulations, including, but not limited to, all applicable federal, state, local and other legally required health and safety standards, orders, rules, regulations or other laws, pertaining to the conduct of the work. Contractor shall be liable for, and shall defend and indemnify Company against and hold it harmless from, all violations of any law, ordinance, rule, regulation, standard, or order in connection with work furnished by or on behalf of Contractor. If Contractor observes that the Contract Documents are at variance with any law, ordinance, rule, regulation, standard, or order it shall promptly notify Company in writing and any necessary changes shall be adjusted as provided in the Contract for changes in the work. Contractor shall not perform any work contrary to such laws ordinances, rules, regulations, standards, or orders.

21. PERMITS, FEES AND INSPECTIONS

Permits and licenses necessary for the prosecution of the work, including, but not limited to, any National Pollution Discharge Elimination Systems (NPDES) Permits required by U.S. Environmental Protection Agency or the Arizona Department of Environmental Quality shall be secured, paid for, and complied with by Contractor.

Contractor shall be responsible for its actions and shall abide by all conditions and/or restrictions set forth in the NPDES Permit and any other permit or license required for this project.

Company shall at all times have access to the work whenever it is in preparation or in progress and Contractor shall provide proper facilities for such access and for all inspections. If the Contract Documents, the General Superintendent's instructions, laws, ordinances or any public authority require any work to be inspected or approved, Contractor shall give timely notice of its readiness for inspection.

Inspection of the work shall not relieve Contractor of any of its obligations even if defective work or unsuitable materials may have been previously overlooked by Company and accepted or estimated for payment. If any work is found not in accordance with the Contract Documents, Contractor, at its sole cost and expense, shall promptly make good such defective work.

22. CONSTRUCTION MARKING

Each job shall be marked and/or barricaded by the Contractor in such a manner that the construction is clearly visible at all times.

23. EXTRA WORK AND/OR MATERIALS

Except as otherwise herein provided, no charge for any extra work and/or material will be allowed unless the same has been ordered in writing by the Company's Authorized Representative, and the price stated in such order.

24. CHANGES

The Company shall have the right to make any changes in the work that it may determine to be necessary. If such changes affect the cost of the work, an equitable adjustment shall be negotiated. Changes shall in no way affect or void the obligations of both parties under the original Contract.

25. INSPECTION

All work and material shall be open at all times to inspection and acceptance or rejection by the Company's Inspector. Any work covered up by the Contractor prior to inspection and acceptance by the Company shall be subject to being uncovered at the expense of the Contractor for inspection by the Company. The Contractor shall give the Company reasonable notice of starting new work and shall provide, without extra charge, reasonable and necessary facilities for inspection, even to the extent of taking out portions of finished work. In case any such finished work removed is found satisfactory, however, the actual direct cost of such removal and replacement, plus 15% of such cost, will be paid by the Company; in addition, if completion of the work has been delayed thereby, the Contractor shall be granted a suitable extension of time on account of the additional work involved.

26. DEFECTIVE WORK OR MATERIAL

The Contractor shall remove, at its own expense, any work or material found defective by the Company's Inspector and shall rebuild and replace the same without extra charge; in default thereof, the same may be done by the Company at the Contractor's expense.

27. ASSIGNMENT

Neither party to the Contract may assign the Contract or sublet it in whole or in part without the written consent of the other, nor shall the Contractor assign any monies due or which may become due hereunder without the previous written consent of the Company, nor shall such consent release the Contractor from any of its obligations and liabilities under the Contract.

28. RIGHTS OF VARIOUS INTERESTS

Whenever work that is being done for the Company other than by the Contractor is contiguous to work being done by the Contractor, the respective rights of the various interests involved shall be established by the Company to secure the completion of the various portions of the work in general harmony.

29. SUSPENSION OF WORK

The Company's Authorized Representative may at any time and for any reason suspend all or any portion of the work under the Contract. This right to suspend work shall not be construed as denying the Contractor compensation for actual, reasonable and necessary expenses due to suspension to which it may be entitled.

The Company's Authorized Representative may order the Contractor to suspend any work because of certain conditions, such as inclement weather, or because the Contractor is in violation of these General Conditions of Contract or the Construction Specifications. It is understood that compensation for expenses will not be allowed for such suspension when ordered by the Company's Authorized Representative on account of such conditions.

30. PROCEDURE OF WORK

All work under the Contract shall be planned and performed so as to cause a minimum of interference with normal vehicular and pedestrian traffic. At no time shall the Contractor completely obstruct the traffic to any business establishment during normal work hours of that business. It shall be the Contractor's responsibility to maintain facilities for ingress and egress to any business establishment. When crossing any street, not more than one-half of the street may be blocked at one time. All federal, state, county and city laws, rules and regulations relating to this subject are to be obeyed.

The Contractor shall complete any portion or portions of the work in such order of time as the Company may require. The Company shall have the right to take possession of and use any completed or partially completed portions of the work. If such prior possession or use increases the cost of or delays the work, the Contractor will be entitled to extra compensation or extension of time or both, as the Company may determine.

31. DISPUTES

All questions or controversies which arise between the Contractor and the Company, under, or in reference to, the Contract, shall be decided by the Company's Authorized Representative and a representative of the Contractor, and their decision shall be final and conclusive upon both parties.

32. CONNECTION TO EXISTING SYSTEM

Unless approved in writing by the Company's Authorized Representative, no tie-in or hot tap on the existing system shall be made unless the Company's Inspector is present. When the tie-in requires the operation of an existing valve or other control equipment, the conditions of Paragraph(s) 30 and 33 shall be complied with. The Contractor shall notify the Company twenty-four (24) hours prior to tie-in as to the exact time the Contractor plans to make tie-in so that the Company's Inspector will have sufficient time to locate valves and make necessary preliminary arrangements for shut down.

33. PLANNED INTERRUPTION OF WATER SERVICE

No valve or other control on an existing Company water system shall be operated for any purpose by the Contractor without approval of the Company's Inspector. All of the Company's water customers whose service is interrupted by a planned interruption, other

than in cases of emergency, shall be notified by the Contractor at least twenty-four (24) hours before the planned interruption and advised of the probable time when the service will be restored.

34. EXISTING UTILITY FACILITIES

The Contractor shall notify all known utilities in the area of the work to be performed under the Contract and shall make arrangements to have their facilities marked in accordance with A.R.S. 40-360.022 ("Blue Stake Law"). The Contractor shall be responsible for locating and preserving all marked facilities. Any damages to these marked facilities shall be repaired at the expense of the Contractor.

The Company will pay the cost to relocate its or other structures when such structures are found occupying the physical space of the proposed installation. It is understood that the Contractor will be reimbursed for such work only when written authorization from the Company has been obtained in advance of such work.

35. CLEANING UP

The Contractor shall remove from the Company's property and from all public and private property, at its own expense, all temporary structures, rubbish and waste materials resulting from its operations. In the event Contractor fails to do so, the Company may remove same at the expense of the Contractor.

36. WORKING HOURS

Unless stated to the contrary in the Invitation to Bid and/or so stated on the Construction Drawings, or agreed to by the Company during a Pre-Construction Conference, the Contractor shall not be permitted to perform work on Saturdays, Sundays, or Company holidays, or commence work such as tie-ins that cannot be completed during normal working hours.

37. INDEMNITY

- A. The Contractor shall indemnify the Company against, and save and hold it harmless from, any and all liability, claims, demands, loss, actions, causes of action, expense, penalties, fines, assessments, damages and costs of every kind and nature for injury to or death of any and all persons, including, without limitation, employees or representatives of the Company or of the Contractor or of any subcontractor, or any other person or persons, and for damage, destruction or loss, consequential or otherwise, to or of any and all property, real or personal, including, without limitation, property of the Company or of the Contractor or of any subcontractor, or of any other person or persons, and the violation of any law, ordinance, rule, regulation, standard, or order resulting from or in any manner arising out of or in connection with the performance of the work under the Contract, howsoever same may be caused, including, without limitation, the Company's active or passive negligence. The Contractor shall also, upon request by the Company, and at no expense to the Company, defend the Company in any and all suits, concerning such injury to or death of any and all persons, and concerning such damage, destruction or loss, consequential or otherwise, to or of any and all property, real or personal, including, without limitation, suits by employees or representatives of the Company or of the Contractor or of any subcontractor, or any other person or persons, or

concerning any court or administrative proceeding concerning the violation of any law, ordinance, rule, regulation, standard, or order.

- B. Contractor shall indemnify the Company against, and save and hold it harmless from, any and all liability, claims, demands, damages, costs, expenses and attorney's fees, suffered or incurred on account of any breach of any obligation, covenant or other provision of this contract, including without limitation, breach of the indemnity provisions of subsection A of this Section 37.
- C. Contractor further agrees to defend, indemnify and hold harmless the Company, its directors, officers, employees, and agents, from and against any and all costs, damages, claims, expenses, violations, notices of violations, penalties, liens, assessments, and liabilities of every kind and nature, foreseeable or unforeseeable, directly or indirectly, arising from any release, removal, generation, use, storage or disposal on, under, around, or from the well site of any material, substance, or waste, hazardous or non-hazardous, including, without limitation, drilling fluids, mud, cuttings and development and test water howsoever same may be caused, including, without limitation, the Company's active or passive negligence.

38. LIENS

If at any time there shall be evidence of any lien or claim for which the Company might become liable and which is chargeable to the Contractor, the Company shall have the right to retain out of any payment then due or thereafter to become due, an amount sufficient to completely indemnify the Company against such lien or claim. If the Company determines that such lien or claim is valid, the Company may pay and discharge the same, and deduct the amount so paid from any monies which may be or become due and payable to the Contractor.

39. PAYMENT

Upon completion of the installation or construction, the Company will issue an Authorization to Bill using the current copy of the Company's Form E-3-25-1, and thereafter, within thirty (30) days after receipt of proper invoice and fully executed labor and material releases, the Company will pay the amount due the Contractor, less the estimated cost of any paving required of Contractor and, at the option of the Company, 10% of the entire amount of the Contract. Amounts withheld for paving will be paid by the Company within thirty days after acceptance of permanent paving by the Company and applicable governmental agencies. Other remaining amounts, if withheld, will be paid by the Company to the Contractor within thirty days after Contractor completes all work. Partial payments may be authorized by the Company if it so determines but only if partial payments are noted in the Proposal/Contract under Special Conditions. Contractor must mail authorized invoices to:

Arizona Water Company
Attn: Accounts Payable
Post Office Box 29006
Phoenix, AZ 85038-9006

Authorized invoices not addressed as shown above may cause a delay in payment of invoices. Contractor will not charge the Company any late charges. Authorized invoices must be submitted in accordance with the American Institute of Architects standardized

method of billing using forms G-702 and G-703, attached hereto, or as otherwise authorized in writing by the Company.

40. COMPANY'S RIGHT TO TERMINATE CONTRACT: DAMAGES DUE TO DELAY

If the Company finds the Contractor to be in material violation of any section of these General Conditions of Contract, Construction Specifications or Standard Specification Drawings or if the Contractor refuses or fails to prosecute the work, or any separable part thereof, with such diligence as will insure its completion within the time specified or any extension thereof, or fails to complete said work within such time, or when any other cause exists to justify such action, the Company may, without prejudice to any other right or remedy, by written notice to the Contractor, terminate its right to proceed with the work or such part of the work as to which there has been such violation, delay or other cause.

In the event the Contractor's right to proceed is terminated, the Company may take over the work and take possession of, and utilize in completing the work, such materials as may be on the site of the work and necessary therefore and prosecute said work to completion by whatever method it may deem expedient. The Contractor and its sureties shall be liable to the Company for any excess cost caused thereby.

In the event the Contractor's right to proceed with the work is terminated, the Contractor shall not be entitled to receive any further payment until the work is completed or the job is canceled. If the unpaid balance of the Contract price exceeds the expense of finishing the work, including compensation for additional managerial and administrative services, such excess shall be paid to the Contractor. If such expenses exceed such unpaid balance, the Contractor shall pay the difference to the Company.

41. GUARANTEE

The Contractor shall guarantee all labor and workmanship and any materials it installs for a period of one year following the date of completion and acceptance by the Company. If any portion of the work or any of the materials become defective within the guarantee period, the Company will notify the Contractor of such defect. The Contractor must repair any defect within fifteen (15) days of such notification. If repairs are not completed within this time period, the Company may repair the defect, or cause such defect to be repaired, and the cost of such repairs shall be paid by the Contractor. The Company reserves the right to determine which defects are the result of poor labor and workmanship and which are caused by defective materials.

42. LIQUIDATED DAMAGES FOR NON PERFORMANCE: REQUEST FOR EXTENSION(S) OF TIME

Time is of the essence in the Contract. The time period required for completion of the work will be specified in the Contract. The Contractor agrees that the Company will suffer substantial damages in the event the Contractor fails to complete the work within the agreed upon time period. The Contractor and the Company agree that since it would be impracticable or extremely difficult to precisely fix such damages, a reasonable approximation of such actual damages suffered by the Company shall be a sum equal to 0.5% of the Contract price for each working day beyond the time period for completion of the work specified in the Contract.

Request by the Contractor for extensions of the time period shall be in writing and shall not become effective until approved in writing by the Company's Authorized Representative.

43. PAYMENT FOR REQUIRED TESTING

Whenever testing is required by any governmental agency or by the Company to assure conformance of the Contractor's work with the appropriate standard, it will be paid for as follows:

- a. For testing required under permits obtained by the Company or testing specifically requested by the Company, the cost of the first test will be paid for by the Company. In the event of failure of the first test, the cost of all further testing associated with the failure will be paid by the Contractor.
- b. For testing required under permits obtained by the Contractor, all costs will be paid by the Contractor. Testing of the pipeline for pressure and leakage will be included in the Contract price.

44. CONTRACT DEADLINES AND BONDS REQUIREMENTS

The time limits to be allowed for the completion of any work covered in the Contract shall be established as follows: In the proposal submitted to the Company, in response to the Invitation to Bid, the Contractor shall state the number of calendar days required for completion of the work. The time required will become a part of the Contract. When the Company is ready to proceed with the work, a Commencement Notice will be issued by the Company to the Contractor by mail. The Commencement Notice will allow the time required in the Contract plus ten (10) calendar days and will indicate the final day of the time allowed. The work cannot begin until the Company has received a performance bond and materials payment bond for the Contract price unless the bonds have been waived under the special conditions section of the Contract. The additional ten (10) days is the allowance for time to deliver the Commencement Notice to the Contractor and for the Contractor to return the performance bond and materials payment bond to the Company. Time extensions will be granted if warranted, and only at the time of the delay, thus extending the final day of the time allowed.

If the Company elects not to require a performance bond and a material payment bond for the work, the cost of the bonds will be deducted from the proposed total cost and the Contract will reflect this reduced cost and the bonds requirements will be waived under special conditions of the Contract.



DATE PREPARED:

WA NO.:

DESCRIPTION OF WORK COMPLETED:

SPECIAL INSTRUCTIONS

cc: Accounts Payable

Date _____

AIA DOCUMENT G703 (modified)

WORK AUTHORIZATION NO.:
PAYMENT APPLICATION NO.:
PERIOD ENDING:

Column H contains line item retainage amounts for this Proposal/Contract.

CONTRACTORS APPLICATION FOR PAYMENT:	
Original Contract Sum	
Net Change By Change Orders	
CONTRACT SUM TO DATE:	
Total completed	
Retainage amount	
Less previous Certificate for Payment	
CURRENT PAYMENT DUE (Less 10% RETAINAGE):	

SUMMARY OF PAYMENTS		
PAYMENT APPLICATION NO.	DATE	AMOUNT
		TOTAL

AIA DOCUMENT G702 (modified)

WORK AUTHORIZATION NO.:
PAYMENT APPLICATION NO.:
PERIOD ENDING:

CONTRACT DATE:
COMMENCEMENT NOTICE DATE:

APPROVED CHANGE ORDER SUMMARY			
NUMBER	DATE APPROVED	ADDITIONS	DEDUCTIONS
TOTALS			
NET CHANGE BY CHANGE ORDERS			

Application is made for payment, as shown below, in connection with the Proposal/Contract Continuation Sheet, ALA Document G703 (modified), is attached.

1. ORIGINAL PROPOSAL/CONTRACT SUM
2. NET CHANGE BY CHANGE ORDERS
3. CONTRACT SUM TO DATE (Line 1 + 2)
4. TOTAL COMPLETED TO DATE (Column F on G703 modified)
5. RETAINAGE: See column H1 of G703 for retainage %.
See column H2 of G703 for total retainage
6. TOTAL WORK LESS RETAINAGE (Line 4 Less Line 5 Total)
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT
8. CURRENT PAYMENT DUE
9. BALANCE TO FINISH, INCLUDING RETAINAGE

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Proposal/Contract, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Company, and that current payment shown herein is now due.

Signature:

Date:

Title:

