

## **SUBCONTRACT AGREEMENT—PROFESSIONAL SERVICES**

This Subcontract Agreement (this "Agreement") is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between LARON INCORPORATED, an Arizona corporation ("Contractor"), and \_\_\_\_\_ ("Subcontractor" and with Contractor, collectively, the "Parties").

### **Recitals**

A. Contractor is general contractor with respect to \_\_\_\_\_ located at \_\_\_\_\_ (the "Project" or "Project Site") for \_\_\_\_\_ ("Owner").

B. Subcontractor is a qualified and licensed \_\_\_\_\_ [insert name of profession, i.e. engineer, etc], in good standing in the State of \_\_\_\_\_.

C. Contractor has requested that Subcontractor complete the Services (hereafter defined) in connection with the Project and Subcontractor is willing to complete the same under the terms and conditions set forth herein.

### **Agreements**

Now, therefore, in consideration of the mutual covenants herein, the Parties agree as follows:

1. **General Scope of the Services:** Subcontractor shall complete, certain professional services and/or provide certain materials, products or goods for the Project (the "Services"), as described in Exhibit "A" attached hereto and incorporated herein and in applicable Purchase Orders or Change Orders (as those terms are hereafter defined). The Services shall be done in accordance with: (a) the Contractor's and/or Owner's plans and specifications for the Project reviewed and inspected by Subcontractor prior to the execution hereof (the "Plans and Specifications"), all requirements set forth in the applicable Purchase Order and any Change Orders executed by the Parties, and all provisions of this Agreement (all of the foregoing are collectively, the "Contract Documents") which are incorporated herein by this reference; and, (b) all applicable federal, state and local laws, licensing authorities, statutes, regulations, codes and ordinances, including but not limited to environmental laws, the Occupational Safety and Health Act of 1970, each as amended from time to time, and all other laws relating to labor, employment and safety (collectively, "Laws").

2. **Contract Price, Purchase Orders and Payment.** All Services provided by Subcontractor to Contractor shall be pursuant to a written purchase order executed by Contractor and the Subcontractor (a "Purchase Order"), which shall include a description of the Services, the compensation to Subcontractor (the "Contract Price"), the payment terms, and the time for completion of the Services. An express condition to any progress payment to Subcontractor shall be Contractor's and/or Owner's inspection and approval of the Services for which the progress payment has been requested. At the time of and as a condition to any payments due hereunder or due pursuant to any Purchase Order, Subcontractor shall execute and deliver to Contractor a lien waiver for the Services so paid and any other lien waivers, invoices, canceled checks, receipts or other documentation satisfactory to Contractor and Owner, in the reasonable exercise of their discretion, evidencing payment to suppliers and other

third parties for all materials and supplies incorporated into the Services included in an advance request. As may be required in the description of the Services contained in the Purchase Order, Subcontractor shall file the Documents (hereafter defined) with governmental and quasi-governmental authorities having jurisdiction over the Project following Contractor's approval of such Documents, and shall diligently endeavor to obtain all required permits, licenses and governmental approvals for the Project. At no additional cost to Contractor, Subcontractor shall make, with Contractor's prior approval, all modifications to the Documents as necessary to obtain all such permits, licenses and approvals, if obtaining such permits, licenses and approvals is included in the description of the Services set forth in the Purchase Order. As used herein, the term "Documents" means, collectively, all drawings, specifications, documents, ideas, applied art, renderings, audiovisual works, written materials, work product, surveys, plans, summaries, reports, models, data, calculations, computer aided design (CAD) files or other media or intellectual property prepared by Subcontractor, a Subcontractor Party or at the request of or on behalf of Subcontractor and/or a Subcontractor Party, in connection with or in any manner arising from the performance of the Services, this Agreement, and all works embodied therein or derived therefrom, together with all modifications thereto completed by Subcontractor or any Subcontractor Party.

3. Materials. All necessary labor, licenses, and any other items necessary to complete the Services as outlined in the Purchase Order (collectively the "Materials"), must be furnished by the Subcontractor and shall be included in the Contract Price unless it is specifically excluded in the Purchase Order. Without limiting the foregoing, reproduction of six (6) copies of documents needed for the production, design, and submittal of plans and maps are included in the Contract Price. In addition, one copy of each document, map, or plan will be provided to the Contractor during the preliminary stages, prior to the first submittal, after each additional submittal, and immediately after approval and recordation. The total cost of these copies is included in the overall Contract Price of this Agreement. Any additional reproduction of plans and documents requested by Contractor which are not included in the Contract Price shall be directed by Contractor to Contractor's reproduction company of choice at Contractor's expense. In the event changes are requested by the Contractor, an additional fee shall be negotiated for those copies at the instance of the Subcontractor at the time of request.

4. Licensing Requirements. As a condition of this Agreement, Subcontractor shall maintain in effect at all times during the term of this Agreement a valid and appropriate license and/or registration for the State of Arizona, or any other governmental or administrative body as required under applicable Laws. Copies of current applicable licenses shall be submitted to Contractor upon request. Furthermore, Subcontractor shall ensure that each of its employees who are subject to licensing and/or registration maintain a current and valid license and/or registration while performing work on the Project. Subcontractor will notice Contractor in writing immediately of any changes to Subcontractor's registration license status.

5. Additional Services. Subcontractor shall not be entitled to compensation in excess of the Contract Price for any services, goods or materials not included in the description of the Services and the Plans and Specifications ("Additional Services"). In the event Contractor desires Subcontractor to complete any Additional Services, all such Additional Services shall only be completed for the consideration and pursuant to the other terms and conditions set forth in a written change order (a "Change Order") executed by an authorized representative from the Contractor's Purchasing Department and Subcontractor. If Subcontractor believes that any proposed Additional Services may result in any alteration of the Contractor Price or the time for completion of the Services, Subcontractor shall within ten (10) days following receipt of any notice of proposed Additional Services, submit to Contractor a detailed written proposal for

adjustment of the Contract Price or time for completion of the Services necessary for Subcontractor to perform the Additional Services. All changes, including any adjustment to the Contract Price or time for completion of the Services shall be mutually agreed upon by both Parties and authorized in a Change Order approved in writing by the Parties pursuant to the terms of this Agreement before commencement of the Additional Services. Contractor shall have no obligation whatsoever to adjust or alter the Contract Price or time for completion of the Services in the event Subcontractor initiates or completes a change or Additional Services without a Change Order.

6. Review and Approval of Work. The Services shall be subject to Contractor's acceptance and internal Plans and Specifications provided with each Purchase Order, in addition to any governmental (i.e. City, County, etc.) specifications, acceptance, and approval, as applicable. If there is a conflict between the Contractor's Plans and Specifications and the governing agency's specifications, the governing agency's specifications shall prevail. Furthermore, Contractor requires that on or before 10% of the work is complete and on a regular basis thereafter, Subcontractor shall present its design to Contractor to obtain approval and/or advice on how to mitigate design discrepancies with any governmental requirements early in the process.

7. Ownership and Use of Work Product. To the maximum extent permitted by applicable Law and conditioned upon performance by Contractor of its obligations under this Agreement, including payment of all amounts due to Subcontractor hereunder, all Documents and other work product prepared by Subcontractor or its employees, agents or approved subcontractors (collectively, the "Subcontractor Parties" or each, a "Subcontractor Party") are instruments of professional service but shall remain the exclusive property of Contractor, notwithstanding that Contractor may choose, at its option, to leave the original or a copy of any such materials in the possession of Subcontractor for the parties' mutual convenience or Subcontractor's retention of copies or counterparts of the Documents as may be required under applicable Laws.

8. Insurance. Without limiting any liabilities or any other obligations of Subcontractor, Subcontractor shall provide and maintain, with forms and insurers acceptable to Contractor, and until all obligations under this Agreement are satisfied, the minimum insurance coverages, as follows:

a. Workers compensation insurance with minimum statutory limits to cover obligations imposed by applicable federal and state statutes.

b. Employer's Liability insurance with a minimum limit of ONE MILLION DOLLARS (\$1,000,000).

c. Commercial general liability insurance with a minimum combined single limit of MILLION DOLLARS (\$1,000,000) each occurrence. The policy shall include coverage for bodily injury liability, property damage liability, personal injury liability, contractual liability for liability assumed under this Agreement or other associated contracts, broad form property damage, and completed operations for a period of two (2) years after final acceptance of the Project by Owner. The policy shall include "X" (explosion), "C" (collapse) and "U" (underground) coverages, as required by Owner, and shall contain a severability of interests provision.

d. Subcontractor agrees to provide and maintain, at its expense, a Professional Liability Insurance Policy of \$1,000,000 per claim for a period not less than five (5) years after the date

of the final completion of the work that is performed in accordance with the Services if commercially available and affordable. Subcontractor shall provide Contractor with a copy of the terms and conditions of the policy providing Professional Liability coverage.

e. The policies required by Paragraphs 8.c and 8.d herein shall be endorsed to include Contractor, members of its governing bodies, its officers, agents and employees as additional insureds and shall stipulate that the insurance afforded for Contractor, members of its governing bodies, its officers, agents and employees shall be primary insurance and that any insurance carried by Contractor, members of its governing bodies, its officers, agents or employees shall be excess and not contributory insurance.

f. Subcontractor and its insurers providing the required coverages shall waive all rights of subrogation against Contractor and members of its governing bodies, its officers, agents and employees.

g. Prior to commencing the Services, Subcontractor shall furnish Contractor with Certificates of Insurance as evidence that policies providing the required coverages, conditions and limits are in full force and effect. Such certificates shall provide that not less than thirty (30) days advance notice of cancellation, termination or alteration shall be sent directly to Contractor at the address for notices set forth in Paragraph 21 herein.

h. Contractor reserves the right to request and receive certified copies of any and all of the above policies and/or endorsements.

i. Costs for coverages maintained by Subcontractor in excess of or in addition to those required shall not be charged to Contractor unless otherwise agreed to in writing by Contractor.

j. The insurance policies may provide coverages that include deductibles or self-insured retentions. The Subcontractor shall be solely responsible for deductibles and/or self-insured retentions, and Contractor, at its option, may require the Subcontractor to secure the payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

## 9. Bonds.

a. If requested by Contractor in the Purchase Order, Subcontractor shall furnish a performance bond and a labor and materials payment bond as security for the faithful performance and payment of all Subcontractor's obligations under this Agreement. Each bond shall be in an amount at least equal to the Contract Price, shall be written by a surety acceptable to Contractor, and shall be in a form acceptable to Contractor.

b. Bonds shall be executed with sureties licensed to conduct business in the State of \_\_\_\_\_. The surety shall have at least an "A" rating from a nationally recognized rating agency. Each bond shall be accompanied by a certified copy of such surety's agent's authority to act, certified to be effective as of the date of the bond and authorizing the attorney-in-fact to bind the surety. Each bond shall allow the right of action to recover upon the bond in any suit brought for failure to complete the Services and/or failure to pay for any subcontracted Services performed.

c. If the surety of any bond furnished by Subcontractor files a voluntary or involuntary petition in bankruptcy or becomes insolvent under the law of any applicable state, or its right to

do business is revoked in any state where any part of the Services is being performed, Subcontractor shall within five (5) days thereafter deliver to Contractor a bond issued by a solvent surety acceptable to Contractor in the full amount of the bond required under Paragraph 9.a hereof.

d. The bonds shall provide that all alterations, extensions of time, extra and additional Services, and other changes authorized by this Agreement, including Change Orders, may be made without securing the consent of the sureties on the bonds.

e. The performance bond and the labor and materials payment bond shall continue in full force and effect throughout the warranty periods as specified herein and until the expiration of any and all liens that may be filed or the time for filing all such liens, whichever occurs later.

f. Each bond shall contain a waiver of all rights under A.R.S. § 12-1641, and at Contractor's option, the labor and materials payment bond, together with a copy of the Purchase Order and any other document deemed necessary by Contractor, may be recorded with the County Recorder in any county in which the Services is to be performed.

10. Independent Contractor. The Parties acknowledge and agree that Subcontractor is an independent contractor of Contractor and not acting as an employee, agent, representative or in any other capacity of or with Contractor. Accordingly, Subcontractor shall be solely responsible for all federal, state and local income taxes, unemployment taxes, Social Security contributions, Worker's Compensation premiums, and all similar taxes and payments concerning Subcontractor and/or any employees of Subcontractor. Contractor shall not be liable for any injury or damage to any person or property whatsoever by reason of, or in any manner arising from, any act or failure to act of Subcontractor or any Subcontractor Parties. Subcontractor warrants and represents to Contractor that it is fully experienced and properly qualified as an expert to perform the Services required hereunder and that it is properly licensed, equipped, organized and financed to perform such Services.

11. Indemnity and Release. Subcontractor shall defend, indemnify and hold Contractor, its employees, agents, officers, directors, shareholders and their successors and assigns (all of the foregoing are collectively the "Indemnified Parties") harmless from and against all claims for bodily injury or death, property damage, and all liabilities, claims, damages, lawsuits, judgments, demands, costs and expenses (including, but not limited to repair costs, attorney's fees and costs and investigative expenses) (collectively, "Claims") which arise or are any way connected with the Services performed, materials furnished or services provided by Subcontractor or its employees, agents or subcontractors under this Agreement. The foregoing Claims include any Claims arising from any act or omission of Subcontractor, its subcontractors, agents, or employees. Subcontractor's indemnification and defense obligations under this Paragraph 11, shall survive the completion of the Services and the Project. To the fullest extent permitted under applicable Laws, Subcontractor hereby releases and waives any Claims against the Indemnified Parties arising from or related to the Services, except for Contractor's obligations under this Agreement.

12. Termination Without Cause. Upon at least ten (10) days' prior written notice, Contractor may for its convenience and without cause: (a) terminate this Agreement, or all or any portion of the Services not then completed; or (b) suspend the performance of this Agreement or all or any portion of the Services for such period as may be determined by Contractor in its discretion. Such suspension or termination shall be effective upon the date stated in the written notice. In the event of such termination without cause, Subcontractor shall be paid all amounts due and not previously paid to Subcontractor for Services satisfactorily

completed in accordance with the Contract Documents prior to such written notice of termination, said amounts to be computed based on the Contractor's reasonable estimation of the proportionate amount of Services completed. Subcontractor shall not be entitled to any profit, or loss of profit on any uncompleted portion of the Services.

13. Default by Subcontractor and Contractor's Remedies. Contractor, in its sole discretion, may terminate the Agreement, in whole or in part, at any time, if Subcontractor should default in performing any obligation under this Agreement.

a. Subcontractor will be in default if, after expiration of any applicable notice and cure period, any of the following occur:

i. Subcontractor becomes insolvent or bankrupt, or ceases, is unable, or admits in writing its inability generally to pay its debts as they become due, or makes an assignment for the benefit of its creditors, or enters into any compromise or arrangement with its creditors.

ii. Subcontractor authorizes, applies for, or consents to the appointment of a receiver, trustee or liquidator of all or a substantial part of its assets, or proceedings seeking such appointment shall be commenced against it.

iii. Subcontractor authorizes or takes any action under bankruptcy, readjustment of debt, insolvency, dissolution, liquidation or other similar laws of any jurisdiction, or proceedings under any such laws are instituted against it.

iv. Subcontractor assigns, delegates or subcontracts any part of the Services or this Agreement in violation of this Agreement.

v. Subcontractor fails to provide any insurance coverage required to be provided by Contractor as prescribed in this Agreement, or permits and does not cure the cancellation, termination or modification of such insurance coverage so that the required insurance coverages are no longer in full force and effect.

vi. Subcontractor fails to furnish bonds upon Contractor's request.

vii. Subcontractor fails to perform the Services in a timely manner or suspends completion of the Services or any portion thereof without Contractor's written consent or direction.

viii. Subcontractor fails in any way to comply with any of the requirements, conditions or provisions of the Agreement.

b. If Subcontractor fails to remedy any default within five (5) days after receipt of a written notice of default from Contractor or, if the default cannot be remedied within such period, Subcontractor fails to commence efforts to remedy the default within five (5) days after receipt of such notice or fails to diligently prosecute such efforts to completion, then Contractor, in its sole discretion, shall be entitled to declare the entire Agreement to be terminated for cause. Upon termination for cause, Contractor may, without limiting any other remedy available to it under the Agreement or at law or in equity, and in its sole discretion, withhold any amounts otherwise due and payable to Subcontractor under the Agreement.

c. Upon termination for cause, Contractor shall have the right, but shall not be obligated, to complete the Services by whatever method Contractor may deem expedient, including employing another subcontractor. Contractor may provide or obtain any services, goods, materials or equipment and perform any part of the Services that was not completed prior to termination or that must be redone as a result of Subcontractor's default. Contractor may take possession of and use any or all of the goods, materials, plant, tools, equipment, supplies, and property of any and every kind furnished by Subcontractor for the Services. The expense of completing the Services, to include any applicable cost associated with awarding any additional contracts and any other direct damages caused by delays in completing the Services, shall be charged to Subcontractor. Such expenses shall be offset by Contractor against monies that are due or may at any time thereafter become due to Subcontractor. If such expenses exceed the sum that would have otherwise been payable under this Agreement or any applicable Purchase Order, Subcontractor shall be liable for and shall, upon written notice from Contractor, promptly pay to Contractor the amount of such excess. Contractor shall not be required to obtain the lowest bids or prices for completing the Services, but may make such expenditures as in its sole judgment may best accomplish such completion.

d. If any termination for cause pursuant to this Paragraph 13 is held to be wrongful by a court of competent jurisdiction, the parties agree that such termination shall be deemed to be a termination without cause, and the provisions contained in Paragraph 12 shall control.

14. Damages. In no event shall either Party be liable for any special, indirect or consequential damages, including lost profits or lost good will, arising out of or in connection with or resulting from this Agreement and/or the Services, whether or not such damages arise out of or in connection with this Agreement or result from the negligence of the other Party, its employees or agents.

15. Confidential Information. As a result of the relationship created between the Contractor and Subcontractor by this Agreement, Subcontractor acknowledges that it may become privy to the Contractor's or the Owner's secret or confidential information concerning business, products, technical data, activities, processes, technology, customers, suppliers, contracts, finances, personnel, research, techniques, models, data, plans, policies, inventions, or other information of a similar nature, whether or not reduced to writing or other tangible form, and any other trade secrets (collectively, the "Confidential Information"), the dissemination of which might prove prejudicial to the Contractor or the Owner. Subcontractor agrees that it shall not, directly or indirectly, at any time either during the continuation of or following termination of this Agreement disclose or use the Confidential Information: (a) other than for the purpose of fulfilling its obligations to the Contractor under this Agreement; (b) except as compelled by subpoena, court order or similar process or as otherwise required under applicable Laws; and (c) except where the Confidential Information has become publicly available through no fault of Subcontractor. Subcontractor shall return all such Confidential Information and all copies or recordings of the same to the Contractor immediately upon the termination of this Agreement.

16. Compliance With Laws. Subcontractor shall comply with all applicable Laws concerning the Services, including any and all safety codes and ordinances.

17. Warranty for the Services. Subcontractor warrants the services, goods and materials incorporated in the Services for a period of two (2) years after completion of the Project. Subcontractor warrants that the Services shall (a) be performed and completed in a thorough, workmanlike manner; (b) meet the requirements of this Agreement or any Change

Order; and (c) be of the standard and quality generally recognized and accepted within its industry or profession throughout the United States. In addition to the warranties in this Paragraph, Subcontractor shall assign to Contractor, any and all manufacturers' warranties and guarantees applicable to the goods or materials. In the event of a breach of warranty, Contractor shall notify Subcontractor in writing or by any other means reasonably calculated to give Subcontractor actual notice of breach within a reasonable time after Contractor becomes aware of the breach, and in order to correct the breach of warranty, Subcontractor shall, at its sole expense, within five (5) days of Contractor's written notice, take all the necessary corrective actions, which corrective actions shall be subject to Contractor's prior written approval. In the event that Subcontractor fails to initiate such corrective action within five (5) days of Contractor's written notice, Contractor shall have the right, but shall not be obligated, to correct the breach by whatever method Contractor may deem expedient, including employing another subcontractor. Contractor may provide or obtain any services, goods, materials or equipment as are reasonably necessary to correct Subcontractor's breach. Contractor may take possession of and use any or all of the goods, materials, plant, tools, equipment, supplies, and property of any and every kind furnished by Subcontractor for such corrective action. The expense of correcting the breach, to include any applicable cost associated with awarding any additional contracts and any other direct damages caused by delays as a result of the breach, shall be charged to Subcontractor.

18. Representations and Warranties. In addition to other representations and warranties of Subcontractor under this Agreement, Subcontractor represents and warrants to Contractor, with the knowledge and expectation of Contractor's reliance thereon, as follows: (a) Subcontractor and the Subcontractor Parties are duly qualified, licensed, registered and authorized by applicable Law to perform the Services, and each and every one of them possesses the professional expertise, training and experience necessary to properly perform the Services with the highest standards of professionalism, competence and attention to detail, for the compensation described in this Agreement, and in full compliance with the Services requirements; (b) Subcontractor is financially solvent and able to pay Subcontractor's debts as they mature; (c) Subcontractor is duly formed, validly existing and in good standing in the states of its formation, and is duly qualified to do business in Arizona; (d) Subcontractor has the full power, authority and legal right to execute, deliver and perform under this Agreement, and this Agreement has been duly authorized by Subcontractor; (e) Subcontractor and all Subcontractor Parties have obtained and will maintain in full force and effect at all times during the performance of the Services all licenses, permits and governmental approvals that are required to be obtained and maintained by all Laws applicable to Subcontractor and all Subcontractor Parties, to their businesses and to their obligations under this Agreement; (f) Subcontractor will review the terms and conditions set forth in this Agreement and the Purchase Order and will be thoroughly familiar with the conditions under which the Services are to be performed; (g) all Services performed for and Documents provided to Contractor by Subcontractor and/or any Subcontractor Party pursuant to this Agreement, will comply with all applicable Laws; and (h) Subcontractor will take all actions that are necessary to, coordinate, oversee and critique the Services and Documents that are provided by the Subcontractor Parties.

19. Force Majeure. Neither Contractor nor Subcontractor shall be liable for any damages, claims or liability of any kind arising from delay in performance caused by a "Force Majeure Event". As used herein, "Force Majeure Event" shall mean acts of God; acts of terrorism; explosion; fire; extreme weather conditions; flood; drought; epidemic; earthquake; riot; insurrection; blockade; war or other hostilities; strike, lockout or other industrial disturbance; act or restraint of governmental authority whether valid or invalid; the refusal or failure of any



governmental authority to promptly issue or grant any necessary governmental authorizations, permits, licenses, certificates or approvals or the action or inaction of any governmental authority which causes the lapse or expiration of any of the foregoing; shortages of materials or products to be incorporated in the Services, and any other cause or event which is reasonably beyond the control of the Party and which the Party is not able to overcome by the exercise of reasonable diligence, provided, however, that neither Party shall be required to settle any strike, Services stoppage or other labor dispute on terms which, in its opinion, are unsatisfactory. If any delay in Subcontractor's performance is attributable to a Force Majeure Event, the time for performance shall be extended for a period equal to the time of the delay caused by the Force Majeure Event.

20. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

21. Notices. Unless otherwise provided in this Agreement, all notices, requests, demands and other communications required or permitted under this Agreement shall be in writing and shall be deemed duly given and received: (a) if personally delivered, on the date of delivery; (b) if sent by fax or e-mail, on the date transmitted, provided the recipient confirms receipt by reply fax or e-mail; (c) if mailed, three (3) Days after deposit in the United States mail, registered or certified, return receipt requested, postage prepaid and addressed as provided below; or, (d) if by courier delivery service providing overnight or next-day delivery, on the next business day after deposit with such service. The business address, fax number and e-mail address of Contractor and Subcontractor to which all notices, requests, demands and other communications shall be sent is as follows:

All notices to Subcontractor shall be sent to:

(Subcontractor's Name) \_\_\_\_\_  
(Street Address) \_\_\_\_\_  
(City/State/Zip Code) \_\_\_\_\_  
(Fax Number) \_\_\_\_\_  
(Email Address) \_\_\_\_\_

All notices to Contractor shall be sent to:

Laron Incorporated  
(Address) \_\_\_\_\_  
(City/State/Zip Code) \_\_\_\_\_  
(Fax Number) \_\_\_\_\_  
(Email) \_\_\_\_\_

A party may change its addresses or fax number or the person designated to receive notices by giving written notice of the change in the manner provided above.

22. Entire Agreement and Interpretation. This Agreement, the Purchase Order and any Change Orders contain the entire agreement between the Parties and all prior understandings or agreements are merged into this Agreement. If any conflicts exist, this Agreement controls, unless otherwise expressly modified by the Purchase Order. Any additional or different terms included by Subcontractor in its acceptance shall not become part of this Agreement or the Contract Documents, nor shall Contractor's acceptance of the Services be deemed an acceptance of any additional or different terms, unless the additional or different

terms are expressly accepted by Contractor in writing. This Agreement and the Contract Documents includes all documents either attached hereto or incorporated herein by reference. This Agreement has been negotiated among the parties and, if there is any ambiguity, no presumption construing this Agreement against a Party shall be imposed because this Agreement was prepared by such Party or its attorney.

23. Attorney Fees. In the event that either Party hereto institutes an action or other proceeding to enforce any rights arising under this Agreement, the Party prevailing in such action or other proceeding shall be paid all reasonable costs and reasonable attorney's fees by the other Party.

24. Applicable Law. This Agreement shall be interpreted and enforced according to the Laws of the State of Arizona.

25. Counterparts. This Agreement may be executed in any number of counterparts and by different Parties hereto on separate counterparts, each complete set of which, when so executed and delivered by all Parties, shall be original, but all such counterparts together shall constitute but one and the same instrument.

26. Time is of the Essence. Time is of the Essence of this Agreement.

27. Waivers and Modification. No waiver of any of the provisions of this Agreement shall constitute a waiver of any other provisions, whether or not similar, nor shall any waiver be a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver. This Agreement may not be modified, except in writing signed by both of the Parties.

28. Severability. If any provision of this Agreement is declared void and unenforceable, such provision shall be deemed severed from this Agreement, which shall otherwise remain in full force and effect. Further, if any such provisions may be reduced and/or narrowed in scope or the like, such provisions shall be reduced, narrowed and/or the like and so enforced.

29. Waiver of Jury Trial. Contractor and Subcontractor hereby irrevocably waive any and all rights they have to demand that any action, proceeding or counterclaim arising out of or in any way related to this Agreement be tried by jury.

30. Additional Terms and Conditions. This Agreement is subject to those additional terms and conditions between Contractor and Owner, contained in Paragraph/Section \_\_\_\_\_ of the agreement between Contractor and Owner, a copy of which paragraphs/sections is attached hereto as Exhibit "B" and incorporated herein.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date and year first above written.

**CONTRACTOR:**

LARON INCORPORATED  
Arizona corporation

By: \_\_\_\_\_  
Its \_\_\_\_\_

**SUBCONTRACTOR:**

By: \_\_\_\_\_ (Print or type name)

Its: \_\_\_\_\_ (Print or type title, if applicable)