

**CONSTRUCTION AGREEMENT**

(Labor and Materials)

This Construction Agreement (this “**Agreement**”) is entered into as of the Effective Date by and between the undersigned contractor (“**Contractor**”) and the undersigned owner(“**Owner**”).

**RECITALS**

WHEREAS, Owner is in the residential home building business and contracts with contractors to perform work in their respective areas of expertise.

WHEREAS, Contractor is in the business of performing work for the residential construction market and through its past and current services to the residential construction market, Contractor is familiar with the appropriate practices and techniques in performing the Work.

WHEREAS, Owner hereby engages Contractor for purposes of performing the Work.

**AGREEMENT**

In consideration of the mutual promises contained in this Agreement, Owner and Contractor agree as follows:

**1. DEFINITIONS**. All terms appearing in this Agreement with initial capitals are defined in Section 22 of this Agreement.

**2. EXECUTION OF CONTRACT DOCUMENTS**. Before Contractor commences Work on any Site, Owner and Contractor must sign the Pricing Schedule and the Scope of Work, and Owner must issue a Build Pro Purchase Order Request to Contractor. Change Orders may be issued as provided in Section 8 herein.

**3. SCHEDULING**. Contractor is responsible to complete the Work in accordance with the Work Schedule, subject to Force Majeure. For each day there is a Force Majeure event the party’s time for performance shall be extended for one day, provided that the party seeking to exercise the Force Majeure provision has notified the other party hereof in writing of the Force Majeure event within two (2) days after the first day of the Force Majeure event. Work scheduling will be accomplished through the Hyphen Solutions “Build Pro/Supply Pro” software program. Owner will electronically post and update the Work Schedule on the Owner Build Pro Website. Contractor acknowledges that the Build Pro Purchase Order Requests sent to it via email are notices to commence Work issued under the terms of, and subject to, this Agreement. Contractor is responsible for checking its email account and reviewing the Work Schedule on a periodic basis at intervals deemed appropriate by Contractor. Owner recommends that this be done on a daily basis. Contractor must perform the Work so as to avoid conflict, delay or interference with any work at the Site.

**4. PAYMENT**. Owner will pay Contractor for completed Work when (a) Owner receives Contractor’s request for payment, (b) Owner has inspected and approved the Work for payment purposes, which approval shall not constitute approval for any other purposes, (c) Owner receives mechanic’s lien affidavits, conditional releases or waivers (i.e., conditional upon receipt of payment), if required by Owner, on forms which comply with the requirements of Indiana law, from potential lien claimants (at any tier) involved in the performance of the Work, and (d) Contractor satisfies any additional payment conditions contained in the Contract Documents. Contractor’s submission of a payment request constitutes Contractor’s representation that the Work has been completed in accordance with the Contract Documents. Payment for or acceptance of the Work or any portion of the Work by Owner does not constitute a waiver or release of any rights of Owner against Contractor under this Agreement, at law or in equity, including, without limitation, liability for defective, deficient or Non-Conforming Work. Owner shall not withhold or retain funds from any payment due Contractor, except as specifically authorized in the Contract Documents or as permitted by law.

**5. PAYMENTS BY CONTRACTOR — NO LIENS**. Subject to the terms of this Agreement, Contractor will promptly pay all costs of labor, materials, services and equipment used in the performance of the Work. Provided Owner has made all applicable payments required to be made pursuant to the terms of this Agreement, Contractor will keep each Site free from any Lien Claim arising out of the Work. If a Person asserts a Lien Claim in connection with Contractor's performance of the Work, Owner may, to the extent permitted by law, pay such Lien Claim, together with attorneys' fees and other costs and expenses incurred by the Person making the Lien Claim, as necessary to obtain a release and discharge of the Lien Claim. Owner may make such payment directly to the Person asserting the Lien Claim or by joint check to Contractor and the Person asserting the Lien Claim. Owner may not make the payment, however, if Contractor has first delivered written notice to Owner of a Dispute with the Person making the Lien Claim, and has furnished security satisfactory to Owner insuring against Lien Claims arising from the Dispute. If Owner makes a payment authorized pursuant to this paragraph, then such payment will be credited against sums due Contractor in the same manner as if the payment had been made directly to Contractor. Additionally, if all sums due Contractor hereunder have been paid, then Contractor shall promptly reimburse Owner for all monies paid by Owner to the Person making the Lien Claim. Owner may request, from time to time in its sole discretion, that Contractor provide proof of all payments made by Contractor to Subcontractor(s), if applicable, and a detailed list of any and all potential lien claimants (at all tiers) involved in the performance of the Work including, with respect to each such potential lien claimant, the name, scope of work, sums paid to date, sums owed, and sums remaining to be paid.

**6. STANDARD OF CARE**. Contractor will perform the Work in accordance with the Contractor Standard of Care.If there is a conflict between any of the standards, practices, plans, drawings, specifications, and schedules included in the Contractor Standard of Care, the more stringent or exacting among them will control.

**7. PROSECUTION OF WORK**. Contractor has the duty to determine what individuals and how many individuals to assign to the Site to perform the Work. Owner shall have the right, however, to refuse access to any individual at Owner’s discretion. If Owner refuses access to an individual, then Contractor agrees to use its best efforts to assign such individual to another worksite of Contractor. Contractor further agrees that any individual Contractor uses to perform the Work or any portion thereof must be paid a W-2 wage by the Contractor or be the W-2 employee of a Subcontractor with whom Contractor has directly contracted. If Contractor is using a Subcontractor to perform all or a portion of the Work, Contractor agrees to require and orient such Subcontractor to the requirements of this Agreement. Contractor shall be responsible to maintain supervision of the Work sufficient to control the means and methods of accomplishing the Work. Contractor shall also use its best efforts to coordinate with other trades on performing the Work and for maintaining Owner’s schedule for completion. Contractor shall have control over, charge of, or any responsibility for construction means, methods, techniques, sequences, procedures and safety precautions or programs in connection with the Work. However, Owner shall have the right to stop and start work when Owner determines the Work is not being performed in accordance with this Agreement. Stoppage for this reason shall not be considered Force Majeure and will not extend the time for performance for Contractor. Contractor will determine and supply all tools and equipment necessary to perform the Work. Contractor shall notify Owner of the Designated Representative for each Site. Contractor shall direct all communications with Owner related to the Work through the applicable Designated Representative.

**8. CHANGE ORDERS**. Owner may issue a Change Order from time to time. The Change Order shall be effective and binding upon the Owner’s issuance of the Change Order, unless within 2 Business Days after Contractor’s receipt of the Change Order, Contractor delivers to Owner a written objection to the pricing. Notwithstanding any provision herein, if Contractor commences the work related to the Change Order, then the Change Order shall be deemed accepted and any objections to pricing shall be deemed withdrawn. If Contractor timely delivers a pricing objection to Owner and such objection is not withdrawn or deemed withdrawn, then the Change Order shall not be effective, but Owner may terminate this Agreement pursuant to Section 19 herein.

**9. WARRANTY; CORRECTION OF WORK; REINSPECTION FEES.**

1. **Warranty**. In addition to any other warranty expressly made by Contractor or implied by law, Contractor unconditionally warrants to Owner that the Work: (a) conforms to the requirements of the Contract Documents, (b) adheres to the Contractor Standard of Care, (c) was performed without defects in materials, to the extent the materials are provided by Contractor, and workmanship, (d) consists of new unused materials, to the extent the materials are provided by Contractor, (e) is fit for the particular purposes or uses contemplated by the Contract Documents or as specified in writing by Owner to Contractor, (f) conforms to all accepted models and samples and all affirmations of fact, promises, descriptions or specifications agreed upon by Owner and Contractor, and (g) will be tested, manufactured, labeled, packaged, shipped, handled and invoiced in compliance with all patent, trademark, trade name right, copyright or trade secret, right of publicity or privacy right or any other proprietary, intellectual property, industrial property, contract or other right held by any third party. This warranty is for the benefit of Owner and its successors and assigns, and specifically extends to the benefit of all Subsequent Owners. The warranty in this Section 9(a) is independent from all other obligations of Contractor under this Agreement including, without limitation, all indemnification obligations.
2. **Correction of Work**. In addition to all other remedies that Owner has under Section 20 of this Agreement, if at any time before the Work is completed, and thereafter at any time within the Warranty Period any of the Work is found by Owner or any Subsequent Owner to be Non-Conforming Work, then Contractor, upon notice from Owner or any Subsequent Owner and at its sole cost and expense, will expeditiously repair or replace the Non-Conforming Work, whether existing because of faulty workmanship, defective equipment or materials or any other reason resulting from Contractor's or its Subcontractor(s)’ activities and repair or replace any damage to the work of others caused by the Non-Conforming Work or the repair or replacement of the Non-Conforming Work.
3. **Assignment of Warranties**. To the extent assignable, Contractor hereby assigns to Owner all warranties and guarantees made to or available to Contractor, if any, related to the Work, including, without limitation, manufacturer’s warranties relating to any materials incorporated into the Work. If a warranty or guaranty is not assignable, then Contractor agrees to cooperate with Owner to assist Owner in obtaining the benefits of such warranty and guaranty.
4. **Reinspection Fees**.If any portion of the Work fails inspection by a governmental authority or third party inspector, Contractor will be responsible for paying (either directly or through a back charge by Owner) any reinspection fees.

**10. FAMILIARITY WITH SITE, DOCUMENTS AND LAWS**. Before Contractor commences the Work, Contractor will inspect the Site and read all Plans and other documentation included within the Contract Documents and the Contractor Standard of Care. Contractor's commencement of the Work is Contractor’s acknowledgment that the Site is safe for purposes of the Work and is ready for the Work to commence and continue in accordance with the Contractor Standard of Care and all Laws bearing on the Work. Contractor's continuation of the Work without objection is a continuing acknowledgment that the Site is safe and ready for the performance of the Work. The parties acknowledge that Contractor has evaluated the cost of the Work, and considered and assumed the risk that unforeseen conditions or events may be encountered causing additional difficulty and expense not anticipated at the time the parties agreed upon the Contract Price. Contractor represents that it is fully familiar with the requirements of any governmental authority having jurisdiction over the Work, that it will comply with all Laws and that the costs of compliance are included in the Contract Price.

**11. PROTECTION OF WORK AND SITE**. Contractor will supervise, administer and protect the Work against loss or damage from any cause and is responsible for all parts of the Work, temporary or permanent, finished or not, until the Work is finally completed and accepted by Owner. In addition, if the Scope of Work includes installation of materials or equipment furnished by anyone other than Contractor, Contractor must examine the items so provided and handle, store and install the items with the necessary skill and care to ensure a satisfactory and proper installation. Contractor will take reasonable precautions and maintain reasonable safeguards to protect against loss or damage to persons or property (including the Site itself) resulting from weather conditions or arising out of Contractor's activities at or about the Site. Contractor assumes full responsibility for the storage of its own materials, tools and equipment. If Contractor causes damage to the Site or the property of Owner or others located on or about the Site, it will promptly repair the damage at its sole cost, failing which Owner may repair the damage and back charge Contractor for the cost of the repair.

**12. CLEAN UP.** Contractor must keep the Site (including the home being constructed thereon) and surrounding area free from accumulation of debris and trash related to the Work. Contractor must remove from the Site any and all debris and trash related to the Work on a daily basis to an area designated by Owner so that the Work Schedule can be maintained and other contractors are not hampered in the performance of their work. If Contractor neglects to properly dispose of any trash or debris related to the Work, Owner has the right to remove the accumulated trash or debris and to back charge Contractor for the cost of the removal, together with a “supervisory fee” of not less than $50, and not more than $250, for each instance of non-compliance. Contractor must clean the streets of all dirt, mud and debris tracked thereon by Contractor or its employees or Subcontractor(s) whenever conditions warrant, or when directed by Owner. Contractor must keep the areas near Owner’s sales facilities exceptionally clean, accessible and free of parked equipment and personal vehicles. Contractor will not burn trash or debris on the Site or surrounding areas. When the Work is completed, Contractor will immediately remove from the Site all excess materials, tools, scaffolds, equipment and supplies, and will leave the Site in a clean and safe condition.

**13. COMPLIANCE WITH LAWS**.

1. **General Compliance with Laws**. In the performance of the Work, Contractor will comply with all Laws. In addition, Contractor will carefully check the Contract Documents and any other written documents included in the Contractor Standard of Care for conformity with Laws. Contractor, at its sole cost and expense, will obtain all necessary permits and licenses, and will give all necessary notices, prior to commencement of the Work, unless Owner agrees otherwise in writing. If Contractor observes any violation of Laws at or near any Site, it will immediately report the violation to Owner in writing.
2. **Safety.** Contractor will comply with all applicable federal, state and local health and safety laws, regulations and requirements, including, without limitation, federal and state OSHA safety requirements. In addition, Contractor will comply with any safety requirements in the Contract Documents. Contractor will develop its own safety program and train its employees and Contractor will require its Subcontractor(s) to develop their own safety program and train the Subcontractor(s) employees. Contractor will provide and cause all of its employees to wear appropriate protective equipment and Contractor will require its Subcontractor(s) to provide and cause all of the Subcontractor(s) employees to wear appropriate protective equipment. The Designated Representative shall be the “competent person” for safety communication between Owner and Contractor, unless Contractor notifies Owner of a different person who will act as the “competent person.” Contractor is solely responsible for providing and maintaining safe job conditions for its employees and is jointly responsible with the Subcontractor for providing and maintaining safe job conditions for its Subcontractor(s) and their employees. In no event will Owner be responsible for safety precautions or programs related to Contractor’s Work. However, Owner shall have the right to stop and start the Work as provided in Section 7 herein, if Owner believes the Work is not being performed in a safe manner as required herein. Contractor will immediately report to Owner’s field representativeany accident or injury occurring at a Site and Contractor will cooperate with Owner with respect to any accident reports or investigations. Contractor shall reimburse Owner for any penalties paid and costs, including but not limited to attorney’s fees, incurred by Owner as a result of Contractor's failure to comply with the terms in this paragraph. Contractor agrees that it will provide to Owner safety data sheets of hazardous materials used by or brought onto the Site by Contractor or its Subcontractors.
3. **Compliance with Storm Water Laws and Plan**. Contractor agrees as follows: (i) prior to commencing the Work, Contractor will review the Storm Water Plan and familiarize itself and its employees and Subcontractor(s) with those parts of the Storm Water Plan that apply to its activities; (ii) Contractor will comply with the Storm Water Plan applicable to its activities and all regulations applicable to it regarding storm water; (iii) Contractor will comply with the instructions of Owner’s representatives regarding the Storm Water Plan and regulations regarding storm water; (iv) Contractor will not damage or interfere with any storm water pollution controls, including erosion or sediment controls; (v) Contractor will not release any chemicals, including solvents and paints, or any rinse liquids to the ground; (vi) Contractor will properly dispose of all trash and debris; (vii) Contractor will review and comply with the terms and conditions of the Storm Water Compliance Do’s and Don’ts; (viii) Contractor will comply with all other storm water requirements in the Contract Documents, and (ix) Contractor shall reimburse Owner for any penalties paid by Owner or reasonable remedial costs incurred by Owner as a result of Contractor's failure to comply with items (i)- (viii).
4. **Compliance with Immigration Reform and Control Act (“IRCA”)**. Contractor agrees that it will not assign any of its employees to a Site prior to Contractor completing the employment eligibility verification process as required by IRCA and verifying that the employee is lawfully eligible to work in the United States. Contractor further agrees that it will retain Form I-9 Employment Eligibility Verification relating to any employee currently or previously assigned to a Site for the period mandated by applicable law and, upon written request, will make such Form I-9s available for Owner’s review. Contractor will require its Subcontractor(s) to also comply with the provisions in this paragraph.

**14. TEMPORARY UTILITIES AND FACILITIES.** Owner will use reasonable efforts to provide temporary or permanent electric service at or near all Sites. If electric service is not available, Contractor will furnish portable generators required to operate its tools and equipment. Contractor will also provide heat, water and other utilities (if not otherwise provided by Owner) in order to complete the Work on schedule at no cost to Owner. Contractor will not use water or power from any occupied dwelling or any other finished home under any circumstances, and Contractor and its employees and Subcontractor(s) must use temporary Site toilets only.

**15. TRAFFIC CONTROL.** Contractor and its employees and Subcontractor(s) will adhere to all Owner policies pertaining to Site access, deliveries and parking. Contractor may not use empty lots or finished driveways for parking, access, turning around or deliveries unless designated by signage or an Owner representative. Owner will designate parking areas on one side of the street, usually on the opposite side of the fire hydrants. Contractor will not obstruct access to Owner’s sales facilities unless it is unavoidable due to the location of the Work. Under that situation, Owner must give prior written approval before access to Owner’s sales facilities is temporarily hindered.

**16. REQUIRED INSURANCE**. Contractor must maintain, and will require each of its Subcontractors to maintain, insurance with the minimum coverage, terms and limits provided in **Exhibit A** attached hereto. The Required Insurance must cover all Sites. The Required Insurance in no way limits Contractor’s obligations under this Agreement or otherwise relieves Contractor from any liability under this Agreement. Owner’s receipt of any certificate of insurance in no way limits, waives and/or releases Contractor’s obligation to maintain the Required Insurance.

In order to ensure compliance with the Required Insurance, Contractor (i) agrees that Owner may communicate directly with Contractor’s insurance agent regarding the Required Insurance, and (ii) authorizes Contractor’s insurance agent to provide to Owner the insurance coverage, term and limits maintained by Contractor. This authorization does not grant Owner any authority to change the insurance maintained by Contractor. Any change to comply with the Required Insurance must be approved by Contractor.

**17. INDEMNITY AND RELEASE.**

1. **Indemnity and Defense**. To the fullest extent permitted by law, Contractor will indemnify, defend and hold each Owner Party harmless from and against any and all Claims arising out of or resulting from (i) Contractor’s or its Subcontractors failure to comply with the terms of the Contract Documents, or (ii) the performance of the Work, but only to the extent such Claims result from the acts or omissions of Contractor or its agents, employees or Subcontractor(s). The duty to defend under this Section 17(a) arises immediately upon Contractor’s receipt of the request of Owner for the defense.
2. **Independent Obligations**. Contractor's liability for indemnification under this Section 17 is in addition to any liability Contractor may have to any Owner Party for breach by Contractor of any of the provisions of the Contract Documents. Under no circumstances will the Required Insurance limit Contractor's defense or indemnification obligations or other liability under this Section 17.
3. **Equitable Indemnity**. The contractual right of indemnification provided to the Owner Parties under this Section 17 is cumulative to all rights of equitable indemnity to which the Owner Parties may otherwise be entitled; but the right to equitable indemnity does not reduce or decrease any rights of indemnity provided to the Owner Parties pursuant to this Section 17.
4. **Indemnity Not Limited By Workers Compensation Benefits**.In any and all Claims against any Owner Party by any employee of Contractor, the indemnification obligation under this Section 17 is not limited in any way by any limitation on the amount or type of damages, compensation or benefits payable under any workers compensation acts, disability benefits acts or other employee benefits acts.
5. **Release**. To the fullest extent permitted by law, Contractor for itself and any Person claiming through Contractor, including, without limitation, any Subcontractors and insurance carriers, hereby releases each Owner Party from any liability arising from a Claim connected with or related to the Work, except to the extent a Claim is directly attributable to Owner’s breach of this Agreement.
6. **Savings Provision**. If the provisions of this Section 17 violate the statutory or common law of the applicable state or governing authority, this Section 17 will not be stricken or considered void in its entirety. Rather, Contractor's defense, indemnification and release obligations will apply to the fullest extent permitted by the applicable law.

**18. ARBITRATION AND DISPUTE RESOLUTION**. Contractor and Owner specifically agree that this transaction involves interstate commerce and that any Dispute shall be submitted to binding arbitration as provided by the Federal Arbitration Act and not by or in a court of law or equity.  All Disputes shall be administered by the American Arbitration Association (“AAA”) in accordance with the rules that the AAA determines are the most applicable to the claims. The decision of the arbitrator will be conclusive and may be enforced in a court of competent jurisdiction. The submission to arbitration of any Dispute arising during construction will not delay or otherwise affect the continuing performance of the Work. Venue for arbitration is in the metropolitan area where Owner's division office nearest to the Site is located (or if the Dispute does not relate to a specific Site or Sites, then the Dispute shall be arbitrated in the metropolitan area of Owner’s Division office as noted in the notice section of this Agreement). Contractor and Owner specifically agree that the Indiana statutes of limitations, repose, and any other similar limiting statutes are incorporated herein by reference and shall apply to any such arbitration, the same as if the Dispute was in a court of law.

Notwithstanding any provision herein, if either Contractor or Owner are a party to an arbitration or legal action in a court of law in which the Dispute or Claim in any manner concerns or relates to the Work, then such party hereto may join the other party hereto as a party to the applicable arbitration or legal action and the party being joined hereby consents and agrees to be part of and bound by the applicable arbitration or legal action. If such event occurs, then the party joined to the arbitration or legal action also agrees to be bound by the applicable rules and procedures governing the arbitration or legal action of the Dispute or Claim. Contractor will require each of its Subcontractors to agree to be joined, if requested by Contractor or Owner, as a third party in such arbitration or legal action if the Dispute or Claim concerns or relates in any manner to such Subcontractor’s portion of the Work.

Notwithstanding the parties’ obligation to submit any Disputes to arbitration, in the event that any Disputes are determined to not be subject to binding arbitration, then the parties agree that any such Disputes will be heard by a judge in a court proceeding and not a jury, and Contractor and Owner each hereby waive their respective right to a jury trial.

**19. TERMINATION OF WORK OR AGREEMENT BY OWNER**.

1. **Termination**. Owner may terminate Contractor's right to perform all or any portion of the Work or this entire Agreement (in which case Contractor’s right to perform all Work will also terminate), at any time, with or without cause, by giving a Termination Notice to Contractor. Upon receipt of the Termination Notice, unless directed otherwise by Owner, Contractor will immediately cease (i) performance ofthe terminated portion of the Work and (ii) placement of orders for materials, equipment, machinery and supplies in connection therewith, and will, if requested by Owner, make every reasonable effort to procure cancellation of all existing orders for materials, equipment, machinery and supplies upon terms satisfactory to Owner. Contractor will only continue Work necessary to preserve and protect that portion of the Work which has been incorporated into the Site and to protect materials, supplies, machinery and equipment at or about the Site or in transit to the Site, unless otherwise instructed by Owner.
2. **Compensation**. Upon Contractor’s receipt of a Termination Notice, the obligations of the parties to continue performance as to the terminated portion of the Work (if all or any portion of the Work is being terminated), or under this Agreement (if this Agreement is being terminated), will cease and Contractor will be entitled to receive, as its exclusive remedy: (i) payment for the Work performed up to the time of receipt of the Termination Notice (as the percentage of completion is reasonably determined by Owner), with the Contract Price being prorated accordingly, (ii) reimbursement for the actual cost of materials purchased by Contractor, prior to Contractor’s receipt of the Termination Notice, for the Work, as evidenced by Contractor's supplier's invoices, but only if the materials are delivered to Owner, and (iii) reimbursement for any goods specially manufactured by Contractor prior to Contractor’s receipt of the Termination Notice, but only if the goods in a finished or completed status are delivered to Owner. Owner will pay Contractor in accordance with the terms and conditions set forth in Section 4 hereof, with final payment being made only after (a) Owner receives documentation from Contractor and all applicable Subcontractor(s) evidencing that no liens related to the Work or any Site may be filed and all Claims related thereto will be released upon receipt of such final payment, or (b) expiration of the period allowed by law for the filing of any Claims to enforce mechanics liens arising out of the Work, without any Claims having been filed. Notwithstanding any other provision in the Contract Documents to the contrary, neither termination of any portion of the Work nor termination of all or any portion of this Agreement will prejudice any Claim of either party arising before such termination, relieve either party from any liability arising prior to the termination, affect Contractor's warranty obligations for the portion of the Work performed prior to termination, relieve Contractor of its duty to correct any Non-Conforming Work or affect Contractor's obligations to indemnify, defend and hold Owner harmless as required by this Agreement.

**20. DEFAULT AND REMEDIES**. If Owner determines that a Contractor Default has occurred, then, in addition to all remedies available at law or in equity, Owner may immediately, with notice to Contractor, either oral or written, and without allowing Contractor an opportunity to cure, exercise any or all of the following remedies, which remedies are cumulative, and the exercise of any one remedy does not preclude, prevent or waive Owner's right to exercise any or all other remedies:

1. **Suspend, Terminate or Retain Payments**. Owner may suspend, terminate or retain any or all payments to Contractor for any Work until Contractor cures the Contractor Default or the Work is fully and finally completed.
2. **Correct Non-Conforming Work or Unfinished Work**. With respect to Non-Conforming Work, Owner may take possession of the Site and all materials on the Site that were used in connection with the performance of the Work, correct the Non-Conforming Work or complete (or cause to be completed) by whatever method Owner chooses and either offset or back-charge the actual cost incurred by Owner in performing the Work against any sums due Contractor by Owner, or require that Contractor immediately pay to Owner the actual costs incurred by Owner in performing the Work.

**21. GENERAL PROVISIONS.**

1. **Contractor’s Authorized Person**. Contractor and the Person signing this Agreement on behalf of Contractor represent and warrant that he or she has the authority to bind Contractor.
2. **Independent Contractor Status**. Contractor is an independent contractor with respect to the Work, and neither Contractor, nor anyone employed by, or working for, Contractor, is deemed for any purpose to be the agent, employee, servant or representative of Owner in the performance of the Work. Contractor acknowledges and agrees that Owner has no direction or control over the means, methods, procedures, details or manner of the Work performed by Contractor or any of its Subcontractor(s), employees, or agents, or any of their employees, agents, vendors or suppliers. Notwithstanding anything contained herein to the contrary, any provisions in this Agreement which may appear to give Owner the right to direct Contractor as to details of doing the Work or to exercise a measure of control over the Work mean that Contractor shall follow the desires of Owner in the results of the Work only.
3. **Taxes**. Unless otherwise provided on the Pricing Schedule, Contractor will bear the sole and exclusive responsibility for the payment of all taxes imposed by local, state or federal law applicable to the Work, materials supplied by Contractor, payments received by Contractor and payments made by Contractor, including, without limitation, federal income taxes, withholding requirements, self-employment taxes, social security taxes, sales taxes, use taxes and other taxes on the payments made to Contractor and payments made by Contractor to its employees and Subcontractor(s).
4. **Entire Agreement**. The Contract Documents constitute the entire agreement between the parties, and may only be modified by a written instrument duly executed by both parties, except modifications from a Change Order will be processed and governed as provided in Section 8 herein. The purpose of the exhibits and schedules is to set forth the scope of the Work provided, the compensation for such Work, and any purchase or change orders. The provisions of any documents prepared or submitted by the Contractor which are attached or incorporated into this Agreement that purport to expand or limit the purpose of the exhibits and schedules by, among other things and without limitation, adding legal rights and remedies or limitations of liability, or that are contrary to the provisions of this Agreement, are null and void and have no binding effect on Owner. If the provisions of this Agreement and the provisions of any exhibit or schedule are inconsistent, the provisions of this Agreement will control. By executing this Agreement, Contractor acknowledges receipt of all exhibits and schedules including, but not limited to, the Required Insurance, Scope of Work, Pricing Schedule and Storm Water Compliance Do’s and Don’ts.
5. **Waiver**. No consent or waiver, express or implied, by either party to this Agreement relating to any breach or default by the other in the performance of any obligation under this Agreement constitutes a consent to, or waiver of, any other breach or default by the defaulting party. Failure on the part of either party to complain of any act or failure to act of the other party or to declare the other party in default, irrespective of how long the failure continues, will not constitute a waiver of the rights of the non-defaulting party.
6. **Notice**. Unless otherwise provided in this Agreement, all notices required herein shall be in writing and shall be deemed properly served if delivered: (i) by overnight delivery service; (ii) by email; (iii) by certified mail, return receipt requested, with postage prepaid; or (iv) by Owner posting the notice to the Owner Build Pro Website. All notices properly given as aforesaid shall be deemed to be received by the addressee 1 day after deposit if sent by overnight delivery service, the date of transmission if sent by e-mail, 3 days after the date of the postmark if mailed, or 1 day after Owner posts the notice to the Owner Build Pro Website. Notice must go to the e-mail address or physical address, as the case may be, set forth on the signature page herein, or to such other address as may be designated by either party by written notice given pursuant this Section 21(f).
7. **Time**. Time is of the essence of this Agreement and each provision contained in this Agreement.
8. **Assignment / Subcontract**. Contractor may not assign or subcontract this Agreement, or any portion thereof, or any money due or which may become due under this Agreement, without providing prior notice, either written or oral, to Owner. Owner may object to such assignment or subcontract at any time. If Owner objects, then the assignment or subcontract shall be null and void and have no binding effect on Owner. If Owner does not object and Contractor assigns or subcontracts this Agreement or any portion thereof, Contractor shall remain primarily obligated under this Agreement unless Owner issues Contractor a written release. Notwithstanding anything to the contrary contained herein, Owner may assign this Agreement without the consent of or notice to Contractor; provided, however, Owner shall remain liable for all obligations hereunder arising prior to the date of the assignment to the extent assignee fails to perform such obligations.
9. **Successors and Assigns**. Subject to the provisions of Section 21(h), this Agreement will be binding upon and extend to the benefit of the parties and their heirs, personal representatives, successors and assigns.
10. **Words and Meanings**. Words used in this Agreement include the plural as well as the singular. Words used in the masculine gender include the feminine and neuter. The section headings used in this Agreement are for convenience only and will have no effect upon the construction or interpretation of any part of this Agreement.
11. **Survival**. All promises, terms, conditions, representations, warranties and provisions of this Agreement will survive the termination or expiration of this Agreement.
12. **Rebates; Discounts.** Unless otherwise provided in the Pricing Schedule, Owner will be entitled to all trade discounts and rebates obtained by or available to Contractor.
13. **Severability**. If any provision of this Agreement is held to violate any applicable law, the invalidity of the provision does not invalidate any other provision of this Agreement, and the other provisions will remain in full force and effect.
14. **Exclusivity**. This is not an exclusive contract, and Owner may engage other contractors to perform the same or similar work as is described in this Agreement.
15. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which constitutes an original, but all of which together constitute one and the same instrument.
16. **Confidentiality**. Contractor will treat as strictly secret and confidential, and will not use for its own benefit, any specifications, drawings, blueprints, samples, models or other information supplied by Owner in any format, including, but not limited to, oral, written, demonstrative, physical samples or electronic. In addition, Contractor will not disclose any information relating to the Contract Documents or the Work to any Person who is not an employee of Contractor or an authorized Subcontractor as provided in Section 21(h) herein.
17. **E-Signatures**. Owner and Service Provider may conduct the transactions contemplated by this Agreement by electronic means only to the limited extent expressly set forth below. The following are the only electronic means permitted for the creation of electronic signatures:

a. Manually signed documents electronically scanned and converted into files using the Adobe PDF document format and sent to the email address of the receiving party; or

b. Email sent with the following words above the typed signature of the sending party, “the following is my electronic signature” and which shall include the typed name of the party and is sent to an email address of the receiving party.

 Signatures created by the foregoing electronic means are considered legally binding signatures between the parties to the fullest extent permitted by law, including, but not limited to, the Uniform Electronic Transactions Act. If not created by one of the means specifically listed above, any signature to any document will be legally effective only if evidenced by a physical paper document and manually signed by the appropriate party or parties. Any notice described in this Agreement as being “in writing”, or “written” may be given electronically as set forth in Section 21(f). The foregoing are the exclusive means for creating legally binding electronic communications. Nothing contained in this Agreement will impair the enforceability of manually signed physical documents.

1. **Access License**. Owner grants to Contractor, subject to the terms and conditions of this Agreement, limited, non-exclusive access to the M/I Internet Sites. Contractor agrees: (i) to be responsible for all use of, and to securely maintain control over, the user name(s) and password(s) given to it for the access to the M/I Internet Sites; (ii) not to access or attempt to access portions of the M/I Internet Sites for which Contractor is not authorized; (iii) to utilize the information available on the M/I Internet Sites only as permitted under this Agreement and only for purposes of providing goods and services to Owner; (iv) not to reveal, demonstrate or disclose any portion of the M/I Internet Sites to any third party, and especially not to any competitor of Owner; (v) not to retain copies of the M/I Internet Sites contents when no longer needed to perform services for, or provide goods to, Owner; (vi) that, if Contractor becomes aware that it was given access to portions of the M/I Internet Sites in error, it will not make use of the erroneous access and will notify Owner immediately; and (vii) not to contact directly or attempt to contact directly, any property buyers or owners identified on the M/I Internet Sites. Contractor is responsible for all use of the user name(s) and password(s) given to it for access to the M/I Internet Sites. The M/I Internet Sites are provided “As Is” and “As Available” and without warranties of any kind, express or implied. Contractor acknowledges that Owner may terminate Contractor’s access to the M/I Internet Sites at any time for any or no reason.
2. **Reasonableness of Consent or Approval**. Except as otherwise specifically provided in this Agreement, whenever a party is entitled to exercise some right under this Agreement only with the prior consent or approval of the other party, the consent or approval will not be unnecessarily withheld, conditioned or delayed.
3. **Attorney Fees**. In the event litigation or arbitration is instituted to enforce the terms of this Agreement, the prevailing party will be entitled to recover all costs, expenses and attorney fees incurred in the prosecution or defense of any such action. Notwithstanding the foregoing, this provision does not limit, modify or otherwise affect Contractor’s obligations under Section 17 to pay all costs of defending Claims, including attorneys’ fees.
4. **Governing Law**. This Agreement is to be construed under and in accordance with the laws of the state of Indiana.
5. **Records**. Contractor shall own and maintain all records related to individuals that Contractor uses to have the Work performed.

**22. DEFINED TERMS.**

As used in this Agreement, the following terms have the following meanings:

“Build Pro Purchase Order Request” means the notice to commence Work on a particular Site or Sites issued by Owner to Contractor via email using the Hypen Solutions “Build Pro/Supply Pro” software.

“Change Order” means a modification or amendment to the Work.

“Claim” or “Claims” means any and all claims, losses, costs, injuries, damages, expenses, liabilities, liens, actions, causes of action (whether in tort, contract, law or equity, or otherwise), charges, assessments, fines and penalties of any kind (including consultant and expert expenses, court costs and reasonable attorneys’ fees).

“Contract Documents” means this Agreement, Required Insurance, the Scope of Work, the Work Schedule, the Plans, the Pricing Schedule, the Storm Water Compliance Do’s and Don’ts, the Build Pro Purchase Order Requests, Change Orders and any supplements or amendments to any of the foregoing.

“Contract Price” means the price Owner agrees to pay Contractor for Contractor’s performance of the Work, determined in accordance with the Pricing Schedule. Unless otherwise agreed in writing by Owner and Contractor, the Contract Price includes supervision, freight, permits, fees, sales and other taxes, and any other costs required to perform the Work.

“Contractor Default” means any breach or default of the terms of the Contract Documents by Contractor including, without limitation: (i) Contractor’s failure to timely and diligently proceed with the Work; (ii) Contractor’s failure to acquire and/or maintain the Required Insurance; (iii) Contractor’s failure to make or ensure payment to Subcontractor(s) or suppliers (at all tiers) for labor, materials, services or equipment employed by Contractor in connection with the performance of the Work; (iv) Contractor’s failure to perform the Work in accordance with the Contract Documents, or Contractor’s performance of the Work in an otherwise unsatisfactory or defective manner; or (v) Contractor’s failure to furnish the necessary skilled labor, materials, equipment or services to meet the construction needs in accordance with the Contract Documents. Contractor Default also means (a) the filing of a petition by or against Contractor under any chapter or section of the federal Bankruptcy Code, as amended, or under any similar law; (b) the adjudication of Contractor as a bankrupt or insolvent; (c) Contractor’s making of a general assignment for the benefit of its creditors; or (d) the appointment of a receiver for Contractor on account of Contractor’s insolvency.

“Contractor Standard of Care” means the performance of the Work (a) in a prompt, diligent, good, safe and workmanlike manner, (b) during normal business hours for Owner, unless otherwise requested by Owner, and (c) in accordance with: (i) all Laws, (ii) industry standards, (iii) any standards or practices set forth in the Scope of Work, (iv) any practices otherwise specified in writing by Owner to Contractor, (v) the jobsite rules of Owner, (vi) building codes, (vii) all manufacturers’ most recent written recommendations and specifications for the installation and finish of materials, (viii) specifications of the Federal Housing Administration or the Veterans Administration, and (ix) all recorded subdivision or similar restrictions applicable to the community in which the Work is being performed.

“Designated Representative” means the person appointed by Contractor as the lead person for purposes of communications with Owner at a Site.

 “Dispute” means any dispute, controversy or Claim arising out of or relating to the Work, including, without limitation, those relating to payments, warranties or breach of the Contract Documents, and those relating to interpretation of the terms of the Agreement.

“Effective Date” means the date on which this Agreement is signed by the last party to sign.

“Force Majeure” means an unforeseeable event that is not within the applicable party’s reasonable control that prohibits such party from performing its obligations hereunder, including, without limitation, acts of war, terrorist acts, labor stoppages or strikes, unavailable materials and fire.

“Laws” means all applicable local, state and federal laws, codes (including building codes), rules, ordinances, regulations, orders and permits, including, without limitation, the Federal Water Pollution Control Act (commonly referred to as the Clean Water Act), the Fair Labor Standards Act, the Immigration Reform and Control Act of 1986, the Immigration and Naturalization Reform Act, and the safety and health rules and regulations established by or pursuant to the Occupational Safety and Health Act of 1970, all as amended from time to time.

“Lien Claim” means a claim by any Person asserting a lien, a notice to lien, a preliminary notice to lien, security interest or other monetary encumbrance related to a Site.

“M/I Internet Sites” means Owner’s extranet website located at <https://extranet.mihomes.com> and the Owner Build Pro Website.

“Non-Conforming Work” means any Work found by Owner or any Subsequent Owner to be defective or not to have conformed to the requirements of the Contract Documents.

 “Owner Party/Parties” means Owner, the owner of a Site if other than Owner, all subsidiaries, divisions, partners, parent and affiliated companies of Owner, and all such parties’ representatives, partners, members, officers, directors, shareholders, employees, agents, successors and assigns, and any lender of Owner with a security or collateral interest in a Site.

“Owner Build Pro Website” means the Owner’s Build Pro account located at https:www.hypensolutions.com/MHOBUILD/LogIn.asp and to which Contractor has been given access pursuant to this Agreement, together with any successor internet sites.

“Person” means any individual, corporation, partnership, joint venture, limited liability company, estate, trust, unincorporated association, any federal, state, county or municipal government or any bureau, department or agency thereof, and any representative acting in that capacity on behalf of any of the foregoing.

“Plans” means the architectural drawings, engineering plans (including foundation plans and frame engineering plans) and any and all selection sheets and energy plans for the particular home model identified on the Build Pro Purchase Order Request issued to Contractor. The Plans generally show the design, location and dimensions of the Work, generally including elevations, sections, details and diagrams.

“Pricing Schedule” means the schedule of negotiated prices for the various components of Work signed by Owner and Contractor prior to Contractor’s commencement of the Work, as supplemented or amended from time to time in accordance with the procedures set forth in the Pricing Schedule.

“Required Insurance” means the insurance that Contractor is required to maintain and that is described in Exhibit A to this Agreement.

“Scope of Work” means the schedule of performance standards, including requirements for materials, equipment, systems, standards and workmanship, captioned “Scope of Work” signed by Owner and Contractor prior to Contractor’s commencement of the Work, as supplemented or amended from time to time.

“Site” means a residential lot(s) or building site(s) on which the Work is to be performed.

“Storm Water Compliance Do’s and Don’ts” means the list of Do’s and Don’ts prepared by Owner relating to compliance with storm water rules.

“Storm Water Plan” means (i) the storm water discharge plan prepared by Owner for the Site, and (ii) the storm water plan of the developer of the Site if other than Owner and if such plan is provided by Owner to Contractor.

“Subcontractor” means any Person who has a direct or indirect contract (any tier) with Contractor to perform, or supply materials for, a portion of the Work, including, without limitation, independent contractors.

“Subsequent Owners” means any purchaser of any dwelling constructed on a Site, and to the extent applicable, any municipal corporation, jurisdiction, agency or homeowner’s association that owns or governs any portion of a Site.

“Termination Notice” means a written notice from Owner to Contractor terminating Contractor’s right to perform all or any portion of the Work, or the entire Agreement.

“Warranty Period” means the period commencing at the time of commencement of the Work for the applicable Site and shall continue until such time as all express and implied warranties granted or deemed granted by Owner and all other obligations of Owner related to the Work for the applicable Site or home are terminated or expired as a matter of law.

“Work” means the construction and services required by the Contract Documents, including labor, material (if applicable), equipment and services provided by Contractor to fulfill Contractor’s obligations.

“Work Schedule” means the timeframe within which Contractor must commence and complete the Work on a Site.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement to be effective as of the Effective Date.

|  |  |
| --- | --- |
| **Contractor:** a(n) By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | **Owner:M/I Homes of Indiana, L.P.,****an Indiana limited partnership****By: M/I Homes First Indiana, LLC,** **an Indiana limited liability company,** **its general partner**By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

**This section must be completed pursuant to Section 21(f).**

|  |  |
| --- | --- |
| Notice Address:Enter Address:    Enter Email:  | Notice Address:8500 Keystone CrossingSuite 590Indianapolis, IN 46240Enter Email:  |



**Scope of Work**

This Scope of Work is an addendum to the Construction Agreement. All capitalized terms and phrases in this Scope of Work, unless otherwise defined herein, shall have the same meaning as set forth in the Construction Agreement. In the event any provision of this Scope of Work conflicts with a provision of the Construction Agreement, such provision of the Construction Agreement shall govern and control for all purposes and in all respects.

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| --- |
| **[INSERT SPECIFIC SCOPE HERE]** |
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| --- | --- |
| **Enter Name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  | **M/I Homes of Indiana, L.P.,****an Indiana limited partnership****By: M/I Homes First Indiana, LLC,** **an Indiana limited liability company,** **its general partner** |
| By: \_\_\_\_\_\_ (signature) | By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(signature) |
|  \_\_\_\_\_\_(printed name) |  \_\_\_\_\_\_\_(printed name) |
| Its: \_\_\_\_\_\_\_\_ (title)Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_\_\_\_\_\_ | Its: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (title)Date: \_\_\_\_\_ , 20\_\_\_\_\_\_\_\_\_     |

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**Pricing Schedule**

This Pricing Schedule is an addendum to the Construction Agreement. All capitalized terms and phrases in this Pricing Schedule, unless otherwise defined herein, shall have the same meaning as set forth in the Construction Agreement. In the event any provision of this Pricing Schedule conflicts with a provision of the Construction Agreement, such provision of the Construction Agreement shall govern and control for all purposes and in all respects.

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| **[INSERT SPECIFIC SCOPE HERE]** |
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| --- | --- |
| **Enter Name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  | **M/I Homes of Indiana, L.P.,****an Indiana limited partnership****By: M/I Homes First Indiana, LLC,** **an Indiana limited liability company,** **its general partner** |
| By: \_\_\_\_\_\_ (signature) | By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(signature) |
|  \_\_\_\_\_\_(printed name) |  \_\_\_\_\_\_\_(printed name) |
| Its: \_\_\_\_\_\_\_\_ (title)Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_\_\_\_\_\_ | Its: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (title)Date: \_\_\_\_\_ , 20\_\_\_\_\_\_\_\_\_     |

 |



**Storm Water Compliance**

|  |  |  |
| --- | --- | --- |
|  | **DO** |  |
|  | * **DO**
 | review the Storm Water Plan for the Community. |
|  | * **DO**
 | go to the M/I Homes Field Manager with any questions regarding storm water pollution prevention or this list. |
|  | * **DO**
 | place all trash and debris in the provided trash receptacles. |
|  | * **DO**
 | use designated washout areas for cleaning equipment, *e.g.* concrete trucks must use the designated concrete washout area. Washout areas should not be located adjacent to catch basins or storm water inlets. |
|  | * **DO**
 | immediately report any spills of petroleum or other chemicals to the M/I Homes Field Manager. |
|  | * **DO**
 | immediately comply with any request from the M/I Homes Field Manager. |
|  | * **DO**
 | keep portable toilets a minimum of 3 feet from back of street and a minimum of 6 feet from any storm water inlets. |
|  | * **DO**
 | position mortar and stucco mixers on the lot so that no waters or materials leave the lot and enter the storm water management system. |
|  | * **DO**
 | monitor all points of discharge from the site for sediment laden waters. |

|  |  |
| --- | --- |
|  | **DON’T** |
|  | * **DON’T**
 | place any solvents, chemicals, or rinse liquids in a street or storm drain, a creek, waterway, other water body. |
|  | * **DON’T**
 | disable, damage, or interfere with any silt fence.* DON’T run over a silt fence.
* DON’T remove silt fence.
 |
|  | * **DON’T**
 | disable, damage, or interfere with any inlet controls.* DON’T remove inlet controls.
* DON’T place dirt or debris in or adjacent to inlet controls.
 |
|  | * **DON’T**
 | disable, damage, or interfere with any storm water pollution prevention controls at construction entrances.* DON’T evade stone construction entrances.
 |
|  | * **DON’T**
 | disable, damage, or interfere with any geotextile, matting or mulch.* DON’T drive over geotextile, matting or mulch.
 |
|  | * **DON’T**
 | disable, damage, or interfere with any other storm water pollution prevention controls. |