

**AGREEMENT FOR CONSTRUCTION OF
A TIMBER-FRAMED PROJECT**

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Table of Contents

ARTICLE I - INTRODUCTION	3
1.1. Definitions	3
1.2. Project Format	3
1.3. Agreement Format	3
1.4. Time of Performance	3
ARTICLE II - TFG UNDERTAKING	4
2.1. General	4
2.2. Administration	4
2.3. Project Manager	4
2.4. Leadership Team	5
2.5. Crane Liaison Services	5
2.6. Plans and Specifications	5
2.7. Promotional Package	5
2.8. Labor	5
2.9. Project Engineer Liaison Services	5
2.10. Timber	5
2.11. Joinery	5
2.12. Specialty Tooling	5
2.13. TFG's Procurement of Equipment	5
2.14. Safe Working Practices	6
2.15. Miscellaneous	6
ARTICLE III - CLIENT'S UNDERTAKINGS	6
3.1. General	6
3.2. Project Administrator	6
3.3. Project Financing	6
3.4. Recruitment and Coordination of Volunteers	7
3.5. Protection of Property	7
3.6. Boarding Timber Framers	7
3.7. Portable Toilets	7
3.8. Provision of Materials and Services	7
3.9. Timber	8
3.10. Fasteners	8
ARTICLE IV - CONDITIONS	8
4.1. Conditions	8
ARTICLE V - CONTROL AND SUPERVISION	9
5.1. Inspection	9
5.2. Supervision	9
5.3. Change Orders	9
5.4. Correction Work	9
5.5. Client's Right to Correct Deficiencies or Terminate Agreement	9
5.6. Client's Right to Stop Work	10
5.7. Warranties	10
ARTICLE VI - TERMINATION	10
6.1. Termination for Cause	10
6.2. Termination for Convenience	10
6.3. Expenses After Termination	10
ARTICLE VII - INSURANCE AND INDEMNIFICATION	11

7.1.	Liability Insurance	11
7.2.	Workers' Compensation Insurance	11
7.3.	Accident Insurance	11
7.4.	Builders Risk	11
7.5.	Additional Insurance.....	11
7.6.	Copies of Policies	11
7.7.	Indemnification.....	11
ARTICLE VIII - DEFAULT AND DISPUTE RESOLUTION		12
8.1.	Default	12
8.2.	Resolution of Disputes.....	12
8.3.	No Waiver of Rights.....	12
ARTICLE IX - MISCELLANEOUS		12
9.1.	Ownership Of Intellectual Property.....	12
9.2.	Publications and Logo	13
9.3.	Local Law	13
9.4.	Currency and Financial Requirements.....	13
9.5.	Hazardous Materials	13
9.6.	Safety.....	13
9.7.	Record Keeping	14
9.8.	Audit.....	14
9.9.	Relationship of the Parties	14
9.10.	Time of Essence	14
9.11.	Governing Law.....	14
9.12.	Notices.....	14
9.13.	Entire Agreement.....	14
9.14.	Successors	14
9.15.	Counterparts and Facsimile Signatures	14

**AGREEMENT FOR CONSTRUCTION OF
A TIMBER-FRAMED PROJECT**

THIS AGREEMENT is effective as of the date set forth on the signature page. This Agreement is between:

TFG: Timber Framers Guild, Inc., a Massachusetts non-profit corporation

Represented by: Joel C. McCarty, Co-Executive Director

Address:	Timber Framers Guild, Inc. 176 Pratt Road Alstead Center, New Hampshire 03602-3304 USA	Timber Framers Guild, Inc. P.O. Box 60 Becket, Massachusetts 01223 USA
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Telephone: 603-835-2077	email: joel@tfguild.org
Facsimile: 888-453-0879	

and

Client: _____

Represented by: _____
("Project Administrator")

Address: _____

Telephone: _____ email: _____

Facsimile: _____

Project: _____
(The name of the Project)

Activity Site: _____

(The specific location of the Project)

Project Start Date: _____
(The tentative date on which TFG Personnel arrive to begin construction of the Project; final scheduling to be set forth in Exhibit 5)

Project Termination Date: _____
(The tentative date TFG personnel will leave the Project site; final scheduling to be set forth in Exhibit 5)

Compensation: Client shall pay TFG the sum of _____
_____ (\$ _____).

Client shall pay TFG's Compensation at the times described in the attached Exhibits, but (unless otherwise provided) with:

- (a) The first payment delivered to TFG upon execution of this Agreement, and
- (b) The final payment delivered to TFG upon:
 - (i) the successful completion ('passing') of a framing inspection by a representative of the local regulatory authority overseeing the Project construction, or, if none, then by the Project Administrator or its designee, and
 - (ii) completion of the site cleanup by TFG as required in this Agreement.

**AGREEMENT FOR CONSTRUCTION OF
A TIMBER-FRAMED PROJECT
(Standard Provisions)**

In consideration of the mutual promises, warranties and representations of the parties contained in this Agreement, TFG and Client agree as follows:

ARTICLE I - INTRODUCTION

1.1. Definitions. The following terms, when used herein, shall have the following meanings:

- (a) Participant: Any person engaged to participate in the Project (whether or not a Volunteer). TFG reserves the right to reject or dismiss any Participant, local or foreign, for any reason, without avenue for appeal.
- (b) Plans and Specifications: Architectural drawings, engineering specifications, cutting yard layout drawings, scribe yard layout drawings, unloading and storage areas, list of electrical requirements (including lighting), list of mechanical lifting device requirements, description of on-site sanitary facility requirements, lists of materials, specifications regarding Participants, and any other written information describing the Project and which written drawings, specifications, lists and descriptions shall be supplied by TFG to Client.
- (c) Project Engineer: A structural engineer licensed in the jurisdiction containing the Activity Site (if necessary) and designated by TFG.
- (d) Timber Frame: Heavy timber construction system with wooden connections of mortise and tenon type, fastened in whole or in part with wooden pegs.
- (e) Volunteer: Person identified by TFG or Client as a non-compensated Participants (except lodging, food and other items set forth in this Agreement).

1.2. Project Format. TFG is a subcontractor engaged to construct the Timber Frame of the Project. TFG agrees to frame the Project in accordance with this Agreement by conducting a “Rendezvous on Large Scale Timber Framing of Public Structures” on the Activity Site.

1.3. Agreement Format. This Agreement consists of Standard Provisions and items that are customized to the Project. The customized items include the Exhibits. In the event that there is a conflict between a Standard Provision and a customized item, then the customized item shall control. In the event that there is a conflict among the Exhibits, then the Exhibits shall control each other in the following order: (1) Change Orders (latest to earliest), (2) Budget, (3) Plans and Specifications, (4) Scope of Work, and (5) Schedule.

1.4. Time of Performance. The Project is planned to be constructed in substantial accordance with the Schedule set forth as Exhibit 5. TFG will plan to begin its work on the Project Start Date, which date shall be confirmed by TFG and Client no later than thirty days prior to the actual Project Start Date. TFG will plan to complete its work by the Project Termination Date. High winds, heavy rains or other inclement weather that reduces the safety of the Participants to unacceptable levels (as determined in the sole discretion of TFG) will postpone the raising. TFG will make reasonable efforts to recover from such delays, but reserves the right to terminate its work on the Project if such delays are extraordinary. In the event that the Project must be delayed due to inclement weather, then TFG and Client shall endeavor to reschedule the completion of the Project to a time that is as soon as is reasonable. In addition, in the event that TFG is unable to fill the roster for the Project with the number of qualified Participants set forth in the Exhibits by 30 days prior to the Project Start Date, the Project will be rescheduled within six months at no penalty to TFG. In the event the Project is delayed or terminated for any reason beyond TFG’s control (other than Client’s cause) and can not be rescheduled to the mutual satisfaction of TFG

and Client, then Client shall only pay TFG for items in the Schedule and Budget that have occurred or are payable to TFG prior to the date of delay or termination.

ARTICLE II - TFG UNDERTAKING

2.1. General. TFG shall generally be responsible for constructing the Timber Frame of the Project.

2.2. Administration. TFG, through its Executive Director, shall provide administrative support for the Project, including, but not limited to, public relations, promotion of the educational aspects of the Project, encouragement and reinforcement of community participation in the Project, and general coordination of human resources (both local and visiting TFG personnel). TFG will work with Client to develop strategies for the safe, educational (fun) and effective construction of a Timber-Framed structure as a TFG event. These strategies may become parts of the Exhibits to this Agreement and will include:

- (a) **Timber Strategy** – Source and supply issues; all steps necessary to get the timbers to the Activity Site; movement of timbers when on site; cleaning; labeling; stacking and storage issues;
- (b) **Event Strategy** – Recommended number of Client Participants and TFG Participants; requirements for accommodation, food, tools and equipment; publicity; Participants information pack; power supply; sanitary facilities; first aid; evacuation plan; education or training component; communications; interpreting; and cultural exchange and experience for all Participants;
- (c) **Safety Strategy** – Supervising and advising on health and safety issues for Participants (including Client personnel, but TFG shall not be directly responsible for their welfare; the direct line management of Client personnel shall remain the responsibility of Client);
- (d) **Budget** – Detailed breakdown of costs to run the event;
- (e) **Scope of Work** – Outlining TFG involvement and Client responsibilities;
- (f) **Design** – Examining design details and making recommendations for the purpose of altering the Scope of Work to produce cost savings where appropriate;
- (g) **Schedule** - Including key dates and milestones; and
- (h) **Raising Strategy** – A detailed Method Statement, Risk Assessment and Lifting Plan.

2.3. Project Manager. TFG shall provide a TFG Project Manager (Timber Frame only) to:

- (a) Keep the Schedule on track (including providing for reporting and benchmarks linked to the Schedule);
- (b) Make site checks;
- (c) Create method statements including a Site Safety Plan and Risk Assessment;
- (d) Write assembly and raising scripts;
- (e) Work with Client and other contractors;
- (f) Work with the lead instructor, consultants and TFG's Executive Director to develop educational components for the Project;
- (g) Work with Client to arrange any necessary homeward transportation of TFG personnel and tools;
- (h) Work with Client to inspect and sign off the work prior to the departure of the Project Manager from the Activity Site;
- (i) Work with Client to provide a suitable hand-over to contractors, trades and craftspeople following TFG; and
- (j) Work with Client to facilitate timely settling of outstanding accounts.

The Project Manager shall have authority to approve all on-site activities on behalf of TFG. Such approvals include, but are not limited to:

- (a) Approval of the electrical power supply; and

(b) Approval of equipment such as mobile tower scaffolds, ladders, hoisting machines, lightweight staging boards and fixed tube and clip scaffold.

2.4. Leadership Team. TFG shall recruit, qualify, supervise and manage the TFG Leadership Team. The Leadership Team shall be under the direction of TFG Project Manager.

2.5. Crane Liaison Services. In order to facilitate onsite decisions and Project locations, the TFG Project Manager shall, in his or her discretion, meet with the crane company to discuss where to build the pre-assembly of parts of the Project that are to be lifted.

2.6. Plans and Specifications. The Project is to be based on preliminary drawings or sketches provided to TFG by Client. As part of this Agreement, TFG shall provide detailed Plans and Specifications, complete with the Project Engineer's stamp and suitable for construction of the Project. The Plans and Specifications shall be approved by Client no later than 90 days prior to Project Start Date.

2.7. Promotional Package. TFG shall generally promote the Project to the TFG membership and others via TFG publications, direct mailings, other periodicals and the TFG website.

2.8. Labor. TFG shall provide labor for erection of the Project Timber Frame with qualified TFG Volunteers (with assistance of non-timber-framer Participants) and subcontracted offsite labor as needed. TFG shall provide adequate information (90% accuracy) regarding the number of TFG Participants; duration of stay of TFG Participants; special requirements, including food allergies of TFG Participants; and other such pertinent information to Client's Project Administrator not less than thirty (30) days prior to the Project Start Date. Client shall make a reasonable effort to accommodate the special needs identified thirty days prior to the Project Start Date.

2.9. Project Engineer Liaison Services. The TFG Project Manager (or a designee) shall confer with the Project Engineer in order to determine the required grade of all timber materials for the Project.

2.10. Timber. TFG shall provide consultation to timber suppliers regarding timber sizing and squareness.

2.11. Joinery. TFG shall provide for final cutting of all frame components, as described in the Plans and Specifications. In that regard:

- (i) TFG shall verify field dimensions prior to Timber Frame fabrication, provide all shop and site work to cut joinery; and pre-fit frame on site, prior to raising or installation;
- (ii) Timbers will not be surfaced or finished except to facilitate fabrication; and
- (iii) The completed Project will be rough sawn in appearance (a surface condition of heavy timber, showing marks of sawing and handling, as contrasted with planed timbers, which are further surfaced to remove those signs.)

2.12. Specialty Tooling. TFG shall provide specialty timber framing tools to accomplish the Project, which shall include tool insurance and tool inspection and certification as required.

2.13. TFG's Procurement of Equipment. TFG is authorized to purchase equipment at the expense of Client only with the specific, prior, written approval of Client. This approval shall be deemed to be given if the equipment and its costs are clearly identified in the Budget. If purchase of equipment is approved, then title to the equipment shall be in the name of TFG unless Client provides otherwise. Title to all equipment built onsite by TFG shall vest in TFG unless otherwise indicated (e.g., saw horses, timber carts, etc.).

2.14. Safe Working Practices. TFG will, to the best of its ability, ensure that all work is performed in a safe and professional manner.

2.15. Miscellaneous. TFG shall provide for clean-up of all debris related to TFG's Scope of Work and place same in a burn pile or dumpster designated or provided by Client.

ARTICLE III - CLIENT'S UNDERTAKINGS

3.1. General. Except as otherwise provided herein, Client through its Project Administrator agrees to oversee, supervise and coordinate all construction activities on the Activity Site throughout the term of this Agreement. Specifically, Client shall:

- (a) Acquire all permissions for access to the Activity Site by Client, TFG and other third parties engaged by Client or TFG to perform work on the Project, including, but not limited to, access for unloading, staging, fabricating and assembling materials, and access for mobile cranes and other types of power equipment;
- (b) Obtain all permits required by applicable laws and ordinances;
- (c) Supervise and coordinate the preparation of the Activity Site for the construction of the Project;
- (d) Work with TFG to select and recruit Participants and businesses to contribute labor, materials and services to the Project;
- (e) Coordinate with Participants for the timely provision and delivery of necessary construction materials, subcontractors and third party services to the Activity Site;
- (f) Supervise or engage others to supervise all work performed on the Activity Site by Client Volunteers, subcontractors; and
- (g) Arrange for and cause to be performed all required inspections of the construction work.

3.2. Project Administrator. Client shall appoint a Project Administrator to:

- (a) Work with TFG to develop the event strategy to include recommended number of Client Participants and TFG Participants; requirements for accommodation, food, tools and equipment; publicity; Participants information pack; power supply; sanitary facilities; first aid; evacuation plan; education or training component; communications; interpreting; and cultural exchange and experience for all Participants;
- (b) Work with TFG to develop the Budget;
- (c) Work with TFG to develop the Schedule;
- (d) Manage and supervise all aspects of accommodation, meals and general welfare of all TFG personnel on site during their stay;
- (e) Manage and supervise (under advisement from the Project Manager) health and safety and work practices of Client personnel to ensure a safe event as far as is reasonably practicable;
- (f) Facilitate reasonable internet access for TFG personnel;
- (g) Work with TFG to arrange the homeward transportation of TFG personnel and tools;
- (h) Work with TFG to inspect and sign off the work prior to the departure of the Project Manager; and
- (i) Work with TFG to provide a suitable hand-over to contractors, trades and craftspeople following TFG.

3.3. Project Financing. Client shall provide or arrange for all funds necessary to finance the construction of the Project, including, but not limited to, all funds needed to:

- (a) Procure the Plans and Specifications;
- (b) Obtain all required Project permits, inspections and approvals;

- (c) Procure all materials, supplies and services to be consumed in or incorporated into the construction of the Project; and
- (d) Pay all other costs and expenses incurred in the construction of the Project as described in the Budget.

3.4. Recruitment and Coordination of Volunteers. Client shall work with TFG to determine those parts of the Project framing that can be performed by non-timber-framer Volunteers, and shall recruit such persons to volunteer their services to the Project. TFG shall assist Client in coordinating the use of Volunteers on the Project framing. Volunteers shall only be accepted to participate in the Project framing after submission of a signed Waiver of Liability that is provided and accepted by TFG.

3.5. Protection of Property. On or before the date set forth in the Schedule, Client shall, under the direction of TFG and at Client's sole cost and expense, take necessary measures to protect and secure the Activity Site, construction materials, tools, equipment and other personal property during the construction process from theft or destruction; to prevent intrusion onto the Activity Site by unauthorized persons; and to protect the general public against damage or injury (generally, temporary construction fencing to be erected around the perimeter of the Activity Site). For Projects of longer than one day, Client shall, under the direction of TFG and at Client's sole cost and expense, provide on-site, weather-tight, lockable storage of 2,500 cubic feet volume or greater for the tools and implements brought to the Project by the visiting timber framers recruited by TFG (e.g., international shipping containers, mobile office trailers, or storage trailers on wheels (with stairs)).

3.6. Boarding Timber Framers. For the duration of the Project, Client shall arrange for and coordinate lodging and board for TFG's timber framers who are not resident within twenty miles of the Activity Site and who are working on the Project. Lodging may be camp sites. Lodging must have adequate shower facilities with hot water available every day and night. Sanitary pumping or dumping facilities shall be available for motor homes and recreational vehicles within a reasonable distance from the camping facilities. Lodging for the TFG Leadership team shall be under one roof, have adequate meeting space, reasonable speed internet access and be separate from the other Participants. Board shall consist of three meals a day, seven days a week for all Participants, beginning with the evening meal on the Project Start Date, and ending with the noon meal on the Project Termination Date, both to be served on the Activity Site, or as near to the Activity Site as is reasonable. All meals are to have a vegetarian option (sample menu offerings available – neither fish nor chicken is a vegetable). Coffee, potable water, snacks and fruit shall be available onsite between meals.

3.7. Portable Toilets. Sanitary facilities, one of which is to be handicapped-accessible, shall be available onsite and have hand sanitizers in each unit. Pumping of sanitary facilities must be based upon human resource numbers provided by TFG, but scheduled for a minimum of once per week.

3.8. Provision of Materials and Services. Client shall, at its sole cost and expense, furnish to TFG and to third parties who may be engaged by Client to perform work in the construction of the Project, all materials and third party services of every kind, description and nature to be incorporated into the Project as required in this Agreement. Such materials and services may include, but not be limited to, timbers and fixings for temporary support of the frame during construction, steel brackets and fixings for base connections, all fixings and fabrications necessary for assembly and fixing of the frame, mobile tower scaffolds, ladders, lightweight staging boards, hoisting machines and cranes, all as more particularly set forth in the Exhibits. Client shall cause all needed materials and services to be delivered to the Activity Site in a timely manner so as to enable Client, TFG and third parties engaged in the construction process to complete the construction of the Project in accordance with the Schedule. TFG shall supply no construction materials.

3.9. Timber. Client shall be responsible for making sure that all timber material provided will meet or exceed the specifications of the Project Engineer and the Project Manager, and that all material will be square within ¼". TFG reserves the right to reject material it finds defective.

3.10. Fasteners. All fasteners shall be provided by Client and shall meet or exceed the specifications of the Project Engineer. All salvaged fasteners will be inspected by qualified persons to determine their suitability for use.

ARTICLE IV - CONDITIONS

4.1. Conditions. As conditions to TFG's performance of its obligations under this Agreement:

(a) Prior to the Project Start Date:

- (i) Client must be current in payment of all applicable invoices;
- (ii) Client must have all permits, insurance, bonding and documents related to the construction (as required by local authority or this Agreement);
- (iii) All construction materials necessary for commencement of the Project must be onsite;
- (iv) Electric power supply must be onsite and ready to use;
- (v) All structural timbers are to be cut to specification and stacked neatly on site in accordance with instructions from TFG;
- (vi) All footings, piers or other foundations for the Project must be poured according to the Plans and Specifications, and:
 - A. Must be square and level (within ¼");
 - B. All concrete must be cured a minimum of seven days prior to the Project Start Date;
 - C. All plates for connectors must be installed (to be installed when foundations are poured) as per Plans and Specifications;
 - D. Activity Site must be back-filled, drained and graded with slope away in accordance with local professional practice, as verified by Project Manager;
 - E. Gravel or mulch must be provided for spreading around the Activity Site for mud control; and
 - F. All debris and concrete forms must be removed from concrete.

(b) While TFG is on-site:

- (i) Client must avoid scheduling other contractors to be present if the work of said contractors may interfere with the performance of TFG's obligations set forth in this Agreement; and
- (ii) Client shall provide:
 - A. Rental equipment, including, but not limited to, cranes, man lifts, telescoping boom forklifts, self contained light sets as may be needed by TFG to facilitate night work and to maintain the Schedule, and all work placement equipment specified in the Exhibits, complete with all required insurance;
 - B. Additional engineering or permitting fees required by Change Orders;
 - C. Any additional costs to frame components required by Change Orders; and
 - D. Insect or rot prevention treatment of timbers.

(c) After TFG has completed frame erection, Client is responsible for:

- (i) Final cleaning, sanding and treating of frame;

- (ii) All debris disposal and other such cleanup as is not included in TFG's Scope of Work; and
- (iii) All work on the Project not described in this Agreement as being an obligation of TFG.

ARTICLE V - CONTROL AND SUPERVISION

5.1. Inspection. While TFG is engaged in framing the Project, TFG shall permit Client or Client's representatives to have controlled access to all areas of the Project. While TFG is engaged in framing the Project, all visitors to the Activity Site shall be under the direct supervision of a representative of TFG. TFG shall require personal protective equipment to be worn by all visitors and may require execution of a liability waiver by all visitors. To the extent possible, Client shall advise TFG of any such visit in advance.

5.2. Supervision.

- (a) TFG shall be solely responsible for all Timber Frame construction under this Agreement, including the techniques, sequence, procedures, means, and coordination of all work.
- (b) At all times, TFG shall maintain strict discipline among its employees, subcontractors and any Volunteers who assist in the performance of the construction. TFG agrees not to employ or accept as a Volunteer for work on the Project any person who is unfit or without sufficient skills to perform the job for which said person was employed or selected.
- (c) TFG agrees to keep the work premises free of waste material and rubbish caused by its work on a daily basis. It further agrees to an agreed upon location at the Project Site all such waste material and rubbish upon completion of the Timber Frame section of the Project. TFG agrees upon terminating its work at the Activity Site to conduct a thorough cleanup operation, including the broom cleaning of paved areas, and hand over the Activity Site ready for the following trades without additional cleanup required by Client.

5.3. Change Orders. Client shall have the right to order work changes without invalidating this Agreement. All such changes shall be evidenced by written Change Order in the form attached as Exhibit 1, which Change Order shall, if the Change Order involves the framing of the Project, be approved by TFG, and its engineers and designers.

5.4. Correction Work. TFG shall promptly correct work rejected by Client as failing to conform to the requirements of this Agreement, whether observed before or after completion and whether or not fabricated, installed or completed, and shall correct any work found to be not in accordance with the requirements of this Agreement, within a period of one year from the date of completion of the work hereunder. The provisions of this section apply to work done by TFG's subcontractors as well as work done by TFG employees or TFG Participants. Establishment of the time period of one year as described in this section relates only to the specific obligations of TFG and Client to correct the work hereunder, and has no relationship to the time within which the obligation to comply with this Agreement may be sought to be enforced, nor to the time within which proceedings may be commenced to establish liability with respect to the obligations of Client or TFG other than specifically to correct the work.

5.5. Client's Right to Correct Deficiencies or Terminate Agreement. If TFG or any other person under TFG's supervision defaults or persistently fails or neglects to perform an obligation in accordance with this Agreement, then after seven days' written notice to TFG, and without prejudice to any other remedy that Client may have, Client may correct such deficiencies and may charge the reasonable costs and expenses thereof against and collect the same from TFG. Alternatively, at Client's option, Client may terminate this Agreement and take possession of the Activity Site and of all materials thereon which are to be incorporated into the Project, and may finish the work by whatever method Client may deem expedient.

5.6. Client's Right to Stop Work. If TFG or any other person or entity working on the Project fails to correct work which is not in accordance with the requirements of this Agreement, or if TFG or other person or entity persistently fails to carry out the work in accordance with this Agreement, Client, by written order, may order TFG to stop the work or any portion thereof until the cause for such order has been eliminated. The right of Client to stop the work, however, shall not give rise to a duty on the part of Client to exercise this right for the benefit of Client, TFG or any other person.

5.7. Warranties.

- (a) Inasmuch as the Timber Frame materials to be incorporated into the Project will be furnished to TFG and Client by a timber supplier under the direction of Client, the timber supplier must warrant the quality of the materials. TFG has specified by design the quality of materials required by engineering. TFG reserves the right to reject any piece of material that does not qualify under the standards set forth by the Western Wood Products Association (WWPA) grading rules or Northeastern Lumber Manufacturer's Association (NELMA) (both of the U.S.) or equal. Grading rules are regionally variable. Grading of these materials shall be done by a certified timber grader engaged by the timber supplier or designated by TFG, and any expense incurred in the grading process shall be at the expense of Client. Replacement of any rejected materials shall be at the expense of Client or its timber supplier. Any delay caused by this material rejection may extend the period of time required to complete this work, and shall be without penalty to TFG.
- (b) TFG warrants all workmanship involved in the construction of the Project against any and all defects for a period of one year from the date the work has been completed and accepted as a result of successful completion of a framing inspection by local regulatory authorities and/or a representative of Client. TFG makes no other representations or warranties, expressed or implied.
- (c) TFG hereby assigns to Client all of its rights against any and all subcontractors, materialmen and suppliers relating to the Project, and further assigns all warranties given by any contractor, subcontractor, materialman or supplier relating to the personal property and improvements described in this Agreement. At the completion of the work described in this Agreement, TFG shall provide Client with a list of all subcontractors, materialmen and suppliers under TFG's supervision who have provided materials or services to the Project.

ARTICLE VI - TERMINATION

6.1. Termination for Cause. If either party determines at any time that the other party has failed to comply with any material term of this Agreement, either party may thereupon terminate this Agreement, in whole or in part, by giving written notice to the other party. Such notice shall become effective upon receipt or at such longer time after receipt as is specified in the notice.

6.2. Termination for Convenience. For convenience, Client may terminate this Agreement, in whole or in part, by providing written notice to TFG. Such notice shall become effective three days after receipt or at such longer time after receipt as is specified in the notice.

6.3. Expenses After Termination. Upon the effective date of termination, TFG shall stop work, immediately terminate any subcontracts or other obligations that it may have entered into involving the Project, and shall settle all outstanding liabilities and claims from third parties engaged by TFG and resulting from such termination. Client shall be obligated to reimburse TFG for the costs and expenses of all orders, materials, facilities provided or committed by TFG prior to the effective date of termination as well as all liabilities and claims from third parties engaged by TFG and resulting from such termination, and to pay for services performed by TFG to Client's satisfaction. In addition, upon termination for convenience by Client, TFG shall be entitled to retain 20% of any portion of its fees remaining unpaid at

the effective date of the termination. Within thirty (30) days of termination under this Section, TFG shall submit to Client a final invoice.

ARTICLE VII - INSURANCE AND INDEMNIFICATION

7.1. Liability Insurance. Throughout the term of this Agreement, TFG and Client shall each procure and maintain at their expense, respectively, general liability insurance with such carrier or carriers as is acceptable to Client and TFG. Each such policy of insurance shall by its terms be subject to cancellation only after 10 days' prior notice in writing to TFG and Client. Each such policy of insurance shall by its terms protect them from all claims for personal injury, including death, and all claims for destruction of or damage to property, arising out of or in any way pertaining to operations under this Agreement, whether by Client or TFG or any other subcontractor or other person directly or indirectly engaged by any of them. All such insurance shall be written with liability limits of not less than \$1,000,000 combined single limit bodily injury and/or property damage per occurrence, and \$2,000,000 in the annual aggregate.

7.2. Workers' Compensation Insurance. Throughout the term of this Agreement, TFG shall procure and maintain at its expense, in accordance with the laws of the jurisdiction in which the Project is located, Workers' Compensation Insurance for all TFG employees who may come upon the Activity Site. Certificates evidencing the issuance of such insurance shall have been or shall be delivered to Client prior to the commencement of work under this Agreement.

7.3. Accident Insurance. Throughout the term of this Agreement, Client shall procure and maintain at its expense, in accordance with the laws of the jurisdiction in which the Project is located, Accident Insurance or Workers Compensation Insurance for all Participants who may come upon the Activity Site, including Participants engaged by, but not employees of, TFG.

7.4. Builders Risk. During the term of this Agreement, Client shall maintain in force, at its own expense, Builders' Risk insurance (also known as Course of Construction insurance) on an all risks of direct physical loss basis, including without limitation, fire, theft and vandalism, for an amount equal to the full completed replacement value of the Project. Such insurance shall include additional coverage for loss due to earthquake and flood. The coverage shall include the full amount of Client's and TFG's labor, equipment rental and materials or fixtures to be installed, in-transit, or stored off-site during the performance of this Agreement. The earthquake and flood deductible shall not exceed 2 percent of insured coverage for the Project. The policy shall include as loss payee Client and its subcontractors as their interests may appear.

7.5. Additional Insurance. Additional types and quantities of insurance as may be required by the providers of any rented, loaned or donated equipment or services shall be provided at the expense of Client.

7.6. Copies of Policies. Binders relating to and copies of all insurance policies shall be delivered to and held by Client during the term of this Agreement.

7.7. Indemnification. Client agrees to hold harmless and to indemnify TFG and TFG's officers, directors, employees, Volunteers, contractors, consultants, invitees, other persons over whom TFG has control or agents of any of them from and against claims, damages, losses and expenses, including, but not limited to attorneys' fees and the costs and expenses of defense, occurring at or near the Activity Site, however caused, provided that such claim, damage, loss or expense is caused in whole or in part by negligent or intentional acts or omissions of Client or Client's officers, directors, employees, Volunteers, contractors, consultants, invitees, other persons over whom Client has control, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such claim, damage loss or expense is caused in part by a party indemnified hereunder. TFG agrees to

hold harmless and to indemnify Client and Client's officers, directors, employees, Volunteers, contractors, consultants, invitees, other persons over whom Client has control or agents of any of them from and against claims, damages, losses and expenses, including, but not limited to attorneys' fees and the costs and expenses of defense, occurring at or near the Activity Site, however caused, provided that such claim, damage, loss or expense is caused in whole or in part by negligent or intentional acts or omissions of TFG or TFG's officers, directors, employees, Volunteers, contractors, consultants, invitees, other persons over whom TFG has control or agents of any of them, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such claim, damage loss or expense is caused in part by a party indemnified hereunder.

ARTICLE VIII - DEFAULT AND DISPUTE RESOLUTION

8.1. Default. Should one party default in its performance hereunder, the other party shall have the right to declare the defaulting party in breach of this Agreement, and to give notice of such breach to the defaulting party. The defaulting party shall have seven days after such notice in which to cure said breach. If such breach is not cured within said seven-day period, the other party shall have the right to commence an arbitration proceeding as provided herein against the defaulting party for the recovery of appropriate damages to compensate for the breach, or to obtain any other appropriate remedy. The prevailing party in any such proceeding (or any trial or appeal) shall be entitled to recover from the party not prevailing all costs and reasonable attorney's fees incurred by the prevailing party. During the pendency of such proceedings, the parties may suspend their performance under this Agreement, and the amount of time necessary to complete such proceedings shall be added to the Schedule.

8.2. Resolution of Disputes. In the event the Client's principal place of business is in the United States of America, then any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration before a single arbitrator under the rules of the American Arbitration Association in effect at the time of commencement of the arbitration, and the parties agree that judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. In the event the Client's principal place of business is not in the United States of America, then arbitration shall be in accordance with the rules of the United Nations Commission on International Trade Law (UNCITRAL), and any arbitration award shall be governed by the Convention on the Recognition and Enforcement of Foreign Arbitration Awards. Expenses of arbitration, including reasonable attorneys' fees, shall be borne by the non-prevailing party. Prior to the institution of any such arbitration proceeding, either party may request the intervention of a mediator, whose recommendation shall not be introduced into any subsequent arbitration proceeding. Expenses of the mediation shall be shared equally between the parties. Mediation and arbitration shall be held in Boston, Massachusetts, USA and each shall be conducted in American English.

8.3. No Waiver of Rights. Either party may specifically waive any breach of this Agreement by the other party, but no such waiver shall be deemed effective unless in writing, signed by the waiving party, and specifically designating the breach waived. No waiver shall constitute a continuing waiver of similar or other breaches. One party's consent or approval of any act by the other shall not be deemed to render unnecessary the consent to or approval of any subsequent act by the other party.

ARTICLE IX - MISCELLANEOUS

9.1. Ownership Of Intellectual Property. The Parties agree that any non-proprietary information developed under this Agreement will be made publicly available. Any creative work developed by TFG, including all written, graphic, audio, visual and any other materials, contributions, applicable work product and production elements contained therein, whether on paper, disk, tape, digital file or any other media (the "Creative Work"), shall remain the intellectual property of TFG: provided, however, that TFG hereby irrevocably grants to Client, a perpetual, royalty free, non-exclusive right to copy, distribute, use,

and prepare derivative works from the Creative Work for any purpose, in any media, and in any territory for non-commercial or non-compensated use.

9.2. Publications and Logo.

- (a) TFG agrees to provide Client with a copy of any article, report, media interview or other publication relating to activities covered under this Agreement. Client agrees to provide TFG with a copy of any article, report, media interview or other publication relating to activities covered under this Agreement.
- (b) TFG agrees not to make any use of the logo or the name of Client, except as expressly authorized in writing. Client agrees not to make any use of the logo or the name of TFG, except as expressly authorized in writing.

9.3. Local Law. TFG and its employees shall obey all local laws, including those enforcing social, labor and tax policies.

9.4. Currency and Financial Requirements.

- (a) All funds described in this Agreement as being in U.S. Dollars that are exchanged to local currency must be exchanged at the best available rate through the channels authorized by applicable laws and regulations. Transactions must be verified through bank receipts or other documents or publications sufficient to demonstrate the legality of such transactions.
- (b) No funds shall be expended to carry on propaganda or otherwise attempt to influence legislation or any public election. Funds may only be used to engage in activities that are for religious, charitable, scientific, literary or educational purposes.
- (c) Funds shall not be expended for payments that are, or give the appearance of, a conflict of interest. A conflict of interest is defined as a transaction in which a person's personal or financial interests conflict or appear to conflict with his official responsibility. Examples include, but are not limited to, such transactions as payments to the business partner(s) of an employee of a Participant in the Project, or member(s) of their immediate families for salaries, expense reimbursements, or any other type of compensation, or payments to organizations in which the Participant, or member(s) of their immediate families have a financial interest.
- (d) TFG hereby certifies that no assistance, payments, or anything of value (monetary or non-monetary), shall be made, promised or offered to any government employee or official (1) in contravention of any U.S. or other applicable law (including, but not limited to, the U.S. Foreign Corrupt Practices Act) or regulation; (2) without the express consent of the government for which the employee or official works; and (3) that is not reasonable, *bona fide*, and directly related to the activities described in this Agreement. TFG will provide at Client's request, documentation demonstrating compliance with this clause. TFG hereby certifies that no payments or other form of assistance shall be made to any government employee or official (a) to influence any official government act or decision; (b) to induce any government employee or official to do or omit to do any act in violation of his or her lawful duty; or (c) to obtain or retain business for, or direct business to any individual or entity. Under no circumstances shall any payments or anything of value be made, promised, or offered to any U.S. Federal, State or local employee or official.

9.5. Hazardous Materials. TFG shall have no responsibility for the identification, discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials in any form at the Activity Site.

9.6. Safety. Client agrees that he or she or its representative has read, understands and shall comply with any applicable safety regulations provided by TFG.

9.7. Record Keeping. TFG shall keep all pertinent records, both financial and technical, relating to this Agreement for a period of three years following the termination of this Agreement. Client, its representatives, and assignees reserves the right to inspect, review or audit any and all records relating to this Agreement.

9.8. Audit. Client reserves the right to require a Project audit (at its expense) of expenses incurred under this Agreement. TFG agrees to reimburse Client, at TFG's sole expense, the amount of any expenditures disallowed by auditors, through an audit exception or other appropriate means, based upon a finding that such expenditures failed to comply with a provision of this Agreement.

9.9. Relationship of the Parties. TFG is an independent contractor and not an employee, agent, partner or assign of Client for any purposes whatsoever, including, but not limited to, national, state, provincial or local taxes; payroll taxes; workers' compensation coverage; any insurance and/or other benefits; or to render either party liable for any debts or obligations incurred by the other. Neither party has the right or authority to assume or create any obligation of any kind or to make any representation or warranty, whether expressed or implied, on behalf of the other party or to bind the other party in any respect.

9.10. Time of Essence. Time is declared to be of the essence of this Agreement.

9.11. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, USA, applicable to contracts fully executed and performed therein.

9.12. Notices. Insofar as this Agreement requires or contemplates that notices shall be given by one party to the other party, such notice shall be deemed given when delivered by hand or reputable courier to its Representative at its business office or five (5) days after being deposited in the United States Mail, first class postage prepaid, addressed to the other party at its mailing address set forth above, or such other address as the party may designate by written notice.

9.13. Entire Agreement. This Agreement represents the entire agreement between the parties pertaining to the subject matter hereof. This Agreement supersedes any and all prior agreements between the parties pertaining to the subject matter hereof. Each party acknowledges and represents that it is relying on no representations by the other party or any representative thereof other than those expressly set forth herein. The parties further agree that this Agreement may be amended or otherwise modified only by a Change Order executed by both parties.

9.14. Successors. This agreement shall be binding upon the successors and assigns of the parties hereto.

9.15. Counterparts and Facsimile Signatures.

- (a) It is the intention of each of the Parties that the other Party may rely on a facsimile copy of the signature of a duly authorized signatory and that upon the exchange of such facsimile signatures, electronically or otherwise, this Agreement shall be binding between the Parties whether or not original manually signed copies of this Agreement are ever exchanged between them.
- (b) This document may be signed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument even though all the Parties are not signatories to the original or the same counterpart.

IN WITNESS WHEREOF, the parties have executed this Agreement effective the day and year first herein above written.

Effective Date: _____

TIMBER FRAMERS GUILD, INC.

By: _____
Joel C. McCarty, Co-Executive Director

CLIENT

By: _____

Its _____