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DIVISION 1 - GENERAL SPECIFICATIONS

TIM DONUT U.S. LIMITED, INC., CONSTRUCTION CONTRACT

THIS CONTRACT IS MADE THIS 200_ BETWEEN TIM DONUT U.S. LIMITED, INC. (TIM HORTONS) OF 4150 TULLER ROAD, suite 236, dublin, Ohio 43017 And _____ ("CONTRACTOR") OF

IN CONSIDERATION OF THE PROMISES SET FORTH BELOW, THE PARTIES AGREE AS FOLLOWS:

ARTICLE 1 - CONTRACTOR'S WORK

- 1. CONTRACTOR SHALL CONSTRUCT (SUCH CONSTRUCTION REFERRED TO HEREIN AS THE "WORK") ON THE PREMISES, AS DEFINED IN ARTICLE 2 BELOW, A TIM HORTON'S RESTAURANT AND OTHER IMPROVEMENTS IN ACCORDANCE WITH THE DESCRIBED PLOT PLANS, PLANS AND SPECIFICATIONS, DESCRIBED BY SHEET NUMBERS AND REVISION DATES AS PROVIDED BY EXHIBIT "A" AND INCORPORATED INTO THIS CONTRACT.
- 2. CONTRACTOR HEREBY ACKNOWLEDGES RECEIPT OF ALL OF SUCH CONSTRUCTION DOCUMENTS. IN DUPLICATE, AND HAS INITIALED ONE OF SUCH SETS, WHICH INITIALED SET CONTRACTOR SHALL DELIVER TO TIM HORTONS WITHIN (5) BUSINESS DAYS HERFOF ALL OF WHICH ARE HEREBY INCORPORATED INTO THIS CONTRACT.

ARTICLE 2 - THE PREMISES

THE RESTAURANT SHALL BE CONSTRUCTED ON THAT REAL PROPERTY (THE "PREMISES") COMMONLY KNOWN AS ___ AS IN MORE PARTICULARLY DESCRIBED ON THAT CERTAIN SURVEY OF SUCH PARCEL DATED RECEIPT OF A COPY OF MADE BY _ WHICH SURVEY CONTRACTOR HEREBY ACKNOWLEDGES.

ARTICLE 3 - CONTRACT SUM

- 1. TIM HORTONS SHALL PAY CONTRACTOR THE SUM OF (THE CONTRACT SUM) IN DOLLARS \$ ACCORDANCE WITH THE TERMS OF THIS CONTRACT. THE CONTRACT SUM INCLUDES AND CONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR ALL FEDERAL, STATE AND LOCAL TAXES, INCLUDING WITHOUT LIMITATION EXCISE TAXES, USE TAXES, AND RETAILERS OCCUPATIONAL TAXES.
- 2. THE CONTRACT SUM DOES NOT INCLUDE THE PURCHASE PRICE AND SHIPPING COST OF THE ITEMS LISTED ON EXHIBIT "B" HERETO, BUT DOES INCLUDE INSTALLATION OF SUCH ITEMS BY CONTRACTOR AS NOTED THEREON. CONTRACTOR SHALL BE RESPONSIBLE FOR RECEIVING UNLOADING, INVENTORYING, WAREHOUSING, PROTECTING, INSURING, ASSEMBLING AND INSTALLING SAME IN THE SAME MANNER AS PURCHASED BY CONTRACTOR.

ARTICLE 4 - START DATE

- 1. CONTRACTOR SHALL COMMENCE CONSTRUCTION WITHIN FIVE (5) CALENDAR DAYS AFTER WRITTEN NOTICE FROM TIM HORTONS.
- 2. SUBSTANTIAL COMPLETION OF THE WORK SHALL BE NO LATER THAN CALENDAR DAYS AFTER CONTRACTOR IS GIVEN NOTICE TO COMMENCE WORK, FOR PURPOSES OF THE PARAGRAPH, SUBSTANTIAL COMPLETION SHALL BE THE EARLIER OF THE DATE THE RESTAURANT OPENS FOR BUSINESS OR THE DATE A CERTIFICATE OF OCCUPANCY IS ISSUED.
- **3.** Written requests for extensions of time shall be given to tim hortons by CONTRACTOR WITHIN FIVE (5) DAYS AFTER THE OCCURRENCE OF THE BASIS FOR THE EXTENSION REQUEST, NO SUCH REQUEST SHALL BE DEEMED GRANTED UNLESS EXPRESSLY AGREED TO BY TIM HORTONS IN WRITING.

ARTICLE 5 - PERFORMANCE AND CONTRACT BOND/LETTER OF CREDIT

1. When required by tim hortons, contractor shall provide tim hortons with a CONTRACT BOND OR LETTER OF CREDIT IN THE FULL AMOUNT OF CONTRACT SUM. THE BOND SHALL NAME TIM HORTONS AS OBLIGEE AND IF LETTER OF credit, shall be made in tim hortons favor and shall be on a form AND WITH A SURETY COMPANY OR BANK APPROVED BY THE OWNER. THE BOND AND LETTER OF CREDIT SHALL ENSURE WELL AND FAITHFUL PERFORMANCE OF EACH AND EVERY CONDITION OF THIS CONTRACT; AND, SHALL INDEMNITY TIM HORTONS AGAINST ALL DAMAGES SUFFERED BY FAILURE TO PERFORM UNDER THIS CONTRACT.

AT TIM HORTONS REQUEST, CONTRACTOR SHALL FURNISH TIM HORTONS WITHIN FIVE (5) BUSINESS DAYS OF SUCH REQUESTS, INFORMATION DEEMED NECESSARY BY TIM HORTONS TO SHOW THAT CONTRACTOR IS FINANCIALLY SOLVENT AND CAPABLE OF FULLY PERFORMING UNDER THIS CONTRACT. IF, IN TIM HORTONS SOLE

JUDGMENT, CONTRACTOR IS FOUND NOT FINANCIALLY RESPONSIBLE OR 2. CAPABLE, THEN TIM HORTONS BY WRITTEN NOTICE, TERMINATE THIS CONTRACT WITHOUT FURTHER OBLIGATION TO CONTRACTOR OR OTHER THAN TO PAY CONTRACTOR FOR THE VALUE OF THE WORK IN PLACE AT THE TIME OF TERMINATION.

ARTICLE 6 - PERMITS

CONTRACTOR SHALL OBTAIN ALL LICENSES, PERMITS, APPROVALS AND CERTIFICATES (COLLECTIVELY, THE "PERMITS") NECESSARY TO COMPLETE THE WORK IN COMPLIANCE WITH ALL APPLICABLE RULES AND REGULATIONS, UNLESS OBTAINED BY TIM HORTONS.

ARTICLE 7 - INSURANCE

- 1. PRIOR TO COMMENCEMENT OF WORK, CONTRACTOR SHALL FURNISH TIM HORTONS WITH CERTIFICATES OF INSURANCE, NAMING TIM HORTONS AS AN ADDITIONAL INSURED, AS THEIR INTERESTS MAY APPEAR, EVIDENCING THAT CONTRACTOR HAS OBTAINED THE INSURANCE COVERAGE STATED BELOW FROM COMPANIES HOLDING A GENERAL RATING OF 'A' OR BETTER AS SET FORTH IN THE MOST CURRENT ISSUE OF BEST KEY RATING INSURANCE GUIDE. SUCH CERTIFICATES WILL PROVIDE THAT TIM HORTONS WILL RECEIVE AT LEAST THIRTY (30) DAYS PRIOR WRITTEN NOTICE OF ANY MATERIAL CHANGE IN, OR CANCELLATION OF, SUCH INSURANCE.
 - A. COMPREHENSIVE GENERAL LIABILITY INSURANCE INCLUDING A BROAD FORM ENDORSEMENT AND A BROAD FORM PROPERTY DAMAGE ENDORSEMENT WITH LIMITS NOT LESS THAN \$1,000,000 COMBINED SINGLE LIMIT. IF APPROPRIATE, CONTRACTOR SHALL ALSO MAINTAIN SCAFFOLDING AND DEMOLITION INSURANCE.
 - B. WORKERS COMPENSATION INSURANCE IN ACCORDANCE WITH APPLICABLE STATE REQUIREMENTS.
 - C. EMPLOYERS' LIABILITY INSURANCE IN AN AMOUNT NOT LESS THAN \$100,000.
 - D. COMPREHENSIVE AUTOMOBILE LIABILITY INSURANCE INCLUDING OWNED, NON-OWNED AND HIRED COVERAGE IN AN AMOUNT NOT LESS THAN \$500,000 COMBINED SINGLE LIMIT.
 - **E.** Contractor shall also satisfy any insurance requirements NECESSITATED BY ANY PERTINENT GOVERNMENTAL AUTHORITY.
 - F. CONTRACTOR SHALL MAINTAIN BUILDER'S RISK COVERING THE PREMISES, SUCH INSURANCE SHALL BE WRITTEN ON AN ALL-RISK BASIS, AND WILL COVER ALL THE WORK UNTIL TIM HORTONS FINAL ACCEPTANCE
- 2. AT ITS ELECTION, TIM HORTONS MAY WAIVE THE REQUIREMENT THAT CONTRACTOR MAINTAIN THE INSURANCE SET FORTH IN PARAGRAPH 7.1-F IN SUCH INSTANCES, TIM HORTONS WILL BEAR THE RISK OF LOSS TO THE BUILDING STRUCTURE AND ANY EQUIPMENT OF FIXTURES ATTACHED OR INSTALLED TO THE BUILDING STRUCTURE. TIM HORTONS WILL NOT BE RESPONSIBLE FOR ANY EQUIPMENT OR PERSONAL PROPERTY OF THE CONTRACTOR OR ITS AGENTS UNDER THESE CIRCUMSTANCES.

ARTICLE 8 - RISK OF LOSS

DISCREPANCIES IN THE CONTRACT.

WITH THE EXCEPTION OF THE RISK OF LOSS ASSUMED BY TIM HORTONS WHEN THE REQUIREMENT TO MAINTAIN THE INSURANCE SET FORTH IN PARAGRAPH 7.1-F IS SPECIFICALLY WAIVED BY TIM HORTONS, CONTRACTOR ASSUMES ALL RISKS, HAZARDS, AND CONDITIONS IN CONNECTION WITH THE PERFORMANCE OF THIS CONTRACT, AND CONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR THE WORK UNTIL FINAL ACCEPTANCE OF THE COMPLETED WORK BY TIM HORTONS.

ARTICLE 9 - CONTRACT DOCUMENTS/CUSTODY OF PLANS

THE AGREEMENT AND EACH OF THE CONTRACT DOCUMENTS ARE COMPLEMENTARY, AND THEY SHALL BE INTERPRETED SO THAT WHAT IS CALLED FOR BY ONE SHALL BE AS BINDING AS IF CALLED FOR BY ALL. SHOULD THE CONTRACTOR OBSERVE ANY CONFLICTS WITHIN THE CONTRACT DOCUMENTS, HE SHALL BRING THEM TO TIM HORTONS ATTENTION FOR DECISION AND REVISION AT ONCE. THE CONTRACTOR SHALL SECURE WRITTEN INSTRUCTION FROM TIM HORTONS BEFORE PROCEEDING WITH ANY WORK AFFECTED BY CONFLICTS, OMISSIONS, OR

CONTRACTOR SHALL RETAIN SOLE CUSTODY OF (EXCEPT AS REQUIRED FOR THE PERFORMANCE OF THE WORK), ALL DRAWINGS, PLANS, SPECIFICATIONS AND ANY COPIES THEREOF FURNISHED TO CONTRACTOR BY TIM HORTONS, A CONSIGNED SET OF SUCH DRAWINGS, PLANS, AND SPECIFICATIONS SHALL BE KEPT ON THE PREMISES AT ALL TIMES DURING THE COURSE OF CONSTRUCTION. ALL DRAWINGS, PLANS, SPECIFICATIONS AND COPIES THEREOF FURNISHED BY TIM HORTONS SHALL REMAIN TIM HORTONS AND SHALL BE RETURNED TO TIM HORTONS AT THE COMPLETION OF THE WORK, TOGETHER WITH A COMPLETE SET OF "AS-BUILT" PLANS.

ARTICLE 10 - METHOD OF PAYMENT

- 1. UPON SATISFACTORY PROGRESS OF THE WORK AND TIM HORTONS RECEIPT OF COMPLETED AND SIGNED PROGRESS PAYMENT REQUESTS, TIM HORTONS WILL MAKE PAYMENTS ON THE CONTRACT EXCEPT WHEN IN TIM HORTONS OPINION IT IS NECESSARY TO PROTECT TIM HORTONS FROM LOSS DUE TO DEFECTIVE WORK NOT REMEDIED, CLAIMS OR LIENS ON THE PREMISES, FAILURE OF CONTRACTOR TO MAKE PAYMENT PROMPTLY TO SUBCONTRACTORS OR MATERIAL SUPPLIERS, OR UNSATISFACTORY PROSECUTION OF THE WORK.
- 2. THROUGHOUT THE COURSE OF THIS CONTRACT, CONTRACTOR SHALL DRAW UP NOT MORE THAN FOUR (4) PROGRESS PAYMENT REQUESTS FOR SUBMISSION TO TIM HORTONS WHEN THAT PORTION OF THE WORK ASSOCIATED WITH EACH RESPECTIVE PAYMENT REQUEST HAS BEEN COMPLETED. EACH REQUEST SHALL BE SUBMITTED ON TIM HORTONS APPLICATION AND CERTIFICATE FOR PAYMENT FORM.
- 3. THE LAST PROGRESS REQUEST SHALL INCLUDE A COMPLETE LIST OF ALL SUBCONTRACTORS AND MATERIAL SUPPLIERS, INCLUDING NAMES, ADDRESSES AND TELEPHONE NUMBERS, USED FOR THE WORK.
- 4. PROGRESS PAYMENTS SHALL BE IN PORTIONS OF THE CONTRACT SUM AND SHALL REFLECT THE VALUE OF THE WORK IN PLACE (LESS AMOUNTS ALREADY PAID TO CONTRACTOR), LESS THE 10% RETAINAGE AND ANY AMOUNTS NECESSARY TO COMPLETE THE WORK.
- 5. FOURTH AND FINAL PAYMENT: 10% OF CONTRACT SUM SHALL BE PAID AFTER THE RESTAURANT IS OPEN, ALL FURNISHED CONSTRUCTION ITEMS (INCLUDING PUNCH LIST) ARE COMPLETED, AND ALL TEST REPORTS, CERTIFICATIONS, WARRANTIES, PERMITS AND FINAL CHANGE ORDERS HAVE BEEN DELIVERED TO TIM HORTONS.
- 6. PRIOR TO RELEASE OF THE FINAL PAYMENT. THE FOLLOWING DOCUMENTS, COMPLETED AND VALIDLY EXECUTED MUST BE DELIVERED TO TIM HORTONS.
 - A. CONTRACTOR'S FINAL WAIVER OF LIEN (FULLY EXECUTED BY ALL SUBCONTRACTORS AND SUPPLIERS) CERTIFYING THAT THERE ARE NO LIENS ON THE PROJECT AND THAT ALL SUBCONTRACTORS AND MATERIAL SUPPLIERS AND OTHER POTENTIAL LIENS HAVE BEEN PAID IN FULL.
 - **B.** CERTIFICATE OF OCCUPANCY,
 - C. AS REQUIRED BY TIM HORTONS IN THE BID DOCUMENT, CONCRETE OR ASPHALT PAVING CERTIFICATION (CERTIFYING SUB-BASE, BASE, AND SURFACE PREPARATION AND APPLICATION).
 - D. COPY OF COMPLETE "AS-BUILT" PLANS.
 - E. CERTIFICATION OF ANY OTHER ITEM OR MATERIAL REASONABLY requested by tim hortons.
 - F. CONTRACTOR'S CONCURRENCE WITH PUNCH LIST AS DESCRIBED BELOW IN ARTICLE 12.
- 7. ALL ITEMS REQUIRED IN CONNECTION WITH THE FINAL PAYMENT SHALL BE COMPLETED AND SUBMITTED BY CONTRACTOR WITHIN THIRTY (30) DAYS OF RESTAURANT OPENING.
- 8. IN THE EVENT CONTRACTOR DOES NOT TIMELY COMPLY WITH ANY OF THE REQUIREMENTS SET FORTH ABOVE FOR THE FINAL PAYMENT, TIM HORTONS SHALL RETAIN ALL OF THE REMAINDER OF THE CONTRACT SUM TO PROTECT TIM HORTONS AGAINST ANY LIEN RIGHTS OR CLAIMS, UNTIL ALL REQUIREMENTS FOR THE FINAL PAYMENT HAVE BEEN SATISFIED.
- 9. ALL CORRECTLY COMPLETED REQUEST FOR PAYMENT RECEIVED AND APPROVED BY TIM HORTONS WILL BE PAID WITHIN TWENTY-ONE (21) DAYS OF TIM HORTONS APPROVAL, EXCEPT FINAL RETAINAGE DRAW WHICH SHALL BE PAID WITHIN FORTY FIVE (45) DAYS.
- 10. NOTWITHSTANDING THE ABOVE, TIM HORTONS MAY REASONABLY CHANGE THE METHOD OF PAYMENT INCLUDING WITHOUT LIMITATION, PAYMENT BY JOINT CHECK, IN THE EVENT TIM HORTONS DETERMINES THAT ANOTHER METHOD WOULD BE MORE PRUDENT.

ARTICLE 11 - PAYMENT BY CONTRACTOR

CONTRACTOR SHALL PAY SUBCONTRACTORS AND MATERIAL SUPPLIERS IN A TIMELY MANNER TO PREVENT MECHANIC'S OR MATERIAL SUPPLIER'S LIENS BEING FILED AGAINST THE PREMISES, IF TIM HORTONS RECEIVES A NOTICE OF CLAIM TO BE FILED OR IF A CLAIM IS FILED AS A RESULT OF CONTRACTOR'S NONPAYMENT, TIM HORTONS SHALL HAVE THE RIGHT, AFTER FIVE (5) DAYS NOTICE TO CONTRACTOR, TO IMMEDIATELY PAY THE FULL AMOUNT OF ANY SUCH CLAIM DIRECTLY OR INDIRECTLY TO THE CLAIMANT AND DEDUCT SAME AMOUNT FROM THE CONTRACT SUM. CONTRACTOR WAIVES ANY AND ALL CLAIMS OR CAUSES OF ACTION CONTRACTOR HAS OR MAY HAVE AGAINST TIM HORTONS FOR PAYMENTS WHICH ARE TO BE MADE UNDER THIS PARAGRAPH, TIM HORTONS SHALL ALSO HAVE THE right and option to require contractor to provide tim hortons with a bond INSURING OVER SUCH LIENS IN AN AMOUNT AT LEAST ONE AND ONE-HALF TIMES THE AMOUNT OF ANY SUCH LIENS FILED OR NOTICES OF LIEN. AND SUFFICIENT to cover tim hortons fees, interest and increased costs and expenses to ENFORCE THIS CONTRACT, CONTRACTOR SHALL PROMPTLY DEFEND TO CONCLUSION TIM HORTONS INTEREST AGAINST EACH SUCH CLAIM.

ARTICLE 12 - PUNCH LIST

- 1. CONTRACTOR SHALL MEET WITH TIM HORTONS AND TIM HORTONS CONSTRUCTION MANAGER, SEVEN (7) DAYS BEFORE THE OPENING OF THE RESTAURANT IN ORDER TO ESTABLISH A FORMAL LIST OF CONSTRUCTION DEFICIENCIES (THE 'PUNCH LIST'). IF THE PUNCH LIST ITEMS ARE NOT CORRECTED WITHIN SEVEN DAYS THEREAFTER, TIM HORTONS MAY HIRE AN INDEPENDENT CONTRACTOR TO PERFORM SAME AND MAY DEDUCT REASONABLE COSTS FROM THE MONIES RETAINED FROM THE CONTRACTOR, DRAW A LETTER OF CREDIT/PERFORMANCE BOND, OR, MAY BILL CONTRACTOR FOR SUCH COSTS, CONTRACTOR AGREES TO PAY IMMEDIATELY ALL SUCH COSTS BILLED BY TIM HORTONS. IF AN ITEM CANNOT REASONABLY BE CORRECTED WITHIN SUCH SEVEN (7) DAYS, THE REASONS THEREFORE SHALL BE EXPLAINED IN WRITING ON THE PUNCH LIST TO TIM HORTONS SATISFACTION.
- 2. THE PREPARATION OF A PUNCH LIST BY TIM HORTONS SHALL IN NO WAY WAIVE OR AFFECT ANY OTHER RIGHTS OF TIM HORTONS UNDER THIS CONTRACT PERTAINING TO WARRANTIES, LATENT DEFECTS, ETC.

ARTICLE 13 - CHANGE ORDERS

1. TIM HORTONS MAY ALTER THIS CONTRACT BY ADDING TO OR DEDUCTING FROM OR OTHERWISE MODIFYING THE WORK, WITHOUT INVALIDATING THIS CONTRACT. ALL SUCH CHANGES SHALL BE PERFORMED UNDER THE CONDITIONS OF THE ORIGINAL CONTRACT, EXCEPT THAT NO EXTRA WORK OR MODIFICATION SHALL BE DONE OR PAID FOR BY TIM HORTONS WITHOUT A WRITTEN ORDER FROM TIM HORTONS SIGNED BY THE CONSTRUCTION MANAGER. THE CONTRACT SUM SHALL BE INCREASED OR DECREASED BY AN AMOUNT AGREED TO IN WRITING BY THE PARTIES PRIOR TO THE COMMENCEMENT OF ANY SUCH CHANGE, WHICH AMOUNT SHALL NOT INCLUDE MORE THAN 10% MARK-UP TO CONTRACTOR. CONTRACTOR SHALL PROVIDE ADEQUATE PROOF OF COST OF EACH SUCH ITEMS.

- 2. ANY EXTENSION OF TIME FOR THE COMPLETION OF THE WORK AS A RESULT OF CHANGE ORDER SHALL BE AGREED TO IN THE WRITTEN AUTHORIZATION FOR SUCH CHANGE ORDER.
- 3. ALL REQUESTS FOR PAYMENT UNDER CHANGE ORDER MUST BE SUBMITTED TO TIM HORTONS WITHIN ONE WEEK OF SUBSTANTIAL COMPLETION.

ARTICLE 14 - DEFAULT BY CONTRACTOR

IF CONTRACTOR FAILS OR NEGLECTS TO PERFORM THE WORK IN ACCORDANCE WITH THE CONTRACT, TIM HORTONS MAY, AFTER SEVEN (7) DAYS WRITTEN NOTICE TO CONTRACTOR, MAKE GOOD THE DEFICIENCIES AND DEDUCT THE COST THEREOF FROM PAYMENTS DUE CONTRACTOR, AND MAY ALSO TERMINATE THIS CONTRACT BY WRITTEN NOTICE TO CONTRACTOR. UPON SUCH FAILURE OR NEGLECT BY CONTRACTOR, TIM HORTONS MAY EXERCISE ITS RIGHT PROVIDED IN ARTICLE 5 HEREIN.

ARTICLE 15 - INSPECTIONS

TIM HORTONS CONSTRUCTION MANAGER SHALL HAVE THE RIGHT TO INSPECT THE WORK AND REJECT ANY WORK WHICH DOES NOT CONFORM TO THE PLANS AND SPECIFICATIONS. TIM HORTONS ALSO HAS THE AUTHORITY TO STOP THE WORK FOR THE PURPOSE OF PERFORMING SPECIAL INSPECTIONS OR TESTING OF THE WORK. IN THESE INSTANCES, TIM HORTONS WILL GRANT AN APPROPRIATE EXTENSION OF TIME TO CONTRACTOR. SHOULD ANY WORK BE FOUND FAULTY AS A RESULT OF SPECIAL INSPECTIONS OR TESTS, CONTRACTOR SHALL REPAIR THE WORK IMMEDIATELY AND PAY THE FEES FOR SAID INSPECTIONS OR TESTS. SHOULD THE WORK BE SATISFACTORY, TIM HORTONS WILL BEAR SUCH COSTS.

ARTICLE 16 - CONSTRUCTION MANAGER

TIM HORTONS ENGINEERING DEPARTMENT SHALL BE TIM HORTONS CONSTRUCTION MANAGER AND SHALL SUPERVISE THE CONSTRUCTION PROVIDED FOR HEREUNDER IN ACCORDANCE WITH THIS CONTRACT AND ACCEPTED INDUSTRY PRACTICES.

ARTICLE 17 - CONTRACTOR'S ATTENDANCE

CONTRACTOR OR ITS DESIGNATED AND QUALIFIED REPRESENTATIVE, WITH FULL AUTHORITY TO ACT ON BEHALF OF CONTRACTOR UNDER THIS CONTRACT SHALL, AT ALL TIMES DURING THE PROGRESS OF THE WORK BE IN ATTENDANCE AT THE PREMISES AND SUPERVISING THE WORK, CONTRACTOR SHALL CAREFULLY STUDY AND COMPARE ALL PLANS, SPECIFICATIONS AND OTHER INSTRUCTIONS AND SHALL AT ONCE REPORT TO TIM HORTONS ANY ERROR, INCONSISTENCY OR OMISSION CONTRACTOR MAY DISCOVER, CONTRACTOR SHALL DO NO WORK WITHOUT APPROPRIATE PLANS, SPECIFICATIONS OR INTERPRETATIONS.

ARTICLE 18 - PROTECTION OF WORK AND PROPERTY

- 1. CONTRACTOR SHALL CONTINUOUSLY MAINTAIN ADEQUATE PROTECTION FOR ALL WORK FROM DAMAGE AND THE ELEMENTS AND SHALL PROTECT AND TAKE ALL REASONABLE PRECAUTIONS TO PROTECT TIM HORTONS, TIM HORTONS PROPERTY, ANY THIRD PARTY AND THE PROPERTY OF ANY THIRD PARTY FROM INJURY OR LOSS DURING THE COURSE OF THE
- 2. CONTRACTOR SHALL COMPLY WITH ALL APPLICABLE RULES AND REGULATIONS OF ANY PUBLIC AUTHORITY HAVING JURISDICTION FOR THE SAFETY OF PERSONS OR PROPERTY. CONTRACTOR SHALL ERECT AND MAINTAIN AS REQUIRED BY EXISTING CONDITIONS AND PROGRESS OF THE WORK ALL REASONABLE SAFEGUARDS FOR SAFETY AND PROTECTION, INCLUDING POSTING DANGER SIGNS, PROMOTING SAFETY REGULATIONS AND NOTIFYING OWNERS AND USERS OF ADJACENT UTILITIES AND PROPERTIES.
- 3. IF THE SEVERITY OF THE ELEMENTS MAKES IT IMPOSSIBLE TO CONTINUE OPERATIONS IN A SAFE MANNER IN SPITE OF ALL REASONABLE PRECAUTIONS, CONTRACTOR SHALL CEASE WORK AND IMMEDIATELY NOTIFY TIM HORTONS. ALL WORK DAMAGED DUE TO CONTRACTORS NEGLIGENCE SHALL BE REMOVED AND REPLACED WITH NEW WORK AT CONTRACTOR'S
- 4. CONTRACTOR SHALL PROVIDE AND MAINTAIN A WATER-TIGHT STORAGE SPACE, SECURE FROM THEFT, FOR STORAGE OF ALL EQUIPMENT CALLED FOR ON THE PLANS AND SPECIFICATIONS.

ARTICLE 19 - INDEMNITY

CONTRACTOR SHALL INDEMNIFY AND HOLD TIM HORTONS HARMLESS FROM ANY AND ALL LIABILITY, LOSS DAMAGE, COST AND EXPENSE, INCLUDING COURT COSTS AND ATTORNEY'S FEES (WHETHER OR NOT LITIGATION HAS COMMENCED). OF WHATEVER NATURE OR TYPE THAT TIM HORTONS MAY SUFFER OR INCUR BY REASON OF:

- 1. ANY INJURY OR DAMAGE SUSTAINED OR PURPORTED TO HAVE BEEN SUSTAINED BY ANY PERSON OR THING AS A RESULT OF CONTRACTORS ACTIONS OR OMISSIONS, OR THOSE OF ANY OTHER PERSONS WHO ARE AT ANY TIME DURING THE COURSE OF CONSTRUCTION ON THE PREMISES UNDER THE DIRECTION. SUPERVISION, OR SUFFERANCE OF CONTRACTOR, INCLUDING BUT NOT LIMITED TO SUBCONTRACTORS, LABORERS AND MATERIAL
- 2. ANY BREACH OR DEFAULT OF CONTRACTOR UNDER THIS CONTRACT.

ARTICLE 20 - COMPLIANCE WITH LAWS

CONTRACTOR SHALL FULLY COMPLY WITH ALL APPLICABLE FEDERAL STATE AND LOCAL LAWS, CODES, REGULATIONS, ETC. (COLLECTIVELY, THE "LAW") IN ITS PERFORMANCE UNDER THIS CONTRACT. PRIOR TO COMMENCING THE WORK, CONTRACTOR SHALL REVIEW THE DRAWINGS AND SPECIFICATIONS TO DETERMINE THEIR CONFORMANCE TO THE LAW. IF CONTRACTOR THEN OR THEREAFTER FINDS THE DRAWINGS AND SPECIFICATIONS ARE AT VARIANCE WITH THE LAW, THEN CONTRACTOR SHALL IMMEDIATELY NOTIFY TIM HORTONS CONSTRUCTION MANAGER IN WRITING BEFORE PROCEEDING WITH THE WORK. THE COST OF ANY NECESSARY CHANGES TO COMPLY WITH THE LAW SHALL BE AGREED TO BY TIM HORTONS BEFORE PROCEEDING WITH THE WORK. IF ANY OF THE WORK IS DONE CONTRARY TO THE LAW CONTRACTOR SHALL BEAR ALL COSTS REQUIRED TO CORRECT THE WORK.

ARTICLE 21 - CONTRACTOR'S WARRANTIES

1. CONTRACTOR WARRANTS THAT ALL OF THE WORK SHALL BE DONE IN A FIRST CLASS WORKMANLIKE MANNER AND IN ACCORDANCE WITH THE drawings and specifications with New, Quality Materials and Warrants all work and materials against defects in the MATERIAL OR THE WORKMANSHIP FOR A PERIOD OF ONE YEAR FROM THE OPENING DATE OF THE RESTAURANT, UNLESS STATED OTHERWISE IN SPECIFICATIONS. IF A DEFECT IN MATERIAL OR WORKMANSHIP OR A DEVIATION FROM THE DRAWINGS AND SPECIFICATIONS IS LATENT, HIDDEN OR NOT READILY OBSERVABLE, CONTRACTOR'S Warranty shall be extended for one (1) year from the date OF DISCOVERY OF THE DEFECT OR DEVIATION, WITHIN A REASONABLE TIME AFTER WRITTEN NOTICE OF A DEFECT OR DEVIATION CONTRACTOR SHALL WITHOUT EXPENSE TO TIM HORTONS, REMEDY AND REPAIR SAME AND ANY DAMAGE TO OTHER WORK RESULTING THEREFROM.

DRAWING NUMBER: