

SUBCONTRACTOR AGREEMENT

THIS SUBCONTRACT AGREEMENT made this ____ day of _____, 201____, by and between **Cityside Management Corp.** (hereinafter “**Cityside Management**”), a New Hampshire corporation with its principal place of business at 186 Granite Street, Manchester, New Hampshire 03102, and _____, (hereinafter “**Subcontractor**”), a _____ corporation with its principal place of business at _____, individually a “Party” and collectively the “Parties”.

WITNESSETH

WHEREAS, the officers and employees of Cityside Management have considerable knowledge, experience, and expertise in management services for residential housing units throughout the fifty (50) United States;

WHEREAS, Cityside Management currently holds contracts with the United States Department of Housing and Urban Development (HUD) Division of Real Estate Owned (REO) Management and Marketing (M&M) program, to provide property management, marketing and oversight of real property in several locations across the United States.

WHEREAS, Subcontractor has considerable knowledge, expertise, experience, and all the requisite licenses with respect to performing subcontractor services on properties insured by the Federal Housing Administration (“FHA”), and other HUD-owned properties, which are necessary to the successful performance by Cityside Management for the region in which the Subcontractor does business (the “Prime Contract”);

WHEREAS, Cityside Management desires to retain Subcontractor, and Subcontractor is willing to become a subcontractor of Cityside Management on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of these premises, and of the mutual covenants and agreements herein contained, and of other good and valuable consideration, the receipt and adequacy of which both of the Parties hereto hereby acknowledge, Cityside Management and Subcontractor agree as follows:

SECTION 1. Subcontractor Services.

(a) Cityside Management hereby agrees to retain Subcontractor and Subcontractor hereby accepts Cityside Management’s offer to become a subcontractor under the Prime Contract and provide real property services to Cityside Management in accordance with the terms outlined herein, (referred to hereafter as the “Agreement” or this “Subcontract”).

Initials _____

(b) The Parties agree that this Subcontract Agreement incorporates all of the terms and requirements mandated by federal laws and regulations as applicable to federal contracts, as well as those contained in the Prime Contract as applicable to subcontractors for Cityside Management.

(c) Cityside Management shall furnish contractor with specifications for all services, to which contractor shall fully and completely comply. All services contained within this agreement shall be performed by Subcontractor specifications within the Cityside contractor manual, as the same may be amended from time to time (the "Contractor Manual").

SECTION 2. Relationship of Parties.

(a) The Parties acknowledge and agree that the Subcontractor is an independent contractor of Cityside Management. This Agreement is not intended by the Parties to constitute, create, give effect to, or otherwise recognize a joint venture, agency partnership, or formal business organization of any kind.

(b) Neither of the Parties shall hold itself out to any third party as the legal representative or agent of the other Party hereto, or of the owners thereof. Further, neither Party is granted any authority to transact business in the name of, or for the account of the other Party hereto, and neither Party shall make any promise, warranty, representation or obligation on behalf of the other Party hereto, or its owners, in any manner whatsoever. Without limiting the generality of the foregoing, Subcontractor shall have no right to incur any debts or liabilities in the name of or on behalf of Cityside Management.

(c) Subcontractor shall be responsible for the training, hiring, firing, and compensating all employees of Subcontractor, and shall indemnify and hold Cityside Management harmless from and against any and all claims from employees and/or subcontractors of the Subcontractor.

(d) Each of the Parties hereto shall bear all expenses which it may incur in fulfilling its obligations and responsibilities set forth in this Subcontract.

(e) The Parties acknowledge and agree that Subcontractor may provide similar services to other firms or entities.

(f) In performing the services, Subcontractor shall use his own personnel, equipment, tools, and motor vehicles and, shall have control over the manner in which the services are provided, subject to the terms of this Agreement.

SECTION 3. Initial Services/Work Orders. Subcontractor shall perform the Services set forth in this Section 3 and, in addition, may, at the election of Cityside Management, perform the Routine Services as set forth in Section 4. Cityside shall issue work orders

Initials _____

("Work Orders") for each property assigned to Subcontractor (a "Property") and, in accordance with each Work Order and within the timeframe set forth therein, shall provide the following initial services ("Initial Services"):

(a) Debris Removal: Debris removal includes removing, to a maximum of five cubic yards, debris from both the interior and exterior of the Property as well as garages, sheds, barns, utility rooms, crawlspaces, attics, basements, and any other structures located on the Property covered by the Work Order. The debris removal shall include the proper disposal of all debris in accordance with all applicable local and environmental regulations. For purposes of this Subcontract, debris is defined as window treatments, curtains, blinds, shades, nails & screws from the walls, tacks, brackets, curtain rods, building products, dishes or utensils, furniture or clothing, dead animals, yard debris, garbage, tires, batteries, paint, household cleaners, appliances when designated in the Work Order (including: ranges, washers, dryers, dishwashers, etc.) and chemical or safety or environmental hazards.

(b) Hazard Abatement: Hazard abatement is defined as any condition within a Property that is considered a health or safety hazard as defined by Cityside FSM contract with HUD. Items to be included with initial hazard abatement include; installing handrails missing from any walkway or stairwell with two risers or more; replacing any damaged, missing, rotted or otherwise unsecured step; installing tape over transition areas between carpets and floors; re-securing with mortar broken, loose, or otherwise unsecured brick or concrete steps; securing gates surrounding pools; tacking down loose linoleum; removing loose tiles and installing black tape between remaining secured tiles and floors, removing all falling ceiling tiles; treating with kiltz or bleach up to 10 square foot area of mold; removing all broken glass from interior and exterior of Property; cap all exposed electrical wires, gas lines, water lines; cover all exposed outlets with face plates; and cover all exposed electric panels and secure all windows. All hazard abatement must comply with the specifications as defined in contractor manual.

(c) Handling of Personal Property: Personal property found within a Property covered by a Work Order (which may be owned by or abandoned by occupants or former occupants of HUD-owned properties) shall be removed, photographed, catalogued and stored in accordance with specific instructions from the Cityside Management. In the event that the presence of personal property represents an imminent health or safety danger, Subcontractor shall notify Cityside Management of the existence of said dangerous condition necessitating the removal of personal property, provide photographic documentation of the dangerous condition and the personal property required to be removed to remedy the danger, and Cityside Management approval will be issued in writing (via email or facsimile) before Subcontractor may remove the personal property from the Property.

(d) Sales or Market Ready Cleaning: Cleaning services required by this Subcontract are based on the conditions of the Property and will include all interior rooms of the Property, including attics and adjacent structures, garages and out buildings. Subcontractors must sweep and mop floors using pine sol, bleach, or another

Initials _____

cleaning agent approved by Cityside Management, vacuum all carpets, wash carpets as required by Cityside Management, dust windowsills, remove cobwebs, remove all litter, clean all appliances inside and out (unless they are to be removed), counters, back splashes, cabinets, drawers, clean and sanitize and deodorize all bathrooms (including all toilets, showers, sinks, countertops, cabinets and back splashes). Appropriate winterization services shall be provided as necessary.

(e) Winterization: Winterization services shall be completed in accordance with Contractor Manual.

(f) Initial Lawn Services: Subcontractor shall provide the following lawn and landscaping services: cutting grass to a height not to exceed 2", edging all Property exterior (front, side and back); weed removal from lawns, beds, fence lines, driveways, and curbs; removal of litter/trash/debris, grass clippings, tree trimmings, leaves, etc., from the Property; disposal of all debris and yard refuse off of Property location in accordance with local standards and regulations; sweeping of all paved areas; removal of all leaves, branches, refuse or any other debris from gutters; inspect yard for any potholes, sinkholes, divets, or otherwise hazardous conditions; and complete hazard abatement has defined in the Contractor Manual. All lawn maintenance, shrubbery, and snow removal must be consistent with neighborhood standards and in compliance with local code/ordinance and regulations.

(g) Extraordinary Property Conditions: If extraordinary conditions are present at the Property that are deemed not included the description of Initial Services set forth in this Section (3), Subcontractor will notify Cityside Management within 24 hours of the discovery of such conditions and will send bid and photos to Cityside Management. Cityside Management shall have the option to either negotiate with Subcontractor an adjustment in price for that one Work Order to remedy the condition, or reassign the Work Order to another contractor.

(h) Snow Removal and Winter Services (where required): Snow removal is to be performed as part of the initial clean out when snow accumulation is above 3". All hard surface areas (sidewalks, paths, driveways, steps, etc.) are to be sanded when ice is present. Walks, steps, and entry areas are to be kept free of snow and ice.

(i) Subsequent routine lawn maintenance: Grass should be cut every fourteen days, unless otherwise instructed by Cityside Management. Grass and weeds are to be cut to a minimum of 100' perimeter around the Property and to a maximum height of two inches. Grass and weeds are to be trimmed around foundations, bushes, trees, and planting beds. Grass and weeds should also be trimmed flush with fences and other construction that would normally require trimming. Shrubs are to be trimmed and cuttings removed once in a growing season, between April 1st and October 31st. Before and after photos of trimming is required, unless in designated year round growing area, or otherwise instructed by Cityside Management.

Initials _____

(j) Requirements for Custodial Properties: HUD does not hold title to properties issued by HUD to Cityside Management, which are known as Custodial Properties, and are not listed or offered for sale. However, by virtue of HUD's security interest in the Property, HUD holds certain rights and responsibilities to ensure that such Custodial Property is preserved and protected, and such Properties are assigned to Cityside Management for certain property management functions. Cityside Management may assign Custodial Properties to Subcontractor with Work Orders containing the specific scope of services requested, which services will be limited to the exterior of the Custodial Property. Subcontractor shall not enter a Custodial Property without specific instructions from Cityside Management, since Custodial Properties may or may not be occupied and HUD may or may not permit entry into the Custodial Property for the purpose of performing services. In most cases, the lawn services, snow removal and winter services, and debris removal requirements will remain the same as the requirements for HUD-owned vacant properties, as outlined above, specifically to the extent those duties can be performed without entry into the home.

The "Initial Services" together with the "Routine Services" defined in Section 4, are collectively referred to herein as "Services".

SECTION 4: Routine Services. In addition to the Initial Services, Subcontractor shall, at the sole discretion of Cityside Management, perform the following routine services following the completion of the Initial Services on Properties assigned to Subcontractor ("Routine Services"). Routine Services shall the following lawn and landscaping services: cutting grass to a height not to exceed 2"; edging all Property exterior (front, side and back); weed removal from lawns, beds, fence lines, driveways, and curbs; removal of litter/trash/debris, grass clippings, tree trimmings, leaves, etc., from the Property; disposal of all debris and yard refuse off of Property location in accordance with local standards and regulations; sweeping of all paved areas; remove all leaves, branches, refuse or any other debris from gutters; inspect yard for any potholes, sinkholes, divets, or otherwise hazardous conditions; and complete hazard abatement has defined in Cityside's contractor manual all in a manner consistent with neighborhood standards and in compliance with local code/ordinance and regulations.

In addition to the foregoing, "Routine Services" may include any other actions with respect to an assigned Property within the area of the Subcontractor's expertise as may be set forth in a Work Order issued by Cityside Management.

SECTION 5: Non-Exclusivity/Scope of Contract.

(a) Subcontractor acknowledges that, in bidding and on this Subcontract and in entering into this Subcontract, there is no guarantee of a minimum or maximum level of Work Orders to be provided to Subcontractor by Cityside Management during the Term.

(b) The Parties agree that this is not an exclusive agreement and that multiple subcontractors may be used to service HUD properties for any given area. Subcontractor will be issued Work Orders at the sole discretion of Cityside Management, and there is no

Initials _____

guarantee of any specific minimum or maximum of contract Work Orders for any given geographic region or time frame. Subcontractor has indicated a willingness to accept Cityside Management Work Orders and perform work at the rates stated herein.

SECTION 6: Subcontractor Timeliness.

(a) The purpose of the Initial Services of a Property is usually to ready the Property for listing and sale.

(b) The Initial Services are to be completed within 48 hours of Subcontractor's acceptance of the Work Order.

(c) Notification of completion of a Work Order is to be electronically submitted, along with before and after digital photos, within 24 hours of completion.

(d) In extreme cases, where 48 hours is not sufficient time for completion of services covered by the Work Order, Cityside Management must be notified immediately. Cityside Management shall have the option to reassign the Work Order to another subcontractor in the event that Subcontractor is unable to complete the clean out within the 48 hour deadline. In the alternative, Cityside Management may authorize additional time to complete the Services covered by that specific Work Order.

(e) In all instances, even where Subcontractor requires additional time for the completion of Services covered by the Work Order to be authorized by Cityside Management, Subcontractor must agree to have all hazardous material and/or health and safety issues remedied within 24 hours of acceptance of the Work Order.

SECTION 7: Work Flow Process.

(a) Cityside Management will issue Work Orders for each individual Property, identified by FHA No. and physical address, electronically (via email or facsimile) to the Subcontractor.

(b) Upon receipt of a Work Order, Subcontractor will accept the Work Order in Cityside Management's EMS system, providing confirmation to Cityside Management that Subcontractor is willing, able and intends to complete the Services listed on the Work Order within the allotted 48 hour period.

(c) Prior to completion of Services under the Work Order, digital photographs must be submitted by Subcontractor that include the front of house with the Property address showing, picture of the sign-in sheet, as well as before and after photos for all work completed. Digital photos must also include the empty trailers/roll offs and the containers loaded with debris; and the dimensions of the containers.

(d) Upon completion of the Services assigned, Subcontractor must sign the certificate of completion on the Work Order and enter the completion into the Cityside

Initials _____

Management EMS system before submission of an invoice. In addition, digital photos must immediately be submitted via email to Cityside Management to support the completion of the Services.

SECTION 8. Term and Termination.

(a) The Term of this Agreement shall be effective as of the date hereof, and shall remain in effect until it is terminated by either Party upon _____ (____) days prior written notice to the other Party, provided that, in the event of termination by Subcontractor under the provisions of this Section 8(a), Subcontractor shall complete work on all pending Work Orders.

(b) Either Party may terminate this Agreement, effective immediately upon written notice to the other Party hereto, upon the occurrence of any of the following events:

(i) By either Party upon the loss by the other Party of any license or status required to conduct business with the United States Government, including, without limitation, an order of debarment or suspension;

(ii) By Cityside Management upon the Subcontractor's violation of the mandatory provisions of this Agreement, including the clauses incorporated by reference hereto and listed below;

(iii) By Cityside Management upon the Subcontractor's failure to comply with any material provision of the Prime Contract;

(iv) By either Party upon the arrest or conviction of a felony or act of criminal fraud involving a principal of the other Party;

(v) In the event that Subcontractor has utilized personnel for the performance of this Subcontract that do not meet the individual experience and technical requirements incorporated herein from the Contract or in the applicable Work Order;

(vi) By either Party upon the breach by the other Party of a material term of this Agreement, including, without limitation, a breach by Subcontractor of any applicable Work Order; and

(vii) By Cityside Management upon the Subcontractor's failure to perform services in accordance with the applicable State laws and regulations, or in accord with HUD, FHA and Cityside Management standards, or as outlined in the applicable Work Order, the Contractor Manual, or the Contract.

The termination of this Agreement shall have no effect on either Party's obligation to perform contractual obligations under existing government contracts and

Initials _____

subcontracts, or pursuant to other valid contracts or subcontracts or agreements between the Parties.

SECTION 9. Pricing and Payment Terms.

(a) Subcontractor agrees to perform Services in accord with the terms of this Agreement and shall be compensated as set forth in this Section 9:

(b) Initial Services, shall be performed by Subcontractor at a flat rate of \$300 per Property, for each Work Order issued by Cityside Management.

(c) Additional cubic yardage for excess debris will be paid at the rate of \$15 per cubic yard of debris, subject to prior written approval from Cityside Management.

(e) Routine grass cutting shall be paid at a rate of \$35 per cut

(f) Subcontractor shall be compensated for additional services as set forth in the applicable Work Order.

(g) Invoices and Payments.

(i) Subcontractor shall invoice Cityside Management for services performed in the foregoing month, or otherwise as specified in the Work Order, on or before the 10th day of the next month. Subcontractor may, at its discretion, submit invoices to Cityside Management more frequently, but in no case shall an invoice seek payment for services rendered more than 45 days prior to the date of the invoice. Cityside Management shall remit payment for invoices certified as correct for payment within 15 days of receipt.

(ii) All payments due to Subcontractor for the timely completion of Work Orders provided to Cityside Management in accordance with the terms of this Agreement shall be paid by Cityside Management within 30 Calendar days of the receipt of an invoice, certified as accurate and complete and submitted by Subcontractor for payment for Work Orders performed in the foregoing month. Invoices will be created electronically by Cityside Management within their electronic management systems (EMS). Only invoice request by Cityside Management shall be submitted. Request invoice must be in accordance with the payment terms outlined herein must be submitted in accordance with the following guidelines:

(iii) all invoices shall be original documents (no faxed invoices or copies shall be accepted);

(iv) each invoice shall be individually numbered with a unique number for each invoice;

Initials _____

(v) each invoice must include the following information:

- (1) Contractor's name;
- (2) Contractor's Federal Tax I.D. number;
- (3) Contractor's address, and telephone number;
- (4) Contractor's principal contact person;
- (5) Date of Invoice;
- (6) Property address where services were performed;
- (7) FHA case number;
- (8) Breakdown of prices per Property; and
- (9) Date work was completed;

(vi) each invoice shall be accompanied by supporting documentation, which shall consist of the following items, where applicable:

- (1) original Work Order assigned;
- (2) before and after photos relevant to the Property Services (digitally generated and date stamped photos required – disks will not be accepted);
- (3) any special approvals to exceed authorized amount noted on Work Order;
- (4) any warranty information for Services provided (i.e., guarantees of workmanship, etc.); and,
- (5) any other documentation that supports and/or is relevant to Services provided.

(vii) Invoices submitted more than 45 days after the completion of Services for which the invoice seeks payment shall be rejected as late and shall not be payable pursuant to this Subcontract.

SECTION 10. Amendments/Changes/Standards.

(a) This Agreement may be amended at any time only by written instrument executed by both the Parties hereto, subject to the Parties' agreement that Cityside Management shall, at all times, have the right to unilaterally amend the Subcontract to include terms required by the Prime Contract to be included in subcontracts, or as required by any other federal, state or local law.

(b) Any amendments issued by Cityside Management to supplement this Agreement to incorporate new or clarified contract interpretations or performance standards as applicable to the performance of any duty under this Agreement, including the Contract, and the Work Orders shall be incorporated into the terms of this Agreement. Without the consent or agreement of Subcontractor, Cityside Management may issue any such new terms of standards by written amendment to this Agreement, and Subcontractor shall have three business days to respond in writing.

Initials _____

SECTION 11. Subcontractor Requirements. During the Term, Subcontractor shall provide the services in a professional and competent manner utilizing experienced and properly trained employees, and shall comply in all respects with the terms and conditions of the Prime Contract, and with all applicable state, federal and local laws and regulations. Without limiting the generality of the foregoing, in performing the Services, Subcontractor shall maintain the following performance and technical capabilities:

(a) Maintain internet access, and e-mail, facsimile, and computer systems capability sufficient to handle the work capacity covered by this Agreement, and must be able to receive orders and order-related communication via email on a 24-hour basis;

(b) Be familiar with, and meet all computer security requirements mandated by the applicable provisions of federal law and regulations, and the HUD/Cityside Management FSM prime contract;

(c) Have identification badges for all employees, and require that they be worn by all personnel providing services at HUD-owned assets. The badges must bear the name of the Subcontractor, Subcontractor address, Employee name, and shall contain the Employee's photograph. Badges must be worn outside of clothing so that they are visible;

(d) All Subcontractor personnel shall have cell phones on the job site, and turned on and available to receive job-related communications;

(e) Have digital camera equipment sufficient to handle the capacity covered by this agreement and maintain the capability to transmit a completed invoice, and contract documents with photos to Cityside Management;

(f) Maintain the capability to transmit a completed invoice with before and after photos within 24 hours to Cityside Management;

(g) Ensure that sufficient personnel are maintained and available for Subcontractor to perform services required by the scope of this Agreement;

(h) Ensure that all services provided to Cityside Management pursuant to this Agreement shall be performed utilizing the services of individuals who may be employees, consultants, agents or subcontractors of Subcontractor, and that meet the individual requirements required by the provisions of this Agreement;

(i) Shall maintain, at all times, documentary proof of any and all certifications, licenses, or proof of citizenship, as mandated by this the terms of the Prime Contract between Cityside Management and HUD, the terms of this Agreement, as well as all federal, state and local laws applicable to individuals hired to retained to perform services under Subcontract with Cityside Management;

Initials _____

(j) Ensure that all personnel used in the performance of services pursuant to this Agreement are legal for employment pursuant to all local, state, and federal laws governing worker qualifications for employment, insurance, age, and immigration status;

(k) Ensure that all of its personnel comply with all of the material terms of this Subcontract all Work Orders, and the Contractor Manual;

SECTION 12. Additional Subcontractor Duties/Requirements. The Parties agree that, at all times during the term of this Agreement, Subcontractor shall comply with the following provisions:

(a) Subcontractor agrees to allow HUD and/or Cityside Management personnel to visit their business locations and observe their overall operation with prior notice of such visits;

(b) Cityside Management does not discriminate on the basis of race, color, religion, sex, national origin, age, disability or veteran status in any housing transaction in which Cityside Management is involved and Subcontractor agrees that it has formally adopted the same policy, and that it shall diligently comply with said requirement for the duration of this Agreement; and

(c) Subcontractor agrees that it shall not, during the term of this Agreement or at any time thereafter, divulge to any person, firm or corporation any information not a matter of public record that is reviewed or received during the term of this Agreement that concerns the financial or other business affairs of Cityside Management, including but not limited to, information concerning contracts, policies, procedures, systems or methods of operation established or used by Cityside Management, confidential subcontractor information, including subcontract prices or policies maintained by Cityside Management, or any other information treated as confidential by Cityside Management that is disclosed during the term of this Agreement. All such information shall be deemed to be strictly confidential in nature. In the event that disclosure of any such confidential information is required by law, prior to any such disclosure, Subcontractor shall notify Cityside Management of the legal requirement and the nature and extent of the legally compelled disclosure. Thereafter, Subcontractor shall cooperate and take all available steps to maintain, to the greatest degree possible, the continued confidentiality of such information. The provisions of this Section shall survive the expiration or earlier termination of this Agreement.

(d) Subcontractor shall ensure that the terms of this Subcontract, and the Work Order and Contract incorporated hereto, including the clauses incorporated herein, are made binding on all of its employees, consultants, subcontractors and identify-of-interest companies, and Subcontractor shall include the terms contained herein in any lower-tier subcontracts or agreements that pertain in any way to the performance of duties under this Subcontract. Requirements applicable to this Agreement include, but are not limited, to the application of the Service Contract Act, and other applicable labor laws incorporated herein by the Contract and the Work Order. Subcontractor may exercise the

Initials _____

option to waive the obligation to impose the provisions of this Agreement pertaining to insurance with respect to Subcontractor's lower-tiered agents, provided that Subcontractor remains liable for the actions and inactions of said agents, employees, or lower-tier subcontractors.

(e) Subcontractor hereby warrants that no current employee, contractor, consultant or subcontractor, has violated or failed to comply with any provision of this Agreement. Subcontractor further warrants that no current employee, contractor, consultant or subcontractor, has been convicted of a felony charge, either in State or Federal court, nor is any misdemeanor or felony charge stemming from facts relative to issues of fraud or moral turpitude, pending in any jurisdiction or before any tribunal;

(f) Subcontractor agrees to notify Cityside Management in writing, within 48 hours of notice to Subcontractor, in the event that it discovers facts or has any reason to suspect that any of its employees, consultants, or subcontractors have been convicted of a felony charge, either in State or Federal court, or has been charged, or is likely to be charged with a misdemeanor or felony stemming from facts relative to issues of fraud or moral turpitude in any jurisdiction or before any tribunal. The existence of such facts or events, or the failure to notify Cityside Management within 48 hours of Subcontractor's knowledge of said facts or events, may be the basis for contract termination at the sole discretion of Cityside Management, and at any time during the period of this Agreement;

(g) Each Property in the Cityside Management inventory that is issued to Subcontractor as an assigned Property will have a "Sign-In Sheet" inside the for purposes of tracking visits by realtors, prospective buyers, subcontractors and Cityside Management personnel. Subcontractor personnel shall sign in on the Sign-In Sheet each and every time the Subcontractor performs services with respect to Assigned Properties; and

(h) Subcontractor personnel may enter the Assigned Property only for the purposes of performing the services included in the Work Order as outlined herein, or signing in on the Sign-In Sheet. Any other use of the Property is strictly prohibited. For example, Subcontractor is to instruct its personnel that the smoking or carrying of lighted tobacco products into a Property, use of bathrooms, eating lunch, or otherwise using or soiling the interior of an a Property is strictly prohibited by the Subcontract, and may result in punitive action by Cityside Management, including the immediate termination of the Subcontract

SECTION 13. Policies/Applicable Provisions. The Parties agree that all Work Orders and the Contractor Manual are incorporated into this Agreement by reference and that the Parties hereto agree to be bound by the provisions of these documents. In addition, the Parties hereto agree to abide by the laws and regulations applicable to prime contracts and subcontracts entered into with respect to federal procurement contracts. The Parties further agree to use due diligence to perform the functions of this Agreement in accordance with all applicable provisions of state and federal law, particularly the statues,

Initials _____

rules and regulations that govern companies in federal procurement and the industry in which the businesses of Contractor and Subcontractor currently operate.

In addition, the Parties agree that this Subcontract shall comply in all respects with applicable laws, regulations, and prime contract terms, and all lower-tiered subcontracts shall impose on those subcontractors the terms and conditions and mandatory clauses set forth in this Agreement, the Contract, the Work Order, and as required by the provisions of the Federal Acquisition Regulations (FAR) applicable to such subcontracts.

Subcontractor agrees to comply with the clauses required to be applied to Cityside Management's subcontractors, where applicable, and their lower-tiered subcontractors, to include, but are not limited to the following:

FAR 52.222-41	SERVICE CONTRACT ACT OF 1965, AS AMENDED
FAR 52.222-43	FAIR LABOR STANDARDS ACT
FAR 52.222-44	FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT – PRICE ADJUSTMENTS
FAR 52.223-6	DRUG FREE WORKPLACE
FAR 52.219-14	LIMITATIONS ON SUBCONTRACTING
FAR 52.222-11	SUBCONTRACTS (LABOR STANDARDS)
FAR 52.222-8	PAYROLLS AND BASIC RECORDS
FAR 52.222-26	EQUAL OPPORTUNITY
FAR 52.222-36	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES
HUDAR 2452.209-72	ORGANIZATIONAL CONFLICTS OF INTEREST
FAR 52.215-2	AUDIT AND RECORDS – NEGOTIATION
FAR 52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS
FAR 52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN
FAR 52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT
FAR 52.215-12	SUBCONTRACTOR COST OR PRICING DATA
FAR 52.215-19	NOTIFICATION OF OWNERSHIP CHANGES
FAR 52.222-13	COMPLIANCE WITH DAVIS BACON AND RELATED ACT REGULATIONS

SECTION 14. Insurance Requirements. The Subcontractor agrees to secure and maintain, at the expense of the subcontractor, insurance in accordance with the following coverage requirements:

(a) Workers Compensation. Statutory coverage in compliance with the workers compensation laws of the state(s) being serviced by the Subcontractor.

(b) Commercial General Liability (“CGL”).

(i) General liability insurance providing coverage for all premises, operations, products, and completed operations. Such coverage shall be written with the following minimum limits:

Initials _____

\$2,000,000 General Aggregate;
\$2,000,000 Products and Completed Open Aggregate;
\$1,000,000 Personal and Advertising Injury Liability;
\$1,000,000 Each Occurrence

(ii) If the CGL coverage contains a General Aggregate Limit, such General Aggregate shall apply separately to each project.

(iii) CGL coverage shall be written in ISO Occurrence form CG 00 01 (10 93) or a substitute form providing equivalent coverage and shall cover liability arising from premises, operations, independent contractors, products-completed operations, and personal and advertising injury.

(c) Automobile Liability.

(i) Business Auto Liability with limits of at least One Million Dollars (\$1,000,000) each accident.

(ii) Business Auto coverage must include coverage for liability arising out of all owned, leased, hired and non-owned automobiles.

General Contractor, Owner and all other parties required of the General Contractor, shall be included as additional insureds on the automobile liability policy.

Subcontractor agrees to provide Cityside Management with a certificate of workers compensation coverage for all employees, agents and subcontractors, regardless of State exclusions. Subcontractors working in multiple states must meet or exceed the statutory requirements of the State(s) in which they are work.

(d) Errors and Omissions Insurance. In the event Subcontractor is performing property appraisals for Cityside Management, Subcontractor agrees that it shall maintain Errors & Omissions insurance designating Cityside Management as an additional named insured at all times during the period of this Agreement.

(e) Proof of Insurance. Subcontractor shall provide certificates of insurance along with required endorsement affording evidence that the insurance policies outlined above were obtained by Subcontractor, and that the coverage meets the above-outlined requirements. Subcontractor shall deliver to Cityside Management, at least once every six months, evidence of policies that meet the required coverage limits are maintained in full force and effect throughout the term of this Agreement, and at all times that Subcontractor is receiving orders and performing work for Cityside Management. The certificate of insurance shall disclose all deductions and self-insured retentions applicable to the Subcontractor. Subcontractor shall provide 30 days direct written notice to Cityside Management in the event of cancellation or material change in coverage.

Initials _____

(f) Certificate of Insurance. Subcontractor agrees that, by execution of this Agreement, Subcontractor shall be obligated to obtain and maintain insurance coverage in accordance with the provisions of this Agreement. Upon the execution of this Subcontract, and periodically during the Term, at the request of Cityside Management, Subcontractor shall provide updated Certificates of Insurance reflecting the insurance coverage required in this Section 14.

SECTION 15. Retention of Rights. Cityside Management and Subcontractor agree that each Party shall retain any and all rights with respect to any such proprietary data, inventions, materials subject to trademark or copyright protection, or any other intellectual property rights owned or held by such Party prior to the date of this Agreement, or acquired thereafter. The Parties agree that no license, expressed or implied, is granted to the other Party hereto by virtue of this Agreement, or by any disclosure of confidential or proprietary information during the course of performance of duties pursuant to this Agreement.

SECTION 16. Conflict of Interest. The Parties hereto agree to identify to the other Party any actual or potential conflict of interest which may result from work required under the terms of this Agreement or any resulting subcontract between the Parties. The Parties further agree to identify to the other Party any relationship of any nature which may impair, or reasonably appear to impair the Party's objectivity with respect to such work. It is further agreed by the Parties hereto that the contemplated subcontract will reflect any and all Organizational Conflict of Interest requirements and restrictions set forth in the applicable laws, regulations, and the terms of the contemplated prime contract, and the Parties agree to comply fully with all such requirements and restrictions.

SECTION 17. No Conflicting Agreement. Each Party represents and warrants to the other Party that it is not a party to an agreement with any third party that would prevent such Party from entering into this Subcontractor Agreement or performing its obligations hereunder.

SECTION 18. Prohibited Activities. Subcontractor agrees that it shall be strictly prohibited from (and shall instruct and ensure that all of its employees, agents, contractors and personnel shall refrain from) any and all of the following prohibited activities:

(a) making warranties or representations of any kind concerning Property condition that is outside the scope of the duties performed under this subcontract with Cityside Management;

(b) receiving or paying any type of referral fee as a result of referring buyers from calls initiated on properties, or providing any type of information related to a Property covered by this Agreement;

(c) purchasing HUD-owned properties;

Initials _____

(d) acting as a selling broker for HUD properties; or

(e) undertaking any or all activities that would create, or have the potential to create, a conflict of interest with Cityside Management or HUD.

SECTION 19. Disclosures of Subcontractor.

(a) Subcontractor agrees to disclose to Cityside Management, within 48 hours of acquiring such knowledge, any and all facts, that exist or arise or become known to Subcontractor during the course of contract performance pursuant to this Agreement, which would constitute a material violation of the terms of this Agreement. Facts which are required to be disclosed by Subcontractor pursuant to this Section include, but are not limited to, facts concerning the qualifications (or lack thereof) of any individual used in performance of the contract, activities of any individual used in performance of the contract that would constitute a violation of this Agreement, or facts that may evidence the existence of a conflict of interest between Subcontractor and Cityside Management.

(b) The facts required to be disclosed by Subcontractor pursuant to this Section, or the failure by Subcontractor to disclose facts required to be disclosed by this Section, may be cause for termination of this Agreement, at the sole discretion of Cityside Management, pursuant to the terms of this Agreement.

(c) Subcontractor shall provide to Cityside Management, upon request, Subcontractor's organizational chart that identifies the owners, ownership structure of Subcontractor's company, as well as the key managers, employees and subcontractors, and outlines how their responsibilities fit into the Subcontractor's overall management scheme for performing the Subcontract.

(d) Subcontractor shall provide to Cityside Management a revised Subcontractor's organizational chart pertaining to the above-referenced information whenever any material change is made to the ownership structure of the entity or in the event of any change in the management assignments that pertain to the performance of services pursuant to this Agreement.

SECTION 20. Assignment and Delegation. Contractor shall not have the right to assign this Agreement in whole or in part or to delegate the performance of its obligations hereunder, provided that Contractor may delegate duties to subcontractors with the prior written consent of Cityside Management.

SECTION 21. Indemnification. Subcontractor shall indemnify and hold Cityside, its shareholders, directors, officers, employees, and agents, harmless from and against any and all claims, lawsuits, liabilities, costs, and expenses, including, without limitation, reasonable costs and attorneys' fees (the "Liabilities"), arising out of or relating to this Agreement or the performance of Services by Subcontractor or by any subcontractor of Subcontractor under this Agreement, or the breach by Subcontractor of this Agreement,

Initials _____

any Work Order, the Contractor Manual, or the failure of Subcontractor to comply with the Prime Contract or any applicable state or federal laws and/or regulations.

SECTION 22. Notices. All notices, consents, approvals, requests, instructions and other communications required by or related to this Agreement shall be in writing and shall be delivered personally or shall be sent by registered or certified U.S. mail, return receipt requested, or facsimile transmission, to the receiving Party at the following address and communication numbers:

If to Subcontractor: _____

Telephone: (---) -----

Facsimile: (---) -----

Email: _____

Contact name for billing/orders:

If to Cityside Management: Christopher Dolloff, President
Cityside Management Corp.
186 Granite Street Suite 301
Manchester, NH 03102

Telephone: (603) 423-0313

Facsimile: (603) 420-1122

Contact name for billing/orders:

Either Party may change its address or communications numbers listed above by notifying the other Party of such change in the manner prescribed by this Section.

SECTION 23. Miscellaneous Agreement Terms.

(a) Applicable Law. This Agreement and all rights, remedies, and obligations under this Agreement, including matters of construction, validity, and performance, shall be governed by the laws of the State of New Hampshire. The Parties agree that the Federal and State courts of the State of New Hampshire shall have jurisdiction over all matters and disputes arising out of or related to this Agreement, and the Parties specifically consent to the jurisdiction and venue in such courts.

(b) Assignability. Neither of the Parties hereto may assign any of its rights or obligations hereunder except with the express written consent of the other Party hereto, which consent may be withheld for any reason. In the event either Party requests the consent of the other Party and receives no such consent, the requesting Party may deem any such refusal to grant consent as notice of termination.

Initials _____

(c) Severability. Each term or provision of this Agreement shall be valid and enforceable to the full extent permitted by law. Should any term or provision in this Agreement be held invalid, illegal or unenforceable, the remainder of this Agreement, including the application of such term to the extent not invalid, illegal or unenforceable, shall not be affected thereby and this Agreement shall be interpreted as if such term or provision, to the extent invalid, illegal or unenforceable, did not exist.

(d) Complete Agreement. This Agreement constitutes the full and complete understanding between the Parties hereto with respect to the subject matter hereof, and supersedes all prior agreements, arrangements and understandings, oral or written, between the Parties hereto with respect to the subject matter hereof.

(e) Definitions. For purposes of this Agreement, an “identity-of-interest company” is defined as: a) any entity whose owners, managers, employees have a business or familial relationship of any kind with the Subcontractor or its consultants, subcontractors, employees; or b) any entity that financially controls, has the potential to control, or is controlled by, the Subcontractor, similar to the control that a parent or subsidiary organization might have over a related entity.

(f) Counterparts. This Agreement may be executed and delivered, including execution and delivery by facsimile transmission in counterparts, each of which shall be deemed an original and both of which together shall constitute one and the same instrument.

(g) Waivers, Modifications, Amendments, and Consents. Neither this Agreement nor any provision may be waived, modified, or amended, nor may any consent be given under this Agreement, except by a written instrument executed and delivered by both Parties.

(h) Binding Agreement. Except as otherwise specifically set forth herein, this Agreement and all of the terms, conditions, rights, and covenants contained herein shall be binding upon and for the benefit of the Parties hereto and their respective estates, heirs, legatees, executors, administrators, personal and legal representatives, successors, and permitted assigns, to the same extent and with the same legal effect as if all of said Parties had executed this Agreement and had expressly agreed to be bound hereby.

(i) Further Assurances. Each of the Parties agrees to execute any additional documents or instruments and to perform any acts which may be reasonably requested by any other Party and which are reasonably necessary or proper to carry out the purposes of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement to be effective as of the date first above written.

Initials _____

CITYSIDE MANAGEMENT CORP.

SUBCONTRACTOR

By: _____

Daniel Hanson
Director of Vendor Management

By: _____

Name: _____

Title: _____

Initials _____