

This term sheet is made by and between Johnson Construction Assistance Team, LLC d/b/a JCAT (hereinafter "Contractor") and PROPERTY OWNER / subsidiary / agent assigned with signature rights of agreement (hereinafter "Owner") and supersedes all other understandings, verbal or written, expressed or implied.

1. Use of Utilities

The Owner shall permit the Contractor to use, at no cost, power and water necessary to the carrying out and completion of the work.

2. Commencement of Work

Contractor shall not deliver any materials to the job site or commence work until notified to do so by Owner. If Contractor has not commenced onsite work within thirty (30) calendar days after written notice from Owner, agreement is subject to renegotiating and possible termination. Agreement shall be nullified if Contractor is not called upon to commence work within ninety (90) days from the date of the agreement. Should this situation arise, Owner shall forfeit any deposit and Contractor is relieved of any responsibility to perform under this agreement and shall be held harmless by Owner of any liability.

3. Right to Stop Work

If the Contractor fails to correct defective work or persistently fails to supply materials or equipment in accordance with the Contract Documents, the Owner may order the Contractor to stop the work, or any portion thereof, until the cause for such order has been eliminated. Likewise, the Contractor may stop work if Owner has not met payment obligations as detailed herein.

4. Payment Schedule Terms

Payments shall be disbursed based on the agreed schedule of values. Within three days of notification by the Contractor of each stage of completion, the Owner or its agent will inspect and approve the work or request any necessary adjustments in the work in writing. The Owner agrees to make payments to the Contractor within fifteen (15) calendar days of approving work. Unpaid invoices past thirty (30) days are subject to an interest rate of 7% per month until paid or the maximum rate permitted by law, whichever is higher.

5. Arbitration

- A. All claims, disputes, and other matters in question arising out of, or relating to, the Contract Documents or the breach thereof, except for claims which have been waived by the making and acceptance of final payment, shall be decided by Arbitration in accordance with the construction Industry Arbitration Rules of the American Arbitration Association (or other arbitration rules). This agreement to arbitrate shall be specifically enforceable under the prevailing arbitration law. The award rendered by the arbitrators shall be final, and judgement may be entered upon it in any court having jurisdiction thereof. Any award shall provide for payment within 30 days of the date of the award.
- B. Notice of the demand for arbitration shall be filed in writing with the other party. Demand for arbitration shall in no event be made on any claim, dispute or other matter in question which would be barred by the applicable statute of limitations.
- C. The Contractor will carry on the work and maintain the progress schedule during any arbitration proceedings, unless conflict is due to non-payment.

- D. The responsibility of costs of attorney and arbiter fees shall be determined and found binding by the arbiter.

6. Termination

This agreement may be terminated for non-performance only, and the terminating party must give the other party written notice specifying in detail the nature of any defect in performance. The non-terminating party shall have five (5) days to cure, to the reasonable satisfaction of the terminating party. If satisfaction is not achieved at the end of the fifth day, the terminating party shall notify the non-terminating party in writing of failure to cure, and the agreement shall terminate fifteen (15) calendar days from date of said notice.

End of document.