



Payment Procedures

PROGRESS PAYMENTS - Within seven (7) days after receipt by Frierson of a progress payment from the Owner, Frierson shall make a progress payment to Subcontractor for work completed during the payment period. Unless otherwise provided in the Subcontract Documents, said payment may include materials and equipment not incorporated in the Work but delivered and suitably stored at the job site provided that evidence of insurance for stored materials is documented in advance to Frierson. Unless otherwise provided for in the Subcontract Documents, on or before the 25th of the month for which Subcontractor desires to make an application for a progress payment, Subcontractor shall make application showing the amount of work which will be completed through the end of the month plus any sums requested for stored material less retainage provided for in the Subcontract Documents, less prior payments received from Frierson. Subcontractor shall not be entitled to a progress payment unless Subcontractor provides its application for payment and any required documentation on or prior to the 25th of the month for which payment is requested.

Retainage in the same initial amount provided in the Subcontract Documents shall be retained by Frierson until final payment is received by Frierson from the Owner. If the percentage of retainage held by the Owner is reduced, Frierson will reduce Subcontractor's retainage by a like percentage provided that Subcontractor is in full compliance with the terms of this agreement and has provided a labor and materials payment bond for the Work.

All funds paid to Subcontractor shall be treated as trust funds and Subcontractor shall first pay its laborers, suppliers and subcontractors on this Project before using its progress payments for any other purpose. Subcontractor shall provide Frierson with proper verification that Subcontractor's suppliers and subcontractors are being paid in a timely manner.

If, through no fault of the Subcontractor, Subcontractor does not receive the progress payment from Frierson within seven (7) days after such payment has been received by Frierson, Subcontractor may, upon giving an additional seven (7) days written notice to Frierson, stop work until payment of the amount due the Subcontractor has been received.

FINAL PAYMENT - Final Payment of the balance due under this Agreement shall be made to Subcontractor within seven (7) days after receipt by Frierson of Final Payment for the Work from the Owner. Prior to the issuance of Final Payment, Subcontractor shall provide satisfactory evidence to Frierson that all payrolls, bills for materials and equipment, and known indebtednesses connected with the Work has been satisfied and Subcontractor and its suppliers and subcontractors shall execute Final Releases and Waivers on forms acceptable to Frierson and Owner.