

BETWEEN THE DEPARTMENT AND CONTRACTOR

CONTRACT NO. D.G.S. 1101-38.1, PHASE 6

COLLECTIVE NO.: CN00034321

This CONTRACT, executed this 18th day of October 2011, by and between the Department of General Services, created by Act No. 45 of July 22, 1975, hereinafter called "DEPARTMENT" and MIKE KOBITHEN ROOFING & INSULATION, INC. at this address: 57 VIRGINIA DR., CHURCHVILLE, PA 18966 a corporation incorporated under the Laws of the State of Pennsylvania its successors and assigns, hereinafter called "CONTRACTOR".

ARTICLE 1 – THE CONTRACT DOCUMENTS

The Contract Documents consist of the Standard Form of Contract, the Notice to Bidders (if procured through competitive sealed bids), the Instructions to Bidders (if procured through competitive sealed bids), the Bid Proposal (if procured through competitive sealed bids), the Notice to Proposers (if procured through competitive sealed proposals), the Request for Proposals (if procured through competitive sealed proposals), the Contractor's entire proposal (if procured through competitive sealed proposals), the Contract Bonds, the Conditions of the Contract (General, Special, Supplementary, and other Conditions), the drawings of all Prime Contracts, the specifications of all Prime Contracts, all bulletins and addenda issued prior to execution of the Standard Form of Contract, all change orders, all schedules, and the Administrative Procedures of the Bureau of Construction. These form the Contract and are incorporated by reference as if fully set forth herein. To the extent that any of these documents are amended by statute, the statutory language will control.

ORIGINAL COPY

ARTICLE 2 – THE WORK

The Contractor shall perform all the Work required by the Contract Documents for the construction of Contract No. D.G.S. 1101-38.1, Phase 6, Roof Replacement – Manuel Rivero Gym Building #104, Lincoln University, Lower Oxford Township, Chester County, Pennsylvania

ARTICLE 3 – PROFESSIONAL

The Professional for this Project is Department of General Services, Bureau of Engineering and Architecture, 18th and Herr Streets, Harrisburg, PA 17125

ARTICLE 4 – TIME OF COMMENCEMENT AND COMPLETION

The Work to be performed under this Contract shall be commenced upon the effective date of the Contract. The Contractor shall commence operations on site on site no later than ten (10) days after the Initial Job Conference or by the date established by the Letter of Intent (if issued) and shall complete all Contract Work to the satisfaction and approval of the Department, on or before the milestones established in the Master Project Schedule. Contractor further agrees that time is of the essence of this Contract, and that, if the Contractor fails to complete the Work within the time specified above, the Contractor will pay the Department, as Liquidated Damages, and not as a penalty for such failure, the sum of One Hundred Sixty and -----00/100 Dollars (\$160.00) per day for each and every calendar day after the selected interim milestone dates and the contract completion date until the Work is completed and accepted. The Department may extend the completion date of the Contract for causes set forth in the General Conditions of the Contract and, which, in fact, delay the completion of said Work. In such case, Contractor is liable for said Liquidated Damages only after the expiration of the extended period.

ARTICLE 5 – CONTRACT SUM

The Department will pay the Contractor for the performance of the Work, subject to additions and deductions by change order, as provided in the General Conditions of the Contract, the contract sum of Five Hundred Fifty Thousand, One Hundred Sixteen and -----96/100 Dollars (\$550,116.96). Payment will be made as set forth in the General Conditions of the Contract. Deductions from or additions to this sum will be made as set forth in the General Conditions of the Contract.

ARTICLE 6 – PROGRESS PAYMENTS

Based upon applications for payment submitted to the Department by the Contractor, the Department will make progress payments on account of the Contract Sum to the Contractor, in accordance with the provisions of the Prompt Payment Act, 62 Pa. C.S. §3931 *et seq.*, as amended, which Act is incorporated herein by reference and made a part hereof as if those provisions were fully and at length herein recited, except that, where said Act refers to the Commonwealth of Pennsylvania or a Department thereof, it is deemed to refer to the Department of General Services.

ARTICLE 7 – FINAL PAYMENT

Final payment, constituting the entire unpaid balance of the Contract Sum, will be paid by the Department to the Contractor in accordance with the provisions of the Prompt Payment Act, 62 Pa. C.S. § 3941 *et seq.*, as amended, which Act is incorporated herein by reference and made a part hereof as if those provisions were fully and at length herein recited, except that, where said Act refers to the Commonwealth of Pennsylvania or a Department thereof, it is deemed to refer to the Department of General Services.

ARTICLE 8 – UNIT PRICES

Unit Prices contained in the bid for additions to or deductions from estimated quantities and or price are:

- Acceptable and are, therefore, incorporated into the Contract
- Are not acceptable and are not incorporated as part of the Contract
- Not applicable to this Contract

ARTICLE 9 – MISCELLANEOUS PROVISIONS

- 9.1 Terms used in the Contract that are defined in the General Conditions of the Contract have the meanings designated in those General Conditions.
- 9.2 In addition to any other guarantees or warranties, the Contractor covenants and agrees, after acceptance of the Work performed under this Contract, to remedy without cost to the Department, any such defect, provided said defects in the judgment of the Department, or its successors having jurisdiction in the premises, are caused by defective or inferior

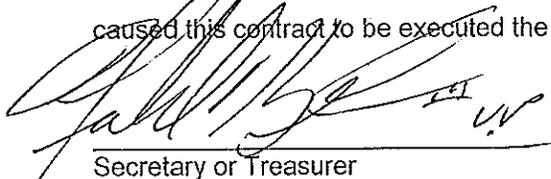
materials, equipment or workmanship. If the corrective Work is not completed within thirty (30) days after notification by the Department to the Contractor, the Department may do the Work and submit those costs to the Surety Company for reimbursement.

- 9.3 The Contract Bonds given by the Contractor conditioned upon the faithful performance of the Contract and for the payment of labor, material, equipment rental and public utility service claims are attached to this contract and are made a part of it.
- 9.4 No third party acquires any rights against the Department under this Contract.
- 9.5 The Contractor agrees to abide by and be bound by the Laws of Pennsylvania relating to and regulating the hours and conditions of employment.
- 9.6 Any claimant who has performed labor or furnished material in the prosecution of the Work has a right of action to recover the cost thereof from the Contractor and/or the surety on the Bond given to secure the payment as set forth in 62 Pa. C. S. §903(d), also known as the Commonwealth Procurement Code. For those who do not have a contract directly with the Contractor, this right of action may not be exercised unless the Contractor receives written notification of the claim within ninety (90) days after the day on which the claimant performed the last of the labor or furnished the last of the materials for which it claims payment. The Contractor shall include in all of its subcontracts or supply contracts a provision requiring that its subcontractors and suppliers notify, in writing, their subcontractors and suppliers of this requirement. It is hereby agreed that no third party rights arise against the Department for any reason under this Section, and Contractor hereby agrees to so inform all subcontractors in writing.

ARTICLE 10 – CONTRACT COMPLIANCE REGULATIONS

Refer to the appropriate paragraph of the 2010 General Conditions of Contract (which are made a part of this Contract by incorporation by reference as if fully set forth herein), which prohibits discrimination in hiring or employment opportunities. Also made a part of this Contract by incorporation by reference are all State and Federal Laws prohibiting discrimination in hiring or employment opportunities. The contract documents also list applicable statutory provisions which are incorporated by reference into this contract as if set forth fully herein.

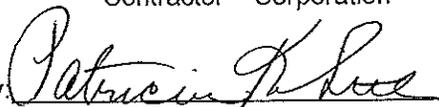
IN WITNESS WHEREOF, the Department of General Services and the Contractor have caused this contract to be executed the day and year above written.



Secretary or Treasurer

(Corporate Seal)

MIKE KOBITHEN ROOFING & INSULATION, INC.
Contractor -- Corporation

By:  10-5-11
President Date

COMMONWEALTH OF PENNSYLVANIA
ACTING THROUGH THE DEPARTMENT
OF GENERAL SERVICES

APPROVED ELECTRONICALLY
Secretary of General Services

Witness

APPROVED AS TO LEGALITY AND FORM:

APPROVED ELECTRONICALLY
Office of General Counsel

APPROVED ELECTRONICALLY
Office of Attorney General

I hereby certify that funds in the amount of \$ 550,116.96
are available under Appropriation Symbol _____

APPROVED ELECTRONICALLY
Comptroller Date

**APPROVED ELECTRONICALLY
VIA SAP**

Bond # ASA1802 4147

CONTRACT BOND

KNOW ALL PERSONS BY THESE PRESENTS, That we the undersigned
MIKE KOBITHEN ROOFING & INSULATION, INC.

57 VIRGINIA DR., CHURCHVILLE, PA 18966

as Principal

and

Hudson Insurance Company

17 State Street, 29th Floor

New York, NY 10004

Corporation organized and existing under the Laws of the State of
Delaware and authorized to transact business in Pennsylvania,

as Surety

are held and firmly bound unto the Department of General Services as hereinafter set forth, in the
full and just several sums of

(A) Five Hundred Fifty Thousand, One Hundred Sixteen and-----96/100 Dollars
(\$550,116.96) for faithful performance of the Contract as designated in Paragraph "A"
herein; and

(B) Five Hundred Fifty Thousand, One Hundred Sixteen and-----96/100 Dollars
(\$550,116.96) for payment for labor, material equipment rental and public utility services
as designated in Paragraph "B".

Sealed with our respective seals and date this 12 day of October, 2011.

WHEREAS, the above Principal has entered into a Contract with the Department of General Services dated the 18th day of October, 2011 for Contract No. D.G.S 1101-38.1, Phase 6, for the General Construction, Roof Replacement – Manuel Rivero Gym Building #104, Lincoln University, Lower Oxford Township, Chester County, Pennsylvania

upon certain terms and conditions in said Contract more particularly mentioned; and

WHEREAS, it is one of the Conditions of the Award of the Department of General Services pursuant to which said Contract is about to be entered into, that these presents be executed;

NOW, THEREFORE, the joint and several conditions of this obligation are such:

A. That, if the above Principal as Contractor shall well and faithfully do and perform the things agreed by it to be done and performed according to the terms of said Contract and General Conditions, including the plans and specifications therein referred to and made part thereof, and such alterations as may be made in said plans and specifications as therein provided and which are hereby made part of this Bond the same as though they were fully set forth herein, and shall indemnify and save harmless the Department of General Services and all of its officers, agents and employees from any expense incurred through the failure of said Contractor to complete the Work as specified and for any damages growing out of the manner of performance of said Contract by said Contractor or its Subcontractors, or its or their agents or servants, including, but not limited to, patent trademark and copyright infringements, then this part of this obligation shall be void; otherwise, it shall be and remain in full force and effect.

B. That, if the above Principal shall and will promptly pay or cause to be paid all sums of money which may be due by the Principal or any of its Subcontractors to any person, co-partnership, association or corporation for all material furnished and labor supplied or performed in the prosecution of the Work, whether or not the said material or labor entered into and become component parts of the Work or improvements contemplated, and for rental of equipment used, and services rendered by public utilities in, or in connection with, the prosecution of such Work, then this part of this obligation shall be void; otherwise, it shall be and remain in full force and effect.

C. It is further agreed that any alterations which may be made in the terms of the Contract or in the Work to be done or materials to be furnished or labor to be supplied or performed, or equipment to be rented, or public utility services to be rendered, or the giving by the Department of General Services of any Extension of Time for the performance of the Contract, or the reduction of the retained percentage as permitted by the Contract, or any other forbearance

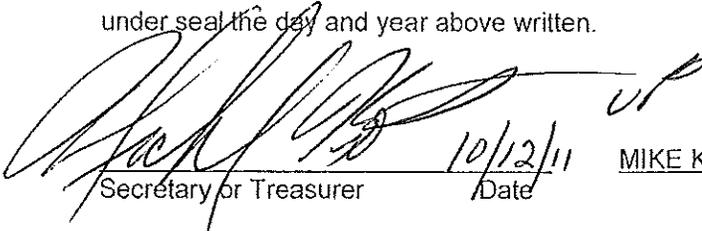
on the part of either the Department of General Services or the Principal to the other, shall not in any way release the Principal and the surety or sureties or either or any of them, their heirs, executors, administrators, successors or assigns, from their liability hereunder; notice to the surety or sureties of any such alterations, extension or forbearance being hereby waived.

D. The Principal and Surety hereby jointly and severally agree with the Obligee herein that every person, co-partnership, association or corporation which, whether as subcontractor or as a person otherwise entitled to the benefits of this Bond, has furnished material or supplied or performed labor or rented equipment used in the prosecution of the Work as above provided and any public utility, which has rendered services, in, or in connection with, the prosecution of such Work, and, which has not been paid in full therefore, may sue in assumpsit on this Bond in his, their, or its name and prosecute the same to final judgment for such sum or sums as may be justly due him, them, or its, and have execution thereon; provided, however, that the Department of General Services shall not be liable for the payment of any costs or expenses of such suit to a third party under any theory of law or equity.

E. Recovery by any persons, co-partnership, association or corporation hereunder is subject to the provisions of the Act of May 15, 1998, P.L. 358, No. 57, 62 Pa.C.S §§101-4509, as amended, which Act is incorporated herein and made a part hereof, as fully and completely as though its provisions were fully and at length herein recited, except that, where said Act refers to the Commonwealth of Pennsylvania or a Department thereof, it is deemed to refer to the Department of General Services.

[Signature Page Immediately Follows]

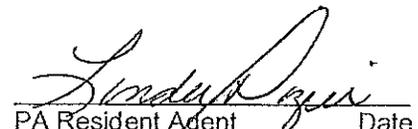
IN WITNESS WHEREOF, the said Principal and Surety have duly executed this Bond under seal the day and year above written.

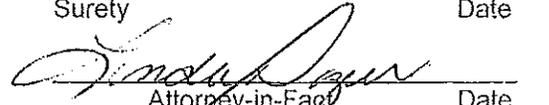

Secretary or Treasurer 10/12/11
Date

(Corporate Seal)

MIKE KOBITHEN ROOFING & INSULATION, INC.
Corporation

By: 
President 10/12/11
Date


PA Resident Agent Date
Linda Dozier 10/12/11

Hudson Insurance Company 10/12/11
Surety Date

Attorney-in-Fact Date
Linda Dozier 10/12/11

APPROVED AS TO LEGALITY AND FORM:

APPROVED ELECTONICALLY
Office of Chief Counsel

APPROVED ELECTONICALLY
Office of Attorney General

**APPROVED ELECTRONICALLY
VIA SAP**



POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That HUDSON INSURANCE COMPANY, a corporation of the State of Delaware, with offices at 17 State Street, New York, New York, 10004, has made, constituted and appointed, and by these presents, does make, constitute and appoint

Brian J. Lorigan, Linda Dozier, Michael J. Mitchell, Kevin P. Adams and Martin J. Purcell

its true and lawful Attorney(s)-in-Fact, at New York City in the State of New York, each of them alone to have full power to act without the other or others, to make, execute and deliver on its behalf, as Surety, bonds and undertakings given for any and all purposes, also to execute and deliver on its behalf as aforesaid renewals, extensions, agreements, waivers, consents or stipulations relating to such bonds or undertakings provided, however, that no single bond or undertaking shall obligate said Company for any portion of the penal sum thereof in excess of the sum of Ten Million Dollars (\$10,000,000).

Such bonds and undertakings when duly executed by said Attorney(s)-in-Fact, shall be binding upon said Company as fully and to the same extent as if signed by the President of said Company under its corporate seal attested by its Secretary.

In Witness Whereof, HUDSON INSURANCE COMPANY has caused these presents to be of its Senior Vice President thereunto duly authorized, on this 1st day of June, 2010 at Stamford, Connecticut.

(Corporate seal)



HUDSON INSURANCE COMPANY

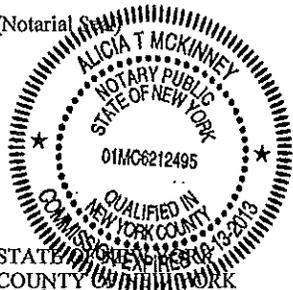
Attest... Peter H. Lovell, Corporate Secretary

By... Michael P. Gleeson, Senior Vice President

STATE OF NEW YORK COUNTY OF NEW YORK. SS.

On the 1st day of June, 2010 before me personally came Michael P. Gleeson to me known, who being by me duly sworn did depose and say that he is a Senior Vice President of HUDSON INSURANCE COMPANY, the Company described herein and which executed the above instrument, that he knows the seal of said Company, that the seal affixed to said instrument is the corporate seal of said Company, that it was so affixed by order of the Board of Directors of said Company, and that he signed his name thereto by like order.

(Notarial)



Alicia T. McKinney, Notary Public, State of New York, No. 01MC6212495, Qualified in New York County, Commission Expires October 13, 2013

STATE OF NEW YORK COUNTY OF NEW YORK. SS.

CERTIFICATION

The undersigned Peter H. Lovell hereby certifies:

THAT the original resolution, of which the following is a true and correct copy, was duly adopted by unanimous written consent of the Board of Directors of Hudson Insurance Company dated July 27th, 2007, and has not since been revoked, amended or modified:

"RESOLVED, that the President, the Executive Vice Presidents, the Senior Vice Presidents and the Vice Presidents shall have the authority and discretion, to appoint such agent or agents, or attorney or attorneys-in-fact, for the purpose of carrying on this Company's surety business, and to empower such agent or agents, or attorney or attorneys-in-fact, to execute and deliver, under this Company's seal or otherwise, bonds obligations, and recognizances, whether made by this Company as surety thereon or otherwise, indemnity contracts, contracts and certificates, and any and all other contracts and undertaking made in the course of this Company's surety business, and renewals, extensions, agreements, waivers, consents or stipulations regarding undertakings so made; and

FURTHER RESOVLED, that the signature of any such Officer of the Company and the Company's seal may be affixed by facsimile to any power of attorney or certification given for the execution of any bond, undertaking, recognizance, contract of indemnity or other written obligation in the nature thereof or related thereto, such signature and seal when so used whether heretofore or hereafter, being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed."

THAT the above and foregoing is a full, true and correct copy of Power of Attorney issued by said Company, and of the whole of the original and that the said Power of Attorney is still in full force and effect and has not been revoked, and furthermore that the Resolution of the Board of Directors, set forth in the said Power of Attorney is now in force.

Witness the hand of the undersigned and the seal of said Company this 12 day of October, 20 11.

(Corporate seal)

By... Peter H. Lovell, Corporate Secretary

