

Project Payment Procedures and Instructions

Subcontract 655



1. All Applications for Payment must be submitted ATTN: Accounts Payable. Only originals will be accepted. **FACIMILE COPIES WILL NOT BE ACCEPTED OR RECOGNIZED.**
2. In order for your Application for Payment to be processed and included in our Application for Payment to the owner, they must be in our office no later than the 20th day of each month or the last working day **preceding** the 20th when the 20th day is not a working day. IF APPLICATION FOR PAYMENT IS NOT RECEIVED BY THIS DATE AT OUR MAIN OFFICE, IT WILL NOT BE PROCESSED UNTIL THE FOLLOWING MONTH. **We strongly urge you to UPS/Federal Express or mail the Application for Payment with days to spare. No fax copies of the Application for Payment will be accepted.**
3. All Applications for Payment must be in Accounting's possession **no later than the 20th of each month** to be considered for payment the following month.
 - a) Payment will be made the following month, either the 10th of the month, or within seven (7) days of owner payment for all satisfactory work, providing the owner has paid International City Builders, Inc.
4. Dates of all Applications for Payment are calculated for payment from the date of **receipt**, not the application date.
5. All monthly Applications for Payment must be in strict accordance with the agreement along with attached exhibits. Negligence in preparing requisitions will result in unnecessary delays in payment. Applications for Payment must include:
 - a) Application For Payment
 - b) Schedule of Values
 - c) Preprinted invoice on subcontractor's letterhead, which must be individually numbered
 - d) Interim and/or Final Waiver of Lien, as applicable
 - e) Supporting invoices from material suppliers and/or third party subcontractors. **This means that you must submit these supporting invoices with each Application for Payment.**
6. Within five (5) days after you are awarded your contract or purchase order, a copy of a properly executed insurance form(s) must be submitted to our office. **No invoices will be processed without a signed Subcontract or Purchase Order along with a correct Certificate of Insurance returned to International City Builders, Inc.**
7. Within fifteen (15) days after you are awarded your contract or purchase order, submit for approval detailed schedules of values for your work. **No Application for Payment will be processed until this schedule is received and approved.** Attached instructions for reference.
8. Prior to your first monthly Application for Payment, submit a list of the major material suppliers and all subcontractors you plan to use in the execution of your work. Indicate which items or areas of work for each supplier or subcontractor is responsible. **This must be submitted for sub-subcontractors and/or vendors used for contracts of \$25,000.00 or above prior to any funds being released.**
9. If your Application for Payment includes material and/or equipment delivered to and deemed to be suitably stored at the project, the following procedures must be followed and the indicated documents must accompany your Application for Payment. Payment for these materials and/or equipment will not be made until all items below are completed and submitted.
 - a) Prior approval of owner, architect and International City Builders, Inc.
 - b) Submission by the Subcontractor of bills of sale and applicable insurance of such other procedures satisfactory to the Owner and Contractor to establish the Owner's title to such materials and equipment, or otherwise to protect the Owner's and Contractor's interest including transportation to the site. Legally acceptable paid invoices or bills of sale and copies of delivery tickets that are checked, verified and signed by a representative of your company.
 - c) Evidence of loss or damage insurance for specific items stored. This should be submitted on your insurance carrier's form.

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10. An “Interim Waiver Release of Liens” must accompany each application with exception of the final Application for Payment.
11. A “Final Waiver of Lien” must accompany your final Application for Payment. Copies of this affidavit are attached. You are required to submit separate Application for Payment for your monthly draws, final payments and retainage.
12. Lien waivers, interim and final, from sub-subcontractors and/or vendors will be required before subcontractor payment will be released.
13. We reserve the right to issue joint checks on any Subcontract or Purchase Order.
14. For purposes of your Application for Payment, deductive change work is considered to be completed immediately upon execution of your change order.
15. Subcontractor/Supplier Change Orders must be signed and approved by the Project Manager prior to being submitted for payment. Appropriate back-up material to include the scope of the changes must be included.
16. Retainage must be billed for on a separate Application for Payment. This request will be accepted as the Final Application for Payment.

On Behalf of Subcontractor:

Company

Name

Title

Date