

EXHIBIT 3 BILLING PACKAGE
BILLING PROCEDURES AND REQUIREMENTS

1. Your Subcontract requires you to submit an Insurance Certificate prior to commencement of any work on site. Please refer to Section 5 of your Subcontract Agreement and Exhibit 2 for these requirements.

a. **NO** Application for Payment will be processed for payment until the required Certificate of Insurance has been received, with the correct limits, coverage as specified within the subcontract, and requested endorsements.

2. Subcontractor Payment Application, Schedule of Value and Conditional Progress must be sent to the Project Manager for approval, no later than the 15th of the month with the billing values projected through _____. Application for Payments received after the 15th will be rejected and returned to you.

a. Once your Pay Application has been approved please mail the originals to:

J.W. McClenahan Co.
2301 Palm Ave
San Mateo, CA 94403
Attn: Sub Payables

b. Monthly Application for Payments **must** be submitted on J.W. McClenahan Co. Form SPA-2013, *SUBCONTRACTOR PAYMENT APPLICATION* (ENCLOSED). A Conditional Progress Release must also be included with this Monthly Application (ENCLOSED).

3. Required forms with instructions. Please submit all forms as directed in the instructions. Failure to turn in the required forms will result in delay of payment or your Pay Application being rejected. All forms are enclosed. If you would prefer an electronic version of these forms please email a request to subpay@jwmcclenahanco.com.

CONDITIONAL PROGRESS RELEASE

This form must accompany your Subcontract Application for Payment every month. This form is also required for all your Lower-Tier Subs and Suppliers. If you have paid them for the current month please submit an Unconditional Progress Release, or if you have paid them in full please submit a Unconditional Final Release.

**** PLEASE BE AWARE**** Any Conditional Progress Release submitted to us for your Sub/Suppliers will result in a **JOINT CHECK**. Failure to submit any of these forms your Pay Application will be **rejected**.

UNCONDITIONAL PROGRESS RELEASE

This form must be submitted after every payment you receive. This form is also required for all your Lower-Tier Subs and Suppliers. Failure to return this will result in a delay of your next payment.

CONDITIONAL FINAL RELEASE

This form must accompany your RETENTION billing. This form is also required for all your Lower- Tier Subs and Suppliers.

UNCONDITIONAL FINAL RELEASE

This form must be submitted after your final payment has been received. This form is also required for all your Lower-Tier Subs and Suppliers.

UNION LETTER

Before any payments are submitted we must have a current Letter of Good standing from your Union that is working on this job. Please submit this Letter to our Sub Payables on a monthly basis subpay@jwmcclenahanco.com. Failure to submit this will result in delay of your payment. ****PLEASE BE AWARE****. If you are not current with your Union this will result in a **JOINT CHECK** between your Company and you're Union. Before a final payment is issued this same letter must be submitted for all your Lower-Tier Subs as well.

CERTIFIED PAYROLL

Please submit your Certified Payroll reports on a weekly basis to our San Mateo office Attn: Payroll. **PLEASE DO NOT INCLUDE WITH YOUR BILLINGS.** Our Payroll Department will contact you if there are any special forms, or online programs used for this job. Failure to submit on a weekly basis will result in a delay of your payment.

LIST OF LOWER-TIER SUBS/SUPPLIERS

This form is only required with your fist billing **OR** as modified during the term of the agreement.

JOB SPECIFIC FORMS AND SPECIAL PROVISIONS

**J.W. McClenahan Co.
SUBCONTRACTOR
PAYMENT APPLICATION**

Sub Name & Address: _____ Date: _____
 _____ Project Name: _____
 Billing Contact Name: _____ JWM Job # _____
 _____ Phone # _____ APP # _____ Your Inv. # _____
 E-Mail: _____

	Union	Yes	No
Contract Summary			(JWM Use Only)
1. Original Subcontract Amount	\$	_____	
2. Approved Subcontract Change Orders	\$	_____	
3. Total Revised Subcontract Amount (line 1 + 2)	\$	_____	

The Following invoice covers work completed through (Last Day of Current Month) _____

			(JWM Use Only)
Payment Application Summary			
4. Original Value of Work Completed to Date	%	_____ \$ _____	
5. Change Order Value of Work Completed to Date	%	_____ \$ _____	
6. Total Value of Work Completed to Date (Lines 4+5)	%	_____ \$ _____	
7. Less Prior Completed To Date (Line 6 from previous app.)		_____ \$ _____	
8. Total Gross Billed This Month (Line 6 - Line 7)			\$ _____
9. Less 10% Retention This Month			\$ _____
10. Total Net Amount of This Payment Application			\$ _____

******REMINDER******
 TO PREVENT REJECTIONS OF THIS APPLICATION OR DELAY IN PAYMENT MAKE SURE YOU HAVE SUBMITTED THE FOLLOWING:

- Payment Application Should be submitted NO later than the 15th of the Month**
- Subcontract is signed and returned
- Insurance Certificate is submitted and current
- Your Sub's and Suppliers Conditional Progress Release(will be jt. Check) or Unconditional Progress Release for same ending date as this pay application
- Your Unconditional Progress Release through the last payment you received from us
- Union letter stating you are current (If Applicable)
- Weekly Certified Payroll submitted

(DO NOT WRITE BELOW THIS LINE JWM USE ONLY)

Vendor # _____ PM Approval _____
 Job # _____ Phase Code _____
 Union Letter
 Current Release
 Sub/Sup Release
 Jt. Ck's (Y or N)

CONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

NOTICE: THIS DOCUMENT WAIVES THE CLAIMANT'S LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS EFFECTIVE ON RECEIPT OF PAYMENT. A PERSON SHOULD NOT RELY ON THIS DOCUMENT UNLESS SATISFIED THAT THE CLAIMANT HAS RECEIVED PAYMENT.

Identifying Information

Name of Claimant:

Name of Customer:

Job Location:

Owner:

Through Date:

Conditional Waiver and Release

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job through the Through Date of this document. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. This document is effective only on the claimant's receipt of payment from the financial institution on which the following check is drawn:

Maker of Check:

Amount of Check: \$

Check Payable to:

Exceptions

This document does not affect any of the following:

- (1) Retentions.
 - (2) Extras for which the claimant has not received payment.
 - (3) The following progress payments for which the claimant has previously given a conditional waiver and release but has not received payment:
 - Date(s) of waiver and release: _____
 - Amount(s) of unpaid progress payment(s): \$ _____
 - (4) Contract rights, including (A) a right based on rescission, abandonment, or breach of contract, and (B) the right to recover compensation for work not compensated by the payment.
-

Signature

Claimant's Signature:

Claimant's Title:

Date of Signature:

UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

NOTICE TO CLAIMANT: THIS DOCUMENT WAIVES AND RELEASES LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL WAIVER AND RELEASE FORM.

Identifying Information

Name of Claimant:

Name of Customer:

Job Location:

Owner:

Through Date:

Unconditional Waiver and Release

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job through the Through Date of this document. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. The claimant has received the following progress payment:

\$ _____

Exceptions

This document does not affect any of the following:

- (1) Retentions.
 - (2) Extras for which the claimant has not received payment.
 - (3) Contract rights, including (A) a right based on rescission, abandonment, or breach of contract, and (B) the right to recover compensation for work not compensated by the payment.
-

Signature

Claimant's Signature:

Claimant's Title:

Date of Signature:

11-5101

CONDITIONAL WAIVER AND RELEASE ON FINAL PAYMENT

NOTICE: THIS DOCUMENT WAIVES THE CLAIMANT'S LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS EFFECTIVE ON RECEIPT OF PAYMENT. A PERSON SHOULD NOT RELY ON THIS DOCUMENT UNLESS SATISFIED THAT THE CLAIMANT HAS RECEIVED PAYMENT.

Identifying Information

Name of Claimant:

Name of Customer:

Job Location:

Owner:

Conditional Waiver and Release

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. This document is effective only on the claimant's receipt of payment from the financial institution on which the following check is drawn:

Maker of Check:

Amount of Check: \$

Check Payable to:

Exceptions

This document does not affect any of the following:
Disputed claims for extras in the amount of: \$

Signature

Claimant's Signature:

Claimant's Title:

Date of Signature:

15963

UNCONDITIONAL WAIVER AND RELEASE ON FINAL PAYMENT

NOTICE TO CLAIMANT: THIS DOCUMENT WAIVES AND RELEASES LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL WAIVER AND RELEASE FORM.

Identifying Information

Name of Claimant:

Name of Customer:

Job Location:

Owner:

Unconditional Waiver and Release

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for all labor and service provided, and equipment and material delivered, to the customer on this job. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. The claimant has been paid in full.

Exceptions

This document does not affect any of the following:
Disputed claims for extras in the amount of: \$

Signature

Claimant's Signature:

Claimant's Title:

Date of Signature:

EMCS-1

EMCS-1

LIST OF LOWER-TIER SUBS/SUPPLIERS

TO: J.W. McClenahan Co.
2301 Palm Ave
San Mateo, CA 94401

FROM: _____

PROJECT: _____

The above Subcontractor entered into an agreement with J.W. McClenahan Co. as part of the project above referenced. The following lists includes the names of all lower-tier sub/suppliers of the Subcontractor to furnish or is expected to furnish labor, material, equipment and/or services for the work and the amounts contracted for, or expected to become due.

Please list all lower-tier sub/suppliers with values over \$1,000.00. All Companies listed on this form will require all the forms listed in the "Billing Procedures and Requirements", weather they have Pre-Lien the project or not.

<u>Co. Name & Contact</u>	<u>Description of Work</u>	<u>Value</u>	<u>Union Y/N</u>
_____	_____	\$ _____	
_____	<input type="checkbox"/> Sub <input type="checkbox"/> Supplier		
<u>Co. Name & Contact</u>	<u>Description of Work</u>	<u>Value</u>	<u>Union Y/N</u>
_____	_____	\$ _____	
_____	<input type="checkbox"/> Sub <input type="checkbox"/> Supplier		
<u>Co. Name & Contact</u>	<u>Description of Work</u>	<u>Value</u>	<u>Union Y/N</u>
_____	_____	\$ _____	
_____	<input type="checkbox"/> Sub <input type="checkbox"/> Supplier		
<u>Co. Name & Contact</u>	<u>Description of Work</u>	<u>Value</u>	<u>Union Y/N</u>
_____	_____	\$ _____	
_____	<input type="checkbox"/> Sub <input type="checkbox"/> Supplier		

(Attach Separate Sheet if Necessary)

The undersigned, for The Subcontractor further states and warrants that there are no other contracts for said work outstanding; that there are no other expected to be entered into; and that you will advise **J.W. McClenahan Co.** in writing of any additions or changes to this list within five (5) days of such of such occurrence.

The undersigned acknowledges that this information is provided so that J.W. McClenahan Co. may exercise it's rights pursuant the Agreement, and that J.W. McClenahan Co. in making payments relating to the work, is relying upon the information presented herein.

Authorized Signature: _____

Date: _____

Print Name & Title: _____