

ARTICLE 14

BOOK 20 PAGE 204

PAYMENTS TO THE CONTRACTOR

- 14.1 The Architect will review the Contractor's Applications for Payment and will promptly take appropriate action thereon as provided in the Contract Documents. Such amount as he may recommend for payment shall be payable by the Owner not later than the **Tenth (10th)** day of the month.
- 14.1.1 In taking action on the Contractor's Applications for Payment, the Architect shall be entitled to rely on the accuracy and completeness of the information furnished by the Contractor and shall not be deemed to represent that he has made audits of the supporting data, exhaustive or continuous on-site inspections or that he has made any examination to ascertain how or for what purposes the Contractor has used the moneys previously paid on account of the Contract.
- 14.2 Final payment, constituting the entire unpaid balance of the Cost of the Work and of the Contractor's Fee, shall be paid by the Owner to the Contractor **Ten (10)** days after Substantial Completion of the Work unless otherwise stipulated in the Certificate of Substantial Completion, provided the Work has been completed, the Contract fully performed, and final payment has been recommended by the Architect.
- 14.3 Payments due and unpaid under the Contract Documents shall bear interest from the date payment is due at the rate entered below, or in the absence thereof, at the legal rate prevailing at the place of the Project.

(Here insert any rate of interest agreed upon.)

Prime plus two percent (2%)

(When laws and requirements under the Federal Truth in Lending Act, similar state and local consumer credit laws and other regulations at the Owner's and Contractor's principal places of business, the location of the Project and elsewhere may affect the validity of this provision, specific legal advice should be obtained with respect to its interpretation, modification or other requirements such as written disclosures or waivers.)

ARTICLE 15

TERMINATION OF CONTRACT

- 15.1 The Contract may be terminated by the Contractor as provided in the Contract Documents.
- 15.2 If the Owner terminates the Contract as provided in the Contract Documents, he shall reimburse the Contractor for any unpaid Cost of the Work due him under Article 5, plus (1) the unpaid balance of the fee computed upon the Cost of the Work to the date of termination at the rate of the percentage named in Article 6, or (2) if the Contractor's Fee be stated as a fixed sum, such an amount as will increase the payments on account of his Fee to a sum which bears the same ratio to the said fixed sum as the Cost of the Work at the time of termination bears to the adjusted Guaranteed Maximum Cost, if any, otherwise to a reasonable estimated Cost of the Work when completed. The Owner shall also pay to the Contractor, fair compensation, either by purchase or rental at the election of the Owner, for any equipment retained. In case of such termination of the Contract the Owner shall further assume and become liable for obligations, commitments and unsettled claims that the Contractor has previously undertaken or incurred in good faith in connection with said Work. The Contractor shall, as a condition of receiving the payments referred to in this Article 15, execute and deliver all such papers and take all such steps, including the legal assignment of his contractual rights, as the Owner may require for the purpose of fully vesting in himself the rights and benefits of the Contractor under such obligations or commitments.