

EXHIBIT 2

SUBCONTRACT ACKNOWLEDGMENT TALKING POINTS – NEGOTIATING TACTICS

1. Payment Terms -

Talking Points

(Note that these talking points are intended to help in explaining your position on each topic. Typically, they would be used only if the GC asks for such an explanation)

Monthly Progress Billing – Point out that the Acknowledgment’s progress payment language represents prevailing construction industry best practices. These terms closely track the current AIA A401 and AGC 650 subcontract forms. The terms are also consistent with AGC/ASA/ASC joint guidelines on prompt payment, payment for stored material and retainage. Since you are simply getting reimbursed for monies already paid out, prompt payments are critical for assuring fast-paced jobsite work.

Owner Payment Delays – Explain that you must wait for payment of monies held by the Owner for your alleged deficiencies, but cannot afford payment delays because the owner holds funds due to a dispute with the GC or others. This is consistent with A401 11.3 calling for payment upon demand should the Contractor fail to receive an Owner payment for any cause not the fault of the Subcontractor.

Retainage Release – Line item release of retainage (less the value of uncompleted work), as authorized in AIA and AGC subcontract documents, benefits everyone by getting the job completed faster. If all subs must wait until the last trade has completed its work before retainage is to be released, there is less incentive to pull workers off of prompt paying projects to complete punch list work earlier than the slowest sub on the job.

Trust Funds – Both AIA and AGC subcontract documents clarify that each Owner payment to the GC for subcontracted work is to be dedicated to payment of subs for their properly performed work. AIA’s A201 Commentary makes clear the trust intent of their document language. Trust violations are criminal offenses in several states.

Interest – The 1% interest rate in the Acknowledgment is consistent with industry practice allowing the parties to agree on a rate permitted by law. A lower interest rate could turn subs into bankers since the GC cannot likely borrow from its bank at such a low rate.

Lien Waivers – You may wish to assure the GC that you share its desire to keep the project free of liens and that you will be making prompt payments to help achieve that end. While agreeing to promptly waive lien rights once payment is made in full for properly performed work and material delivered, it would be irresponsible to waive any rights for monies still owed for labor or material, including retainage.

Some Typical GC Objections

You may wish to use arguments such as the following in responding to typical GC objections:

“You should share my risk of Owner insolvency.”

Response – My credit risk is with you. I’ve got no contractual relationship with the Owner, and you’ve apparently made a decision that the Owner is adequately funded. You can be sure that I’m not expecting my sub-subcontractors and suppliers to share the credit risk of my subcontract with you.

“You should wait for your money until I’ve been paid by the Owner.”

Response: I’ve agreed to wait for my payment if the Owner holds back money from you (rightly or wrongly) because of some claimed fault on our part. But, I can’t wait until the Owner pays you if their payment is delayed for other reasons. I’ve got to pay my workers, staff, and suppliers promptly. I can’t afford to become your banker as well as your subcontractor.

“You should wait until all work on the project is complete for release of retainage.”

Response: I’m only willing to wait until the Owner says that my work is substantially complete, including the risk that the Owner’s OK may be slow in coming. I’ll also agree to your holding a reasonable amount after my substantial completion for any uncompleted or non-conforming work. Quick retainage release helps you since I’ll be motivated to complete my work and clean up any punch list items without delay. That motivation just doesn’t exist if I know I won’t be paid anyway until every last trade is complete.

“I may need to hold more retainage than the Owner from my subs to help assure fast completion.”

Response: If the Owner releases retainage for our work, it means we’ve earned payment for our good performance. If you disagree, the retainage should be returned to the Owner; and we should be told what action we need to take to receive our money.

“I like to get lien waivers without any exceptions.”

Response: Just as you wouldn’t waive your legal rights, you shouldn’t expect us to do so either. If you pay on time, our lien and bond rights won’t come into play.

“The 1% interest is more than I have in my contract with the Owner.”

Response: Regardless of the interest rate in your prime contract, we need a rate that will pay for the cost of our borrowing and extra administrative costs. We're pleased to be your subcontractor – but not your banker.

Potential Fallback Positions

By their very nature, subcontract negotiations often involve some give and take. Good negotiating strategy calls for any concessions to be given grudgingly and for something tangible in return. For example, a sub may offer to modify one (or a very few) Acknowledgment terms provided the GC accepts all the other proposed clarifications and changes. Potential candidates for consideration are:

Owner Payment Delay – In line with AGC 650 (8.2.5), you may wish to allow the GC a reasonable time to pay for properly performed work if the Owner fails to pay the Contractor for this work. However, unlike the AGC form, there should be an absolute time limitation, such as 90 days or less.

Payment Upon Substantial Completion – Some GC's argue strenuously that they should be entitled to hold back 2 or 3 times the value of punch list work substantial completion. The main goal is to limit withholding for punch list items to an amount consistent with the realistic value of unperformed work – not some highly inflated amount. Thus, you may wish to agree to a small multiple as being reasonable.

Payment for Stored Material – Most subs are agreeable to further subcontract clarifications, if deemed necessary, confirming that the off-site stored material will be at a mutually agreed upon location and that a bill of sale and evidence of insurance will be provided by the sub to the GC.

Progress Payment Due Date – The Acknowledgment shows the payment due date as being the 20th day of each month. This date assumes the customary practice of subcontractor billing being required by the 25th day of the previous month and allowing normal time for Owner payment to the Contractor and GC payment to its Subcontractors. If a job has a different monthly progress payment timing, your payment due date would naturally need to be adjusted accordingly. In any event, a specific payment due date is important for triggering some of your subcontract rights and for calculating interest on late GC payments.

2. Indemnity (Hold Harmless) -

Talking Points

Indemnity Limitations – You may assure GC's that the Acknowledgment language limiting your liability to the extent of losses caused by your negligent acts or omissions is consistent with standard terms in both AIA and AGC model contract documents. Many states, to promote good public policy, outlaw construction contract terms requiring one party to indemnify the other for losses caused by that other party.

Damage to Project Work – Point out that the Acknowledgment’s exception for damage to the project work is because losses to onsite construction work are customarily covered by the Owner’s all risk property damage insurance, regardless of who or what caused the accident.

Defense of Claims – Explain that it is far more practical for a Contractor and its subs to each defend themselves in any legal action. Most GC’s quickly recognize that they are better off using their own lawyers who are familiar with the GC’s operations rather than risking that you might not provide them with an equally acceptable attorney.

Some Typical GC Objections

“I’ve agreed in my general contract to hold the Owner harmless if we’re jointly at fault in causing an accident. You should be willing to do the same for me.”

Response – Your indemnity agreement with the Owner really has nothing to do with apportioning liability between our two companies. AIA and AGC contract terms follow the well-accepted industry practice that the party causing a loss should bear only the portion of the cost attributable to its negligent acts or omissions. Besides, there’s a huge difference in a GC indemnifying an Owner having little or no jobsite presence as contrasted with the indemnity you’d like from us, in view of the many people you have involved in project operations.

Potential Fallback Positions

Owner Indemnity – Occasionally Contractors not only provide Owners with broad or intermediate form indemnification for all or a portion of Owner-caused losses but the GC also agree to obtain similar Owner indemnification from each of its Subcontractors. You may reluctantly decide, under the circumstances, to back up the GC by agreeing to indemnify the Owner (but not the Contractor). Hopefully, such a concession can be conditioned on the GC’s agreement to practically all of the other Acknowledgment items.

Insurance Provisions – The Acknowledgment language is intended to take precedence over any contrary terms contained in the insurance coverage that you provide. In case you are furnishing Owners and Contractors Protective (OCP) insurance, it would be appropriate to add “(except OCP insurance)” after “other contract or insurance provision” in the Acknowledgment Indemnity section. If, heaven forbid, you elect to name the GC as an additional insured, the Indemnity language in the Acknowledgment should remain unchanged to help limit your exposure to GC caused losses.

Duty to Defend Claims – CG’s occasionally seek assurance that they would be reimbursed if they clearly prevail in defending a claim adjudged by a court of arbitrator to have been caused by a Subcontractor. Just a minute percentage of suits actually go to trial and even these often have no clearly prevailing party. Thus, you may wish to agree

to reimburse the GC's legal costs if you are found to be legally at fault as a trade off for not having to provide a defense against any legal actions against the GC.

3. Insurance -

Talking Points

Extent of Coverage – Point out that you are anxious to assure that your insurance certificate reflects the basic insurance required by the GC since both parties suffer if the GC mistakenly presumes a sub has more coverage than is actually in place.

Subrogation Waivers – Explain that you are not looking for the GC to waive the subrogation rights for its insurer to get reimbursed if your employee causes an injury to an employee of the GC. Note that you are just looking for equal treatment in case it's your employee who's injured by someone working for the GC.

Additional Insured – Tell the GC that AIA general conditions preclude an additional insured requirement. However, note that you are willing to provide Owners and Contractors Protective (OCP) coverage if it is available for the project. Explain that your refusal to provide an additional insured endorsement to your CGL policy is consistent with the indemnity terms calling for each party to be liable for losses only to the extent caused by them.

All Risk – Point out that the Acknowledgment simply confirms that fire and similar insurance is in place and that this practice is consistent with AIA and AGC standard contract terms calling for the owner to provide property damage coverage for onsite work and material, plus material stored offsite or in transit, including the Owner being liable for claims not covered because of deductibles.

Some Typical GC Objections

“I've named the Owner as an additional insured, and I expect to have back-up coverage from each subcontractor for its portion of the project.”

Response – We're willing to either name the Owner only as an additional insured or else to provide OCP coverage protecting both you and the Owner -- subject, of course, to availability. (Most GC's opt for the OCP alternative that affords them protection too.)

“I've waived subrogation rights for property damage losses covered by the Owner's All Risk property damage insurance, and I'll need the same waiver from you.”

Response – No problem. Our position against subrogation applies only to general liability and workers compensation claims.

“The Owner’s All Risk insurance has a \$10,000 per occurrence deductible – so we have to absorb losses up to that amount. We expect you to do the same for your portion of the job.”

Response – We will need to buy Builders Risk insurance for claims not covered by the Owner’s policy and to be reimbursed for the added cost since the bid documents didn’t mention a deductible. Otherwise, we’ll have to look to you, or your insurer, to pay our property damage claims not covered because of the Owner’s insurance deductible. Our position is consistent with AIA and AGC model contract terms.

Potential Fallback Positions

OCP Cost – In order to sell the concept of substituting OCP instead of naming others as additional insureds, it may become necessary to absorb the OCP premium, particularly if the original bid documents had called for additional insured endorsements.

Additional Insured – Should you feel constrained to name others as additional insureds, you should make clear, after consultation with your insurer, that such coverage excludes any losses caused by the negligent acts or omissions of others.

4. Warranties -

Talking Points

General – Assure the GC that you are ready, willing, and able to make good on any deficiencies in your material or workmanship for a period of one year from substantial completion of your work.

Exclusions – Note that the Acknowledgment’s exclusions for wear and tear, misuse, abuse, and neglect by others are consistent with prevailing construction industry practice as found in AIA and AGC model documents that contain similar warranty exclusions.

Extended Warranties – Identify in Section 13 of the Acknowledgment any extended warranties such as a five-year limited warranty on roofing material.

Post Warranty Obligations – Be prepared to explain that the Acknowledgment language is not intended to preclude timely completed operations claims prior to expiration of applicable statutes of limitations or repose.

Some Typical GC Objections

“My warranty to the Owner is for one year from substantial completion of the whole project. Your warranty should have the same starting point as mine.”

Response – My warranty, per industry practice, begins when my portion of the project is available for use. My one-year warranty should not be extended just because delays by others cause project completion to be dragged out for a very long time.

Potential Fallback Positions

Extended Warranties – You may wish to consider adding language to acknowledge that your warranty period for any items of work completed after substantial completion shall begin on the date each such item is completed.

Post Warranty Obligations – You may need to confirm in writing that your contract obligations, other than to promptly correct your work deficiencies, shall continue to the extent required by applicable law.

5. Delays -

Talking Points

Unanticipated Delays – Should an uncontrollable event occur, we would normally need additional time to complete our work. If you want us to make up for lost time by working overtime or over-manning the job, we will obviously need to receive extra compensation.

Indirect Damages – We accept liability to the full extent of our unexcused delays cause you direct damages. However, consistent with AIA and AGC model construction contract document terms, we do not expect either party to be liable for consequential or similar damages. There's no practical way to insure against these highly subjective, speculative claims such as for alleged lost profits or extended home office overhead.

Loss of Productivity – Numerous studies over the past 30 years have all concluded that schedule acceleration predictably results in lowered field labor productivity, especially during major scheduled overtime programs. We much prefer not to perform overtime, work out of sequence or over-man a job, but we'll certainly help you expedite project completion so long as we don't lose money in the process.

Some Typical GC Objections

“I'm willing to reimburse you for the premium portion of any overtime labor we authorize. That ought to be enough added cost for us to bear.”

Response: Both governmental and private industry studies confirm that major scheduled overtime programs cause construction workers to become progressively less efficient. By the end of the 6 to 7 weeks of 60-hour workweeks, no more job progress is typically accomplished than if 40-hour workweeks had been resumed.

That's why we prefer not to work overtime. If you insist that we do so, we'll need to be reimbursed for our true costs.

“If you cause a delay, you should pay for both direct and consequential damages that result.”

Response – We don't expect you to pay for our consequential damages, such as possible lost business, in case there's a delay. Similarly, we are not looking to defend contentions about your presumed loss of profit opportunities, higher Owner financing costs due to lack of their adequate financing commitments or other non-construction related suppositions.

Potential Fallback Positions

Liquidated Damages – If liquidated damages were agreed upon for a particular project, the word “liquidated” should be removed from the Acknowledgment language. In doing so, it's important to limit the liquidated damages to the extent that such damages as are actually paid by the GC solely because of your unexcused delays.

Direct Damages – Should the GC insist that you confirm an obligation to pay direct damages resulting from your delays, you might wish to expand the consequential damages language in the Acknowledgment by adding: “but each party shall be liable to the other for direct damages to the extent caused by their respective delays.”

6. Contractor Obligations -

Talking Points

Document Copies – Explain that you, as the party protected by the payment bond, need to have a copy available to know the ground rules in the unlikely event that a bond claim needs to be made. Evidence of adequate Owner financing is necessary since that's the initial source for the GC's payments to your company.

Material Storage – Remind the GC that its responsibility for coordinating project work includes the assignment of on-site storage space and for off-site storage, if needed. If storage is managed haphazardly, we need to be reimbursed for our relocation and related costs. It's bad enough having to pull workers off of productive subcontract work to move stored material to accommodate the GC.

Site Facilities – Point out the importance of your getting utilities such as adequate power before beginning your work so that you can maintain scheduled job progress.

Scheduling – As the construction coordinator for the project, the GC needs to be fully responsible for the overall installation schedule and for updating the schedule, consistent with subcontractor input. You might mention that it's easy for squabbles and distractions to result if an orderly sequence of work is not developed, especially where several trades must fit their combined work into a confined space.

Some Typical GC Objections

“Let me worry about the Owner’s financing. Your payments come from me – not the Owner.”

Response – Slow Owner payment leads to potentially big problems for us too. If there are a lot of change orders, both of us need to be sure that the owner’s contingency funds are adequate. Also, since I have no contractual relationship with the Owner, I must look to you for this evidence of adequate job funding.

Possible Fallback Positions

Payment Bond – You might choose to agree to make a copy of the bond in the GC’s office instead of the GC sending you a copy.

Temporary Facilities – If you have agreed to pay the cost of some temporary facilities or are furnishing some of these as part of your subcontract (i.e. temporary heat or temporary power), any such exceptions should be noted in Section 13 of the Acknowledgment.

Off-Site Storage – You may wish to agree that any off-site storage shall be at a location acceptable to the Owner or Contractor and that you will agree to provide a bill of sale for the material upon payment.

7. Termination -

Talking Points

Termination for Convenience – Sell the concept that termination by the GC for reasons unrelated to your performance disrupts your planned use of manpower and results in your having to scramble to find suitable replacement work. At the very least, you deserve payment for all costs incurred plus your expected overhead and profit on the terminated work, which is what AIA’s model contract documents provide. Suffice to say, the GC should pay a cost for the unjustified termination of a subcontractor.

Termination for Cause – Point out that GC’s, as well as Subs (and Owners), benefit by allowing an adequate time for a Subcontractor to remedy a deficiency before the last resort step of termination is justified. Hasty termination of a sub predictably leads to a lawsuit against the GC for premature termination. The GC must also immediately find a replacement sub (often at a much higher price), and the GC is vulnerable to the divided responsibility inherent in using more than one sub for a single work element. Both the GC and Owner ordinarily suffer significant delays when a sub is replaced. Again, the Acknowledgment language is consistent with AIA A201 General Conditions.

Some Typical GC Objections

“I’m only willing to pay you a fair share of what the Owner pays me if your subcontract is terminated because the Owner decides to stop the project due to insufficient funds or some other cause unrelated to your job performance.”

Response – Whether you get a big windfall termination fee or are left holding the bag, this should not affect our entitlement to be made whole if our subcontract is terminated for reasons beyond our control. You are our customer – not the Owner.

“I’m willing to give you a shot at curing a default as soon as possible, but I can’t take a chance that you’ll be slow to respond and then claim that you only took a reasonable time under the circumstances.”

Response – We can’t very well cover all of the many possibilities involved when a default is alleged. Our Acknowledgment language allows the two of us to agree on a reasonable time frame for correcting a deficiency in the unlikely event we are in default on our work.

Potential Fallback Positions

Termination for Convenience – You might decide to forego any entitlement to overhead and profit on your uncompleted work if the Owner initiates project termination due to inadequate funding. Strictly speaking, this would not really be a termination for convenience.

Termination for Cause – If the GC insists, you might agree to a time limitation (i.e. 30 days or 60 days) to complete your remedial work. Alternatively, you might prefer to confirm that the reasonable period for correction shall be as mutually agreed at the time by you and the GC.

8. Suspension -

Talking Points

Equitable Adjustments – Cite the fact that prevailing industry practice, as exemplified in AIA A201 (General Conditions) 14.3.2 and A401 (Subcontract) 7.3, calls for adjustments in both time and price (including profit) if work is suspended for a cause not the fault of the Subcontractor.

Some Typical GC Objections

“I can’t agree to pay extra if there is some short suspension of work such as may become necessary on any project.”

Response: The circumstances of individual suspensions vary so much that it's impractical to address all of the what-ifs in advance. We simply need to be made whole where a suspension results in significantly higher costs. Since we have the burden of proving our increased cost, you can rest assured that we won't be wasting your time or ours on small claims.

“If the Owner suspends project work, we can only agree to pay you a share of what we get from the owner in the way of more time and compensation.”

Response: Our subcontract is with you, not the Owner. We can't agree that our entitlement to extra time and money should be dependent on what the Owner allows you. After all, the Owner may have stopped project work because of something you or one of your other trade contractors did or didn't do. As long as we didn't cause the suspension, we have to look to you for payment of our impact costs. We'll be glad to cooperate as needed to help get you reimbursed if the Owner initiated a long suspension for its convenience.

Potential Fallback Positions

Short-Duration Suspensions – You might elect to exempt suspensions of say less than one week's duration or some similar time limitation.

Delay in Suspension Impact Entitlement – To overcome any serious GC objections, you might agree to wait a reasonable time, say up to 3 months, for the GC to negotiate with the Owner before the suspension extra would become due and payable.

9. Design Delegation -

Talking Points

Limitations – Emphasize that any design concepts, such as value engineering suggestions, are provided by you simply as accommodations since you are not engaged in the practice of architecture nor are you qualified to evaluate how these suggestions might possibly impact overall design considerations as to safety and utility.

Professional Services – If the bid documents contemplated your hiring a licensed design professional to submit certain drawings, calculations and certifications, you can point out that both AIA A201 and AGC 200 model general conditions clarify that such design submittals may be relied upon for accuracy and completeness only if *all* applicable design criteria are provided to you.

Some Typical GC Objections

“You're the expert in your trade and the products that you're supplying. In spite of that, you seem intent on avoiding responsibility if your design related suggestions fail to work out well. How can I rely on you to back up your proposed changes?”

Response: You can rely on my most important asset – our company’s reputation. We make practical suggestions in good faith and stand behind them. That’s why we’re well respected. We don’t pretend to be architects or know all the project design details, and we sure want to avoid becoming the poster child for “no good deed goes unpunished”.

Potential Fallback Positions

Because delegation of design on construction projects creates potentially serious issues involving bodily injury or death (i.e. the Kansas City Hyatt tragedy), property damage, possible professional services insurance coverage gaps, state laws restricting the practice of architecture and code compliance, subcontractors typically avoid any watering down of protective language such as that found in the Acknowledgment.

10. Safety -

Talking Points

Safety Policy – Point out that your safety policy is geared to the hazards of your trade and to minimize exposure to employee injuries. You might add that you would be glad work with the GC in blending your safety rules with those issued by the GC for all trades on the project.

OSHA Compliance – The federal law calls for each party to pay its own fines for violations. For example, if the GC is fined for building rickety stairs and you are fined for allowing your employees to use those unsafe stairs, the law has prompted all concerned to be more safety conscious.

Safety Barricades – The Acknowledgment’s aim is to identify barricades (if any) that the GC is expecting you to install instead of waiting until an accident happens for the issue to be addressed.

Some Typical GC Objections

“All trades on the job need to comply with the same set of safety rules that we’ve posted around the project site.”

Response: Your safety policies are nearly all consistent with our own safety rules. We’ll be glad to work out the few differences with you.

“We feel strongly that whoever causes an OSHA violation should pay any and all fines and penalties resulting from the unsafe action.”

Response: The OSHA law is designed and enforced to ordinarily levy fines and penalties just against the party who responsible for creating an unsafe jobsite condition. However, there are times where the fines/penalties are appropriately

imposed as well on companies for allowing their employees to be exposed to the unsafe condition. Besides, the size of penalties can vary greatly if either of us have repeat offenses. Thus, both the letter and spirit of the OSHA law call for each party to pay its own fines and penalties.

Potential Fallback Positions

Safety Policy – If you have no problems with the GC’s safety rules, this can be confirmed in Section 13 of the Acknowledgment.

Barricades – Similarly, any barricades that you agree to furnish can be noted in the Acknowledgment. You might also choose to accept responsibility for promptly placing back any GC barricades temporarily removed by your employees.

11. Backcharges –

Talking Points

Authorization – Emphasize that procedures for backcharges should closely parallel those for Subcontractor change orders – including prior approval in writing.

Prompt Billing – Point out that charges for GC services (backcharges) need to be rendered without delay to avoid backcharge abuse involving after-the-fact issuance of these GC charges. The billing time requirement (15th of the following month) is drawn from AIA A401 3.3.2. Keep in mind that the Addendum language becomes especially important if the GC has a history of waiting until the end of a job before asserting spurious backcharges totaling roughly the amount of legitimate Subcontractor extras.

Some Typical GC Objections

“Look, if the jobsite gets to be a mess, I just bring in people to clean it up and backcharge all subs pro-rata for the cost and overhead according to the size of their subcontracts”

Response – We’re willing to pay the cost for clean up of our work site if we ignore your notice to do so – but we’re sure not willing to subsidize cleaning up the messes made by other trades. In any event, there’s no relationship between subcontract size and the amount of mess each trade contractor creates.

“The billing time frame is way too short – especially since you expect to pay nothing at all for my services that you authorized unless I bill you by the 15th of the next month”

Response – We used the backcharge billing date in AIA’s standard subcontract document. We do need to get backcharge billing promptly, but can allow some more time such as 30 days.

Potential Fallback Positions

Authorization – You might consider clarifying that your correction of a deficiency “with reasonable promptness” means within say two weeks at most.

Prompt Billing – If a GC who has no past history of backcharge abuse wants more time for billing, you may wish to extend the time limitation to the end of the following month and to cut a bit more slack for that GC. When you are dealing with a GC who typically issues questionable backcharges at the end of each job, any changes to the Acknowledgment language should be minimal.

12. Assignment -

Talking Points

Consent – Explain that just as the GC needs protection against a sub assigning its subcontract to an outfit unacceptable to the GC, subs need similar protection against the GC’s assignment to a substandard replacement GC. Even a GC’s assignment to the Owner would be unacceptable if the Owner is destitute. You should be aware that most subcontracts do not allow subs to assign without GC approval, but lack similar restraints against subcontract assignments by the GC.

Some Typical GC Objections

“My contract with the Owner calls for the assignment of subcontracts to the Owner if my contract is terminated for cause.”

Response: Since the Owner is solid, we can agree to the assignment of our subcontract to them if your contract is terminated for cause – but only if the Owner assumes your responsibilities as well as your rights as contained in our subcontract.

“What protection do I have against your refusing, without good reason, to accept an assignment of your subcontract?”

Response: We would be agreeable to adding, “such approval shall not be unreasonably withheld by either party.”

Potential Fallback Positions

In line with the suggested responses to GC objections, you may wish to clarify the basis for assignment, without your further consent, to the Owner and confirming that neither party may unreasonably withhold approval of an assignment.