

- in advance by the Owner, suitably stored off the site at a location agreed upon in writing;
- .3 That portion of Change Directives that the Owner determines to be reasonably justified; and
- .4 The Design-Builder's Fee, computed upon the Cost of the Work described in Sections B.1.5.4.3.1 and B.1.5.4.3.2 at the rate stated in Section B.1.4.2 or, if the Design-Builder's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum fee as the Cost of the Work included in Sections B.1.5.4.3.1 and B.1.5.4.3.2 bears to a reasonable estimate of the probable Cost of the Work upon its completion.

§ B.1.5.4.4 The amount of each progress payment shall be reduced by:

- .1 The aggregate of any amounts previously paid by the Owner;
- .2 The amount, if any, for Work that remains uncorrected and for which the Owner has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A141–2024;
- .3 Any amount for which the Design-Builder does not intend to pay a Subcontractor, sub-subcontractor, or material supplier, unless the Work has been performed by others the Design-Builder intends to pay;
- .4 Any amount for which the Owner may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A141–2024;
- .5 The shortfall, if any, indicated by the Subcontractor in the documentation required by Section B.1.5.1.4 to substantiate prior Applications for Payment, or resulting from errors subsequently discovered by the Owner's auditors in such documentation; and
- .6 Retainage withheld pursuant to Section B.1.5.4.5.

§ B.1.5.4.5 Retainage

§ B.1.5.4.5.1 For each progress payment made prior to Substantial Completion of the Work, the Owner may withhold the following amount, as retainage, from the payment otherwise due:

(Insert a percentage or amount to be withheld as retainage from each Application for Payment. The amount of retainage may be limited by governing law.)

5%

§ B.1.5.5 Final Payment

§ B.1.5.5.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Design-Builder not later than 30 days after:

- .1 the Design-Builder has fully performed the Agreement, except for the Design-Builder's responsibility to correct Construction Work as provided in Article 12 of AIA Document A141–2024, and to satisfy other requirements, if any, which extend beyond final payment;
- .2 the Design-Builder has submitted a final Application for Payment and, if the Contract Sum is based on the Cost of the Work, a final accounting for the Cost of the Work;
- .3 a final Certificate for Payment has been issued by the Owner in accordance with Article 9 of AIA Document A141–2024;
- .4 other conditions precedent to the Owner's obligations to issue final payment to the Design-Builder:
(Insert any other conditions precedent to final payment.)

Design-Builder has completed all punch list items and all closeout requirements per specifications.

§ B.1.5.5.2 If the Contract Sum is based on the Cost of the Work, within 30 days of the Owner's receipt of the Design-Builder's final accounting for the Cost of the Work, the Owner shall conduct an audit of the Cost of the Work or notify the Design-Builder that it will not conduct an audit.

§ B.1.5.5.2.1 If the Owner conducts an audit of the Cost of the Work, the Owner shall, within 10 days after completion of the audit, submit a written report based upon the auditors' findings to the Design-Builder.

§ B.1.5.5.2.2 Within seven days after receipt of the written report described in Section B.1.5.5.2.1, or receipt of notice that the Owner will not conduct an audit, and provided that the other conditions of Section B.1.5.5.1 have been met, the Owner will either issue a final Certificate for Payment to the Design-Builder, or notify the Design-Builder in writing of the Owner's reasons for withholding a certificate. The time periods stated in this Section B.1.5.5.2.2 supersede those stated in Article 9 of