

AGENCY AGREEMENT SALES AND USE TAX SAVINGS

AGREEMENT between Marcor Remediation, Inc.
(hereinafter called the "Contractor" and the **University of South Alabama**
(hereinafter called the "Owner") entered into this 24th day of May, 2006.

RECITALS

1. Contractor and Owner entered into a Construction Contract (hereinafter called the "Contract") dated May 24, 2006 for performance of the Instructional Laboratories Building HVAC Renovation Work described therein. A copy of said Contract is attached hereto.
2. Pursuant to Specification Section 01205, SALES AND USE TAX SAVINGS, of the Contract, Contractor and Owner desire to enter into an agreement whereby certain purchases under the Contract will be made by the Contractor as Owner's agent. Contractor's ability to bind Owner is expressly limited to those satisfactory goods which are utilized in the construction of this project.

AGREEMENT

1. Owner does hereby appoint Contractor as agent for Owner to purchase for, and in the name of the Owner, all materials, supplies, equipment, and other items which Contractor and its subcontractors expressly require for performance of the Contract.
2. Owner will be liable for the payment of all legitimate purchases made hereunder.
3. Specification Section 01205, SALES AND USE TAX SAVINGS, of the Contract is incorporated by reference and made a part of this Agency Agreement establishing general provisions, procedures, and forms that are applicable to the Contractor's performance hereunder.
4. As the Owner's agent, the Contractor will purchase materials, supplies, equipment, and other items required for completion of the aforesaid Contract, utilizing the specified purchase order forms. For items so purchased, vendors will render detailed receipts, statements and invoices in the Owner's name to the Contractor as the Owner's agent. The Contractor will review and verify the invoices and forward the invoices to Owner for payment. By forwarding such invoices to the Owner for payment, the Contractor certifies the validity and accuracy of the invoices and that the items covered by the invoices are of the quality and quantity specified in the Contract and were used exclusively in Owner's project.

5. The Contract provides that the Contractor will perform the work for the sum of \$ 44,575.00 which includes the costs of all materials, supplies, equipment, and other items to be purchased hereunder, excluding sales and use taxes thereon. Payments made by Owner to vendors pursuant to this Agency Agreement shall constitute payments against the Contract sum of \$ 44,575.00 due to Contractor. In the event that taxes are paid on materials, supplies, equipment, or other items that should have been purchased and/or paid for by the Owner under this Agency Agreement, the Contractor will not be reimbursed for those taxes.

6. Contractor shall maintain separate accounting records of all transactions carried out under this Agency Agreement. Such records shall be open to Owner during normal business hours of Contractor for a period of two (2) years after completion of the project.

7. The authority granted to Contractor hereunder may be revoked by Owner at any time upon written notice delivered to Contractor at his offices located at 7810 Sears Blvd., Suite B, Pensacola, FL 32514-4573 during normal business hours.

8. Any costs of administration to be incurred by Contractor in conjunction with this Agency Agreement are included in the Contract sum cited in Article 5 above.

CONTRACTOR

OWNER

Marcor Remediation, Inc.

University of South Alabama

Name of Firm

Name of Owner

By: _____

By: _____

Robert K. Davis, Assoc. V.P. for Financial Affairs

Name and Title

Name and Title

Attest to: _____

Attest to: _____