

CONTRACT

Between the School Foundation Eishin Gakuen (Kaoru Suzuki, Representative) hereinafter called "the Client" and the Center for Environmental Structure (Christopher Alexander, Representative) hereinafter called "the Architect," for the design of the new school to be built on a site in Iruma City, Saitama Prefecture.

ARTICLE 1 - PROJECT SUMMARY

- (1) The construction of new school buildings to be built by the Client is as follows:
 - (a) Site approximately 70,000 m² (approximately 20,000 tsubos)
 - (b)
 - (i) Construction of the new high school buildings of 6,600 m², to serve 1,200 students
 - (ii) The new college buildings of 6,600 m², to serve 800 students
 - (iii) The necessary playing fields and exterior public space to support these buildings
- (2) The total budget for the new school construction is outlined as follows:
 - (a) Construction cost per 3.3 m² (1 tsubo) to be approximately ¥600,000.
 - (b) Total budget will be about US \$10,000,000 (¥2,400,000,000).
 - (c) Construction schedule planned by the Client is as follows:
 - (i) Construction is to begin in 1984.
 - (ii) The school is to be ready for occupancy in March, 1985.

ARTICLE 2 - SCOPE OF ARCHITECT'S WORK

The Architect will undertake the work as follows:

- (1) Stage 1 - Program May - July, 1982
 - (a) Discussions with the Client and preparation of the program
 - (b) The program includes the discussion of the patterns for the design with the Client, and the preparation of final list of detailed patterns.
- (2) Stage 2 - Site Plan July - September, 1982
 - (a) Preparation of site plan, at scale of 1:500.
 - (b) This work will include involvement of Client, and participation of Client in decision making.
- (3) Stage 3 - Preliminary Design of Buildings October, 1982 - April, 1983
 - (a) Preparation of individual building plans, at a scale of 1:200.
 - (b) This work will include participation of Client in the form of discussion.
 - (c) This preliminary design will include detailed layout of buildings, building interiors, and preliminary structural engineering.
- (4) Stage 4 - Working Drawings May - November, 1983
 - (a) Preparation of working drawings - Main drawings at a scale of 1:100 and drawings of details at a scale of 1:20.
 - (b) This work includes preliminary drawings of construction details, negotiation with subcontractors to arrive at final version of construction details.
- (5) Stage 5 - Bidding and Supervision December, 1983 - March, 1985
 - (a) With the approval of the Client, the Architect will prepare bid documents.
 - (b) This work includes preparation of necessary documents for bidding and supervision of the bidding procedure.
 - (c) The Architect will supervise construction and make 2 - 3 visits to the site during construction.

- (d) Most of bid preparation and supervision will be handled by the Japan Architect.
- (6) The Architect agrees to build a model during the stages mentioned above. This model is to be built in the most proper way by the Architect's best knowledge with the involvement of user's participation.

ARTICLE 3 - ARCHITECT'S FEE

- (1) The design fee for the work defined in Article 2 will be US \$510,000.
- (2) The preliminary structural design fee for the work defined in Article 12 will be US \$40,000.

ARTICLE 4 - SCHEDULE OF PAYMENTS

The fee as defined in Article 3 will be paid according to the following schedule in US dollars to the bank assigned by the Architect.

- (1) US \$51,000 retainer, to be paid directly upon signing of this agreement.
- (2) US \$101,000 for Stage 1 as defined in Article 2, 50% upon demand and 50% upon the completion of the report on patterns.
- (3) US \$81,000 for Stage 2 as defined in Article 2, 50% upon demand, and 50% upon completion of the site plan.
- (4) US \$135,000 for Stage 3 as defined in Article 2, 35% at the beginning of preliminary drawings, 35% upon demand, and 30% after completion of preliminary drawings.
- (5) US \$122,000 for Stage 4, as defined in Article 2, 35% at the beginning of working drawings, 35% upon demand, 10% at the completion of working drawing and 20% after obtaining a building permit.
- (6) US \$20,000 for Stage 5 as defined in Article 2. 50% when foundations are in, and 50% after completion of supervision.
- (7) US \$40,000 for a preliminary structural design of the Stage 3 as defined in Article 2, 50% upon demand, 50% at the completion of preliminary structural design.

ARTICLE 5 - MINOR MODIFICATIONS IN SCHEDULE OF PAYMENTS

If there is a delay in the completion of any part of some stage, as a result of the actions of the client, then the Architect may request partial payment for that stage, based on the percentage of completion, and the Client agrees to pay it.

ARTICLE 6 - CHANGE IN SCOPE OF WORK

- (1) The contract is based upon the assumption of 13,200 m² of construction being built according to the plan specified in Article 1.
- (2) It is agreed by both parties in consideration of possible changes in the scope of work that the fee will change as follows.
- (3) If, during the development of the project, the amount of construction area should increase, it is then understood that the total fee will be increased in direct proportion to the total area of construction and the individual payments will be prorated accordingly.
- (4) If the amount of construction area should decrease, the fee for Stage 1 and 2 will remain fixed, and the fee for Stages 3, 4 and 5 will be decreased by 0.65% for every decrease of 1% in the area of construction and individual payments will be prorated accordingly.
- (5) If the project is delayed, the architect, in principle, has no right to claim any fee which exceeds the amount specified in Article 3, with the exception that in the event of a substantial delay, the parties agree to negotiate for a reasonable adjustment of the fees in light of the cause and the period of such delay.

ARTICLE 7 - ARCHITECT'S REPRESENTATIVE

The Architect's local representative in Japan will be Mr. Hiroshi Nakano, who will be paid by the Architect.

ARTICLE 8 - JAPAN ARCHITECT

- (1) The design of this project will be carried out with the cooperation between the Architect and Japan architect.
- (2) The Architect will conclude a contract with Japan architect, which contract shall be approved by the Client before it becomes effective. Fees to the Japan architect will be paid by the Client at the instruction of the Architect.

- (3) The Architect will work together with the Client in choosing the Japan architect.

ARTICLE 9 - ARCHITECT'S INITIATIVE

- (1) Concerning the relationship between the Architect and the Japan architect, the Client agrees that the sole initiative for decisions will remain with the Architect and that Japan architect must follow the instruction of the Architect.
- (2) The Architect agrees that all the responsibilities to the Client for the total building project will remain only with the Architect.

ARTICLE 10 - SCOPE AND RESPONSIBILITIES OF THE WORK OF JAPAN ARCHITECT

The scope and responsibilities of the work of the Japan architect will be decided by and among the Client, the Architect and the Japan architect.

ARTICLE 11 - PAYMENT OF FEES TO THE JAPAN ARCHITECT

- (1) The total fees to be paid to the Architect and the Japan architect by the Client will be US \$780,000.
- (2) The payment to the Japan architect by the Client will be US \$230,000, which shall be paid from US \$780,000 set forth above.
- (3) The Client will pay fee within the amount of US \$230,000 to the Japan architect according to the instructions of the Architect.

ARTICLE 12 - STRUCTURAL ENGINEERING

- (1) The structural engineering of each building will fall into two phases, (A) preliminary analysis and design, and (B) detailed design.
- (2) The Architect will carry out the preliminary analysis and design defined in (1), (A) above.
- (3) The Japan architect will carry out the detailed structural design under above-mentioned (1), (B) and his fee for this service will be included in US \$230,000 described in Article 11.

ARTICLE 13 - EXPENSES

The Client will pay the following various expenses to the Architect other than fee decided in this contract:

- (1) Plane fares, hotel accommodations, meals and telephone expenses necessary for the Architect and members of his team.
- (2) The Architect shall obtain prior consent of the Client when the Architect wishes to make trips to Japan in excess of nine round-trips, the Client shall not unreasonably withhold such consent.

ARTICLE 14 - CLIENT'S RIGHT OF REVIEW

- (1) The Client always reserves the right to review the Architect's work in progress.
- (2) The Client may terminate this Contract with the Architect if the Client indicates that the work is not satisfactory to the Client at the time of the completion of Stage 2 described in Article 2.
- (3) If the Client wishes to terminate the contract at the end of Stage 2, he will notify the Architect in writing.
- (4) If the Client desires to terminate the contract at the end of Stage 2, he will then be obliged to pay the fee up to the completion of Stage 2 as described in Article 4.

ARTICLE 15 - CONFERENCE AND ADDENDUM

- (1) The Client and the Architect agree that when matters not described in the contract or unexpected situations arise, they will then deliberate together in good faith each time to solve it.
- (2) All the particulars agreed upon after deliberation will be drawn up as an addendum to this contract.
- (3) The addendum as one body with the contract will make a binding commitment for both Client and Architect.

ARTICLE 16 - DRAWING-UP AND BINDING FORCE OF THE CONTRACT, ADDENDA AND OTHER DOCUMENTS

- (1) The contract, addenda and all other documents necessary through the process to carry out this contract will be drawn up in Japanese and in English, and signed by both parties.

(2) The Client and the Architect will be bound only by the documents drawn up in Japanese and in English.

ARTICLE 17 - CONSENSUS ON JURISDICTION

The Client and the Architect agree that the jurisdiction will be in Japan for all disputes arising from this contract, and also agree to set the first trial court to the Tokyo District Court.

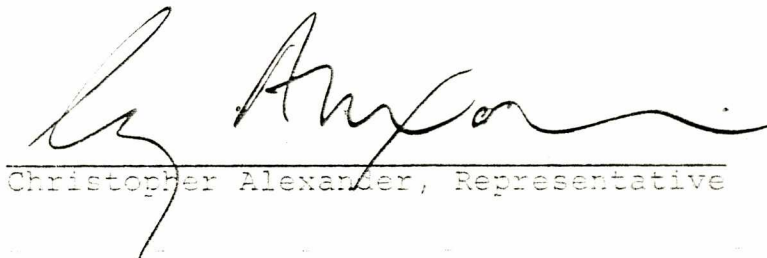
Date: May 6, 1982

Signed: School Foundation Eishin Gakuen



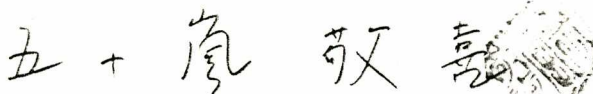
Kaoru Suzuki, Representative

Center for Environmental Structure



Christopher Alexander, Representative

Witness



Takayoshi Igarashi, Lawyer