

INSTRUCTIONS FOR SUBMITTING LIEN RELEASES

JOBS WHERE HPS MECHANICAL IS THE PRIME OR GENERAL CONTRACTOR

Lien Releases are required on all HPS Mechanical projects where a Preliminary Notice has been sent by your company (or sub-tier of your company) or a subcontract exceeding \$25,000 has been issued to you.

- 1) Following your first payment for work performed, HPS requires a **“(#2) Unconditional Progress Release”** for every pay period until a FINAL Release is received for your retention billing or final invoice.
- 2) The same release procedure applies to all sub-tiers working for you on the project. Lack of these releases will place your payment on “Hold” status until received.

JOBS WHERE HPS MECHANICAL IS A SUBCONTRACTOR

Release procedures on jobs where HPS is a subcontractor are defined by the procedures set forth by the project’s General Contractor. HPS will request from you directly.

FINAL PAYMENT & RELEASES

When you submit your final/retention billing, please attach a #3 Conditional FINAL release. Also, if you have any sub-tiers you are required to send either a #3 Conditional FINAL or #4 Unconditional FINAL release **before your final payment can be released.***

**Payment to all subs with retention agreements contingent upon retention funds being received by HPS Mechanical, Inc..*

RELEASE FORM 1

**CONDITIONAL WAIVER AND RELEASE
UPON PROGRESS PAYMENT
(Civil Code §3262(d)(1))**

Upon Receipt by the undersigned of a check from

(Maker of Check)

in the sum of \$

(Amount of Check)

payable to

(Payee or Payees of Check)

and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the undersigned has on the job of

located at

(Job Description)

to the following extent.

This release covers a progress payment for labor, services, equipment or materials furnished to

(Your Customer)

through

only and does not cover any retentions retained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under a written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in this release. This release of any mechanic's release, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment. Before any recipient of this document relies on it, said party should verify evidence of payment to the undersigned.

Dated:

(Company Name)

By:

(Title)

NOTE: This form complies with the requirements of the Civil Code 3262(d)(1). It is to be used by a party who applies for a progress payment when the progress payment check has not yet cleared the bank.

RELEASE FORM 2

**UNCONDITIONAL WAIVER AND RELEASE
UPON PROGRESS PAYMENT
(Civil Code §3262(d)(2))**

The undersigned has been paid and has received a progress payment in the sum of

_____ for labor, services, equipment or
material furnished to

_____ (Your Customer)

on the job of

_____ (Owner)

located at

_____ (Job Description)

and does hereby release any mechanic's lien, stop notice or bond right that the undersigned has on the above referenced job to the following extent.

This release covers a progress payment for labor, services, equipment, or materials furnished to

_____ (Your Customer)

through _____

only and does not cover any retentions retained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under a written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in this release. This release of any mechanic's release, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment.

Date: _____

_____ (Company Name)

By: _____

_____ (Title)

NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL RELEASE FORM.

NOTE: This form of release complies with the requirements of Civil Code Section 3262(d)(2). It is to be used to release claims to the extent that a progress payment has actually been received by the releasing party.

RELEASE FORM 1

**CONDITIONAL WAIVER AND RELEASE
UPON FINAL PAYMENT
(Civil Code §3262(d)(3))**

Upon Receipt by the undersigned of a check from

(Maker of Check)

in the sum of \$

(Amount of Check)

payable to

(Payee or Payees of Check)

and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the undersigned

has on the job of

(Owner)

located at

(Job Description)

This release covers the final payment to the undersigned for all labor, services, equipment or material furnished on the job except for disputed claims for additional work in the amount of \$ _____. Before any recipient of this document relies on it, said party should verify evidence of payment to the undersigned.

Dated:

(Company Name)

By:

(Title)

NOTE: This form complies with the requirements of the Civil Code 3262(d)(1). It is to be used by a party who applies for a progress payment when the progress payment check has not yet cleared the bank.

SPO FORM #05

RELEASE FORM 4

**UNCONDITIONAL WAIVER AND RELEASE
UPON FINAL PAYMENT
(Civil Code §3262(d)(4))**

The undersigned has been paid in full for all labor, services, equipment or material

furnished to _____

(Your customer)

on the job of _____

(Owner)

located at _____

(Job Description)

and does hereby waive and release any right to a mechanic's lien, stop notice, or any right against a labor and material bond on the job, except for disputed claims for extra work in the amount of \$ _____.

Date: _____

(Company Name)

By: _____

NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL RELEASE FORM.

NOTE: This form of release complies with the requirements of Civil Code Section §3262(d)(4).