

A Guide to THIRD TIER LIEN WAIVERS





Topics Covered in this Presentation:

- What is “third tier”?
- When are third tier lien waivers required by David E. Looper & Co.?
- What documents are required?
- What is the difference between Conditional and Unconditional waivers?
- What is the difference between Partial and Final?
- How do I know which type of lien waiver to provide Delco?
- What is the List and how do I fill it out?
- What do I do with it after it is filled out?
- What if I change or add vendors after I’ve emailed my List?
- When do I have the lien waiver form completed?
- How does my Vendor fill out the lien waiver form?
- When do I send it to my vendor to complete?
- Who do I email it to after it’s returned to me?
- Who can I talk to if I have a question?





What is “Third Tier”?

“Third Tier” is any Supplier, Sub-Subcontractor, or Equipment Rental Company – also referred to as a “Vendor” - that you will be using on this Project.

For example, if you are an Electrician working for Delco (“Second Tier”) and you have quotes from:

- ACME Electric Service for wire and fixtures
- XYZ Rentals for a scissor lift
- Sparky Services - another electrician that you may need to hire to help on the project, also called a “Sub-Subcontractor”

All of these are “Third Tier” Vendors.





When are Third Tier Lien Waivers required by David E. Looper & Company?

When a subcontract is written to you with an amount of more than \$25,000.00, David E. Looper & Company requires Third Tier Lien Waivers from:

Suppliers, Sub-subcontractors, and Equipment Rental companies
you will be paying a total of more than \$5,000.00
over the course of the entire project.

What Documents are required?

Third Tier List of Material Suppliers, Sub-subcontractors, and Equipment Rental Companies (“List”)

Partial Lien Waivers – from those on your List

Final Lien Waivers – from those on your List when all material has been purchased or work is complete





Third Tier Waiver Example

An example of the Third Tier Lien Waiver provided in the “Third Tier Procedures” Packet, accompanying your Subcontract.

(A detailed explanation as to how this is filled out follows shortly).

THIRD TIER WAIVER OF LIEN FOR MATERIALS, SUPPLIES, LABOR, AND/OR EQUIPMENT

David E. Looper & Company Subcontractors:
Your Suppliers/Subcontractors will use this form

Name of Claimant (Third Tier): _____

Delco Subcontractor: _____

Project: _____

Claimant has furnished material, supplies, labor (including payment of all applicable sales and use taxes), and/or equipment for the Project listed above and certifies the following:

PARTIAL:

☐ All invoices have been paid in full through the date of _____;

OR

☐ \$_____ Current Amount Due through the date of _____,

\$_____ Amount invoiced prior to date listed above and not yet paid,

\$_____ Total Amount Due *[Total of lines 1 and 2 above];*

Upon receipt of the amount due stated above and payment from the financial institution on which the check is drawn, this document waives and releases any and all lien or claim of, or right to, a lien, and all payment bond rights against the Project through the date specified for any services, work, labor, materials, and equipment performed or furnished by it except for retention withheld, changes pending approval, disputed items and claims, or items furnished or invoiced after the date specified.

FINAL:

☐ I have been paid **the full and final amount due** for all materials, labor and/or equipment for this project.

OR

☐ Upon receipt of the sum of \$_____ *[Enter amount due]*, I will be paid **the full and final** payment for all materials, labor and/or equipment for this project.

This document waives and releases any and all lien or claim of, or right to, a lien, and all payment bond rights against the Project for any and all services, work, labor, materials, and equipment performed or furnished by it.

Claimant warrants and represents that all persons, partnerships, firms, entities, or corporations, including, without limitation, all subcontractors or suppliers, who have furnished labor, materials and/or equipment to Claimant for use in the improvements to the project premises have been paid in full.

The person executing this release is an authorized officer of Claimant, has personal knowledge of all the matters set forth, and is duly authorized to execute this Waiver of Lien and bind Claimant.

The provisions hereof shall be for the benefit of David E. Looper & Company, Inc. and all other persons having an interest in the premises and their respective successors and assigns.

This the _____ day of _____, 20_____.

Name of Claimant: _____

By: _____

Print Name & Title: _____

State of: _____ **County of:** _____

Sworn and subscribed before me this _____ day of _____, 20_____.

(S E A L)

Notary Public

My Commission Expires: _____





What is the difference between “Conditional” and “Unconditional” Waivers?

A Conditional Lien Waiver simply means that the Vendor releases a lien or claim against the project *on the condition* that he receives *the dollar amount stated on the form*, through the date on the form.

An Unconditional Lien Waiver means that the Vendor releases a lien or claim against the project *unconditionally through the date stated* because *all invoices due have been paid* through that date, typically one month prior to your pay application.

What is the difference between a “Partial” and a “Final” Third Tier Waiver?

A “Partial” Lien Waiver covers the charges from a Vendor through the date specified, typically a one-month period.

A “Final” Lien Waiver is requested when you have finished with that individual Vendor, for the project.





How do I know which type of lien waiver to provide David E. Looper & Company?

The Subcontract Agreement will specify under Article 11 “Payments” whether Conditional or Unconditional Third Tier Lien Waivers will be required for the project.

The Subcontract will also specify that:

- Conditional Third Tier Waivers need to cover the **same period** as your Application for Payment
- Unconditional Third Tier Waivers will show paid through the end of the **previous month**, or one month **before** the current Application for Payment



How do I fill out the Third Tier List?

The *complete* project name goes in the top line.

(We have multiple projects that begin with the same name, such as “FKC” or “Piedmont Plastic Surgery”. We need to know which one your list is for! You can find the complete name of the project on your Subcontract Agreement).

Your company name goes in the second line.

A personal Contact name should be listed on the third line, *and their email address*.

(The contact will be the person obtaining the lien waivers and sending them to us).

Each Vendor you plan on paying more than \$5,000 for the project should be listed on the subsequent lines.

If a vendor will not be used immediately, please add this information in the “Notes” section.

List of Material Suppliers, Sub-subcontractors and Equipment Rental Companies

Name of Project: _____

Name of Subcontractor: _____

List Contact Information: _____
Name/Telephone/Email

List ALL suppliers, equipment rental companies, and sub-subcontractors that you intend to pay \$5,000 or more for the entire project, not per pay application. Submit with your initial pay application and update and re-submit, as necessary.

A partial or final lien waiver from each Company on the list is required with every pay application once that Company has started work/supplied material. Once a final lien waiver has been received, Delco will no longer require a lien waiver from that Company.

Material Supplier, Sub-Subcontractor, Equipment Rental Company	Total Purchase Amount (Estimate if Actual Unknown)	Notes: (Include Start Date)





What do I do with the Third Tier List after I have filled it out?

Please email the List to AP@delcompany.com.

What if I change or add vendors after I've emailed my list?

You may complete a new List, and label it "Revised," date it, and email it to the above address.

Or, on your copy of the original List, you may simply cross off any vendor you have decided not to use and add any new vendors, re-date, and email it to us.

Please remember to date any List sent.



When do I have the lien waiver form completed by my Vendor?

Conditional Lien Waivers – Please request these from your vendors within the first few days of the month after you bill.

Unconditional Lien Waivers – Once you receive our check for a particular month, pay your vendors, and then request “paid in full through...” waivers dated for the month covered by the payment.



PARTIAL LIEN WAIVER: How do my Vendors fill this form out?

(Be careful not to confuse this waiver with the one your company, Delco's Subcontractor, uses for billing. They are different).

INSTRUCTIONS FOR PARTIAL WAIVER (See next page for Final Waiver)

For an **UNCONDITIONAL** Lien Waiver, your Vendor will check the first box under **PARTIAL** and fill in the date through which invoices have been paid to the Vendor by the Subcontractor (usually one month in arrears).

For a **CONDITIONAL** Lien Waiver, your vendor will check the second box under **PARTIAL** and fill in the dollar amount due and the through date (usually matching the date of the Subcontractor's Application for Payment, or month ending) on the first line.

- If a previous Conditional Lien Waiver was provided that has not been paid for yet, this previous amount will go on the second line, with the total below it.
- A JOINT CHECK between the Subcontractor and the Vendor will be issued by us for the total amount due and mailed to the Subcontractor to endorse and send on to the Vendor.

The Vendor needs to date, sign, and have the waiver notarized.

THIRD TIER WAIVER OF LIEN FOR MATERIALS, SUPPLIES, LABOR, AND/OR EQUIPMENT

David E. Looper & Company Subcontractors:
Your Suppliers/Subcontractors will use this form

Name of Claimant (Third Tier): INSERT VENDOR COMPANY NAME

Delco Subcontractor: INSERT YOUR COMPANY NAME

Project: INSERT COMPLETE PROJECT NAME

Claimant has furnished material, supplies, labor (including payment of all applicable sales and use taxes), and/or equipment for the Project listed above and certifies the following:

PARTIAL:

☐ All invoices have been paid in full through the date of _____;

OR

☐ \$ _____ Current Amount Due through the date of _____,

\$ _____ Amount invoiced prior to date listed above and not yet paid,

\$ _____ Total Amount Due [Total of lines 1 and 2 above];

Upon receipt of the amount due stated above and payment from the financial institution on which the check is drawn, this document waives and releases any and all lien or claim of, or right to, a lien, and all payment bond rights against the Project through the date specified for any services, work, labor, materials, and equipment performed or furnished by it except for retention withheld, changes pending approval, disputed items and claims, or items furnished or invoiced after the date specified.

FINAL:

☐ I have been paid **the full and final amount due** for all materials, labor and/or equipment for this project.

OR

☐ Upon receipt of the sum of \$ _____ [Enter amount due], I will be paid **the full and final** payment for all materials, labor and/or equipment for this project.

This document waives and releases any and all lien or claim of, or right to, a lien, and all payment bond rights against the Project for any and all services, work, labor, materials, and equipment performed or furnished by it.

Claimant warrants and represents that all persons, partnerships, firms, entities, or corporations, including, without limitation, all subcontractors or suppliers, who have furnished labor, materials and/or equipment to Claimant for use in the improvements to the project premises have been paid in full.

The person executing this release is an authorized officer of Claimant, has personal knowledge of all the matters set forth, and is duly authorized to execute this Waiver of Lien and bind Claimant.

The provisions hereof shall be for the benefit of David E. Looper & Company, Inc. and all other persons having an interest in the premises and their respective successors and assigns.

This the _____ day of _____, 20_____.

Name of Claimant: _____

By: _____

Print Name & Title: _____

State of: _____ County of: _____

Sworn and subscribed before me this _____ day of _____, 20_____.

(S E A L)

My Commission Expires: _____

Notary Public





FINAL LIEN WAIVER: How do my Vendors fill this form out?

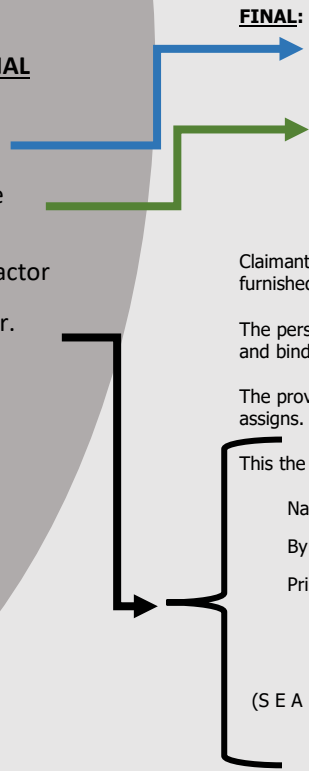
INSTRUCTIONS FOR FINAL WAIVER
(See previous page for Partial Waiver)

Please Note: A Final Lien Waiver uses the same form, but under the **FINAL** section:

- The top box is checked for an **Unconditional** Lien Waiver, and
- The bottom box is checked for a **Conditional** Lien Waiver, with the final amount due inserted in the blank.

If the waiver is Conditional, a JOINT CHECK between the Subcontractor and the Vendor will be issued by us for the total amount due and mailed to the Subcontractor to endorse and send on to the Vendor.

The Vendor needs to date, sign, and have the waiver notarized.



THIRD TIER WAIVER OF LIEN
FOR MATERIALS, SUPPLIES, LABOR, AND/OR EQUIPMENT

David E. Looper & Company Subcontractors:
Your Suppliers/Subcontractors will use this form

Name of Claimant (Third Tier): INSERT VENDOR COMPANY NAME

Delco Subcontractor: INSERT YOUR COMPANY NAME

Project: INSERT COMPLETE PROJECT NAME

Claimant has furnished material, supplies, labor (including payment of all applicable sales and use taxes), and/or equipment for the Project listed above and certifies the following:

PARTIAL:

☐ All invoices have been paid in full through the date of _____;

OR

☐ \$ _____ Current Amount Due through the date of _____,
\$ _____ Amount invoiced prior to date listed above and not yet paid,
\$ _____ Total Amount Due [Total of lines 1 and 2 above];

Upon receipt of the amount due stated above and payment from the financial institution on which the check is drawn, this document waives and releases any and all lien or claim of, or right to, a lien, and all payment bond rights against the Project through the date specified for any services, work, labor, materials, and equipment performed or furnished by it except for retention withheld, changes pending approval, disputed items and claims, or items furnished or invoiced after the date specified.

FINAL:

☐ I have been paid **the full and final amount due** for all materials, labor and/or equipment for this project.

OR

☐ Upon receipt of the sum of \$ _____ [Enter amount due], I will be paid **the full and final** payment for all materials, labor and/or equipment for this project.

This document waives and releases any and all lien or claim of, or right to, a lien, and all payment bond rights against the Project for any and all services, work, labor, materials, and equipment performed or furnished by it.

Claimant warrants and represents that all persons, partnerships, firms, entities, or corporations, including, without limitation, all subcontractors or suppliers, who have furnished labor, materials and/or equipment to Claimant for use in the improvements to the project premises have been paid in full.

The person executing this release is an authorized officer of Claimant, has personal knowledge of all the matters set forth, and is duly authorized to execute this Waiver of Lien and bind Claimant.

The provisions hereof shall be for the benefit of David E. Looper & Company, Inc. and all other persons having an interest in the premises and their respective successors and assigns.

This the _____ day of _____, 20____.

Name of Claimant: _____

By: _____

Print Name & Title: _____

State of: _____ **County of:** _____

Sworn and subscribed before me this _____ day of _____, 20____.

Notary Public

My Commission Expires: _____

(S E A L)





Should I just forward / email the lien waiver to Delco without looking at it?

No. Please review the lien waiver for completeness and accuracy.

Who do I email the lien waiver to after it's returned to me?

Email the completed lien waiver to AP@delcompany.com.

Who can I talk to if I have a question?

You can call anyone in our Accounts Payable department with your questions. Gloria, Jane, or Flynn will be happy to talk to you!

828-324-1284





MISSION

OUR MISSION:

To promote a seamless
& positive experience
with excellence and
innovation.



VALUES

OUR VALUES:

- Everyone home safely, every day
- Customer satisfaction at the heart of everything we do
- Long-term relationships
- Unwavering commitment to honesty and integrity
- Highest respect for our clients and colleagues
- Teamwork and team continuity



VISION

OUR VISION:

Dedication to the success
of our clients, our people
and our project partners

Corporate Office:
320 15th Street, SE
Hickory, NC 28602

South Carolina Office:
2089 Wambaw Creek Rd, Unit 2
Charleston, SC 29492