



## Exhibit "E"

TO: W. L. Butler Construction, Inc., Subcontractors on Costco Projects

FROM: W. L. Butler Construction, Inc.

RE: Immigration Laws

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You ("Service Provider") have been retained by W. L. Butler Construction, Inc., to perform certain services (the "Work") related to a project for Costco Wholesale Corporation ("Costco") pursuant to either a written or oral agreement. The purpose of this memo is to remind you that we require you and your agents, representatives, and subcontractors (referred to collectively, including Service Provider, as "Providers") to comply with all immigration laws in connection with the Work. We also want to inform you that Costco has implemented a prevailing wage policy that requires all Providers to pay their employees at least 90% of "prevailing wage," when the employees work on its account. Costco defines "prevailing wage" to mean the hourly rate customarily paid for similar work in your local trade area by competitive service providers that fully comply with the law.

1. Service Provider and all other Providers shall comply with all immigration laws, and shall not allow any illegal immigrants to perform the Work;
2. To the best of Service Provider's knowledge, the Providers performing the Work (i) comply with Costco's prevailing wage policy and all immigration laws; and (ii) do not utilize illegal immigrants to perform the Work;
3. It shall be a breach of the agreement between Service Provider and W. L. Butler Construction, Inc., and between Service Provider and Costco, and grounds for immediate termination, if any of the Providers (i) violate Costco's prevailing wage policy; or (ii) utilize illegal immigrants to perform the Work or otherwise violate immigration laws; and
4. Service Provider shall indemnify, defend and hold both Costco and W. L. Butler Construction, Inc., harmless from all claims, actions, liabilities, damages, losses, fines penalties, costs and expenses, including attorneys' fees, arising out of any Provider's use of illegal immigrants to perform the Work, out of any other violation of immigration laws, and/or out of any violation of Costco's prevailing wage policy or any prevailing wage laws.



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### FAIR WAGES POLICY:

The General Contractor, each subcontractor and subcontractors of every tier (hereinafter referred to as 'Contractor and all subcontractors') shall pay "Fair Wages" to each of its employees. Contractor and all subcontractors shall use their best commercially reasonable efforts to ensure that each employee receives Fair Wages, as defined below, and shall incorporate this Fair Wage and Safety Policy into each contract of the Contract and all subcontractors.

"Fair Wages" shall mean not less than 90% of the general prevailing hourly wage rate, excluding (1) the hourly fringe benefits amount and (ii) the holiday and vacation pay for the carpenters and sheet metal workers. The amount so calculated will be referred to as the "Costco Wholesale Hourly Wage Rate." In calculating the Costco Wholesale Hourly Wage Rate, the contractor and all subcontractors shall rely on the most current Davis-Bacon Act prevailing wage determinations for each craft, classifications or type of workman needed as amended for this applicable job locality.

The contractor and all subcontractors shall also pay hourly "Fringe Benefits" to all employees in addition to the Costco Wholesale Hourly Wage Rate. Fringe Benefits include a health and medical care family plan, holiday and vacation pay, profit sharing and pension. The adequacy of the Fringe Benefits paid shall be determined in the sole discretion of Costco Wholesale and will be compared with other plans for the locality and the hourly fringe benefits amount under the current Davis-Bacon Act for each craft, classification or type of workman needed, as amended for the applicable job locality.

The contractor and all subcontractors shall, upon written request of Costco Wholesale, provide Costco Wholesale with a certified payroll for the work performed, showing the wages and Fringe Benefits paid for the work done by the Contractor and all subcontractors.

The contractor and all subcontractors shall, upon written request of Costco Wholesale, provide Costco Wholesale, provide Costco Wholesale with certified descriptions of all Fringe Benefits available to its employees.

The contractor acknowledges and agrees that the purpose of wage and fringe benefits information is to allow Costco Wholesale to verify the Contractor's compliance with the Fair Wage and Safety Policy described above. In the event that Costco Wholesale determined that the Contractor or any of its subcontractors of every tier is not in compliance with the Fair Wage and Safety Policy stated above, Costco Wholesale shall have the right to terminate the contractor and/or any subcontractor of any tier, if, after notice, the Contractor or subcontractors does not comply promptly, to the full satisfaction of Costco Wholesale.