

then MERCANTILE'S notice shall specify the bearing capacities and characteristics on which MERCANTILE'S design will be based.

2.7 FINAL SOIL TESTS. DEVELOPER shall deliver to MERCANTILE before the date set forth in Clause I (7) of Exhibit E, a report from a recognized professional Soils Engineer acceptable to MERCANTILE setting forth the results of soil tests made, following the preparation of the building pad for MERCANTILE BUILDING, on ENTIRE PREMISES and on at least 10 positions within MERCANTILE TRACT. Borings shall be 50 feet deep or to refusal. If rock is encountered and is to be used for bearing, a minimum of three rock test borings will be made to determined competence. The Soils Engineer shall submit three copies of his report showing, as a minimum, the following:

- (i) the Soils Engineer's boring plan, boring log, existing grade elevations, soil classification, and any laboratory test results;
- (ii) the compaction achieved and the safe allowable soil bearing pressure (specify net or gross) which can be used for foundation design under (a) individual spread footings, (b) continuous wall footings (the recommended bearing value must result in acceptable settlement, both individually and differentially);
- (iii) the recommended minimum size of spread footings and minimum width of wall footings;
- (iv) if piling is required, the recommended allowable loads, the recommended lengths and types of piles to develop these loads, and the recommended allowable lateral loads per pile;
- (v) specify any compaction procedures or tests which may be required on soil under the floor slab, and specify its load bearing capacity;
- (vi) any changes from the original conditions as previously reported in the preliminary soils report.

DEVELOPER warrants that MERCANTILE may rely upon the information contained in the preliminary soil test report to design its footings and structure, and further warrants that the grading operation on MERCANTILE TRACT will result in a building pad for MERCANTILE BUILDING having the bearing capacities and characteristics on which MERCANTILE design is based and of which MERCANTILE has notified DEVELOPER as outlined in 2.6. DEVELOPER covenants and agrees that if the final soil tests should show that the grading operation failed to produce the stipulated bearing capacities and characteristics, DEVELOPER shall, on demand, reimburse MERCANTILE for any costs

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