

MASTER SUBCONTRACT AGREEMENT

This Master Subcontract Agreement ("Subcontract"), made this _____ day of _____, 20____ by and between _____ (hereinafter "Contractor"), with an office and principal place of business at _____ and _____ (hereinafter "Subcontractor") with an office and principal place of business at _____ (hereinafter collectively "Parties").

WITNESSETH:

WHEREAS, Contractor contemplates that from time to time it will enter into prime construction contracts with various clients ("Owner") for the performance of certain construction services with respect to certain projects (each "Project"); and

WHEREAS, Contractor desires to enter into a master subcontract agreement with Subcontractor whereby Contractor at its discretion may from time to time contract with Subcontractor, and Subcontractor desires to perform said work at the prices and upon the terms and conditions hereinafter expressed;

NOW, THEREFORE, in consideration of the mutual agreements herein expressed, the Parties contract, covenant and agree as follows:

1. Scope of the Subcontract

a. The Contractor and Subcontractor agree that this Subcontract is a non-exclusive master agreement and that the Subcontractor may perform construction or similar services for others and the Contractor may engage others to perform similar construction services during the term of this Agreement as defined herein. However, in no event shall Subcontractor perform any other services that would constitute a conflict of interest with its performance on behalf of the Contractor hereunder. At the sole discretion of the Contractor, and without any guarantee as to the number of Projects, if any, in which it may be involved hereunder, the Contractor may from time to time authorize the Subcontractor to perform certain construction services ("Work") for the Contractor pursuant to this Agreement but only upon the execution by Contractor and Subcontractor of a work order ("Work Order") in a form attached hereto as **Exhibit A**. This Subcontract does not require either the Contractor or Subcontractor to issue or accept any particular Work Order; however, if fully executed, each Work Order shall be governed by the terms and conditions of the Subcontract, as it may be amended by mutual agreement, and whether or not the Work Order specifically refers to it.

b. Work Order means each document that is executed by Contractor and Subcontractor during the term of this Agreement, which contains the description of a specific Project with respect to which Services are to be performed, the precise scope of the Services to be performed, a detailed description of the Project site, and the details of compensation. Upon request by the Contractor to the Subcontractor for a proposal to perform Services for a particular Project, the Subcontractor will promptly prepare and sign a proposed Work Order in the form substantially similar to **Exhibit A**. The proposed Work Order will constitute an offer by the Subcontractor and shall be forwarded to the Contractor for its review and acceptance. Only upon acceptance of

the Work Order, as evidenced by the written endorsement of an authorized Contractor's representative, will the Subcontractor be authorized to proceed with performance of the Services as identified therein. Any Work Order, prepared and executed as required by this Agreement, shall be deemed incorporated into and made a part of this Subcontract, as of the date and time as executed by the Parties, and shall constitute a separate and individually enforceable undertaking governed by the terms of this Subcontract. Each Work Order shall specifically reference this Subcontract and shall incorporate by reference all the provisions of this Subcontract, except to the extent expressly and specifically modified by the terms of the individual Work Order.

c. The term (hereinafter "Term") of this Subcontract shall be () year(s) from the date of its execution unless terminated by the Contractor earlier in accordance with the Subcontract. At the Contractor's sole option, the Subcontract may be deemed renewed for an additional one (1) year period upon expiration of the aforementioned Term unless the Subcontractor notifies the Contractor in writing, no later than ninety (90) days prior to the scheduled expiration date, of its request that the Subcontract not be renewed.

d. The Contract Documents as referred to in this Subcontract shall refer to those drawings, plans and specifications and other documentation identified in each individual Work Order to be the Contract Documents for the particular Project that is the subject of said Work Order.

2. Subcontractor's Work

a. Subcontractor shall perform all work and shall furnish all supervision, labor, materials, plant, hoisting, scaffolding, tools, equipment, supplies and all other things necessary for the construction and completion of the work described in each individual Work Order, including work incidental thereto and reasonably inferable therefrom, in strict accordance and full compliance with the terms of this Subcontract, and to the satisfaction of Contractor and the Owner (hereinafter "Work").

b. With respect to the Work covered by this Subcontract and any individual Work Order, and except as expressly modified herein, Subcontractor shall have all rights which Contractor has under the Contract Documents, and Subcontractor shall assume all obligations, risks and responsibilities which Contractor has assumed towards the Owner, and third parties as applicable, in the Contract Documents, and Subcontractor shall be bound to Contractor in the same manner and to the same extent that Contractor is bound to the Owner or said third parties.

c. In case of a conflict between this Subcontract Agreement and the Contract Documents as incorporated herein, pursuant to each Work Order, the terms of the Work Order shall prevail. To the extent relevant to their respective scopes of work, Subcontractor shall ensure that each of its subcontractors and suppliers are bound to the terms of this Subcontract Agreement and the Contract Documents.

d. Subcontractor shall assume sole responsibility for and shall perform, or cause to be performed, all special inspections and testing required by any applicable building code, regulations, or the Contract Documents relative to the Subcontractor's Scope of Work for each

Project. To the fullest extent permitted by law, Subcontractor shall be liable to Contractor for any and all liability, costs, expenses, fines, penalties, and attorney's fees resulting from its failure to fully and properly perform such duties.

e. Subcontractor shall secure and pay for all permits, fees and licenses necessary for the proper execution and completion of the Work.

3. Payment

a. Contractor shall pay Subcontractor for performance of the Work, subject to additions and deductions by written change order, a lump sum which shall be calculated and agreed by the Parties in each individual Work Order.

b. Partial payment shall be due Subcontractor in the amount of % of the value of the Work in place, and for which payment has been made to Contractor by Owner. However, if Contractor does not receive payment from the Owner for Work performed by Subcontractor without the fault of Subcontractor then within a reasonable time, which is agreed to be no less than ninety (90) days after the date payment was due to Contractor by Owner, Contractor shall pay Subcontractor for Work performed in accordance with the Subcontract. If the Contract Documents allow Contractor partial payments for stored materials, partial payments shall also be due Subcontractor in the amount of % of stored materials for which payment has been made to Contractor by Owner. Within fifteen (15) days of execution of each Work Order, and prior to submission of any payment application, Subcontractor shall submit a breakdown of the total Subcontract Price for the subject Project in a form and with detail that is acceptable to Contractor. In the event Contractor disapproves said breakdown, Contractor shall establish a reasonable breakdown which shall serve as the basis for partial payments.

c. Partial payments shall be due seven (7) days following receipt of payment from Owner by Contractor. No partial payment made under this Subcontract shall be considered an acceptance of the Work in whole or in part. All material and Work covered by partial payments shall become the property of Contractor, or, if the Contract Documents so provide, the property of Owner immediately upon approval of payment; however, this provision shall not relieve Subcontractor of its responsibility for all Work as provided in Article 4.

d. Subcontractor shall not apply for payment of any sums on account of Work performed by any sub-subcontractor or its vendor(s) unless it intends to immediately pay such sums to it/them. The Subcontractor shall pay any amounts to its sub-contractors or vendors, whether for labor performed or materials furnished, within thirty (30) days after the Subcontractor receives payment from Contractor, which payment encompasses labor or material furnished by such sub-contractor, supplier or vendor. After the first partial payment hereunder, Contractor shall have the right to withhold any subsequent partial payments until Subcontractor submits evidence satisfactory to Contractor that all previous amounts owed in connection with performance of this Subcontract have been paid. In addition to the requirements for payment in the Contract Documents, as requested by

Contractor, Subcontractor may be required to furnish with any payment application (a) an affidavit stating that all obligations directly or indirectly related to any payment have been paid, (b) a waiver of lien rights and claim rights under any payment surety bond provided by Contractor, for all work performed on and material provided to the Project through the date of said payment application, all in a form acceptable to Contractor, and (c) certified copies of payrolls of Subcontractor and its subcontractors.

e. Final payment, including any retainage withheld under Paragraph 2.b., shall be made after (i) Subcontractor's Work has been accepted by Owner and Contractor, (ii) execution and delivery of a complete and final release of Contractor, Owner, Architect and Contractor's surety, if any, and a waiver of lien rights, or a release of any filed liens, in a form acceptable to Contractor from all persons or entities furnishing labor and/or materials in the performance of the Subcontract, (iii) satisfactory proof of payment of all amounts owed by Subcontractor in connection with this Subcontract has been provided, (iv) written consent of Subcontractor's surety has been received, (v) the Subcontractor's Work is complete, (vi) Subcontractor has provided warranties required by the Contract Documents, (vii) submission of such other documents or instruments as Contractor may reasonably require or which are required by the Contract Documents or Work Order, (viii) production of proof that the insurance coverage required by this Subcontract and **Exhibit B** has been procured and is in force and (ix) Contractor has been paid in full by Owner for the Subcontractor's Work. Final payment shall constitute a waiver of all claims by Subcontractor arising out of the Work or Subcontract with respect to the individual Project.

f. Subcontractor accepts sole and exclusive liability for all taxes and contributions required of Subcontractor by federal, state or local laws or regulations, including, without limitation, the Federal Social Security Act and the Unemployment Compensation Law or similar laws in any state with respect to the employees of Subcontractor and the performance of the Work.

g. Contractor may withhold from any payment, including final payment, such amount as Contractor, in its discretion, deems reasonably necessary to protect itself against any actual or potential liability (including attorney's fees and costs) or damage directly or indirectly relating to the Subcontract arising from, or alleged to arise from, any act or omission by Subcontractor, regardless of whether or not the Owner has actually withheld payment from the Contractor.

4. Indemnification and Subcontractor's Liability

a. Subcontractor hereby assumes the entire responsibility and liability for all Work, supervision, labor and materials provided under any Work Order issued pursuant to this Subcontract, whether or not erected in place, and for all plant, scaffolding, tools, equipment, supplies and other things provided by Subcontractor until final acceptance of the entirety of the Work by Owner. In the event of any loss, damage or destruction thereof from any cause, Subcontractor shall be liable therefor, and shall repair, rebuild and make good said loss, damage or destruction at Subcontractor's cost, subject only to the extent that any

net proceeds are payable under any builder's risk property insurance that may be maintained by Owner or Contractor, if any.

b. Subcontractor shall be liable to Contractor for all costs Contractor incurs as a result of any failure of Subcontractor, or any of its suppliers or subcontractors of any tier, to fully and properly perform their obligations and duties with respect to the Work.

c. To the fullest extent permitted by law, the Subcontractor shall indemnify, defend, and hold harmless the Contractor, Owner and their respective officers, directors, employees and agents ("Indemnified Parties") from and against all claims, damages, demands, losses, expenses, fines, causes of action, suits or other liabilities, (including all costs reasonable attorneys' fees, consequential damages, and punitive damages), arising out of or resulting from, or alleged to arise out of or arise from, the performance of Subcontractor's Work under the Subcontract, and any Work Order whether such claim, damage, demand, loss or expense is attributable to bodily injury, personal injury, sickness, disease or death, or to injury to or destruction of tangible property, including the loss of use resulting therefrom; but only to the extent attributable to the negligence of the Subcontractor or any entity for which it is legally responsible or vicariously liable, regardless whether the claim is presented by an employee of Subcontractor.

d. To the fullest extent permitted by law, the Subcontractor shall also indemnify, defend, and hold harmless the Indemnified Parties from and against all claims, damages, demands, losses, expenses, fines, causes of action, suits or other liabilities, (including all costs reasonable attorneys' fees, consequential damages, and punitive damages), arising out of or resulting from, or alleged to arise out of, the failure of Subcontractor, or any of its suppliers or subcontractors of any tier, to compensate any of its employees or independent contractors in accordance with any applicable federal, state or local law regarding the payment of wages.

e. The indemnity obligations referenced herein shall not be construed to negate, abridge or otherwise limit any other obligations of the Subcontractor or rights of Contractor hereunder. This indemnification shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Subcontractor under any workers' compensation acts, disability benefits acts or other employee benefits acts. This indemnification shall be in addition to any indemnity liability imposed by the Contract Documents, and shall survive the completion of the Work or the termination of the Subcontract.

f. Subcontractor's assumption of liability is independent from, and not limited in any manner by, the Subcontractor's insurance coverage obtained pursuant to Article 5, or otherwise.

5. Subcontractor's Insurance

a. Prior to commencing the Work, Subcontractor shall procure, and thereafter maintain, at its own expense, until final acceptance of the Work or later as required by the terms of the Subcontract or any individual Work Order, insurance coverage required by the Contract Documents and this Subcontract. At a minimum, and subject to

modification in individual Work Orders, the types of insurance and at least the minimum policy limits specified in **Exhibit B** shall be maintained in a form and from insurers acceptable to Contractor. All insurers shall have at least an A- (excellent) rating by A.M. Best and be qualified to do business in the state where the project is located.

6. Time of Performance

a. Subcontractor will commence Work when directed by Contractor and will proceed with the Work in a prompt and diligent manner in accordance with the Project Schedule attached to the individual Work Order, as such Schedule may be amended from time to time by Contractor. TIME IS OF THE ESSENCE. Subcontractor shall be entitled to additional compensation for compliance with Schedule amendments only to the extent, if any, that Contractor receives reimbursement from the Owner.

b. Subcontractor shall submit a detailed schedule for performance of the Work for each Project, in a form acceptable to Contractor, which shall comply with all scheduling requirements of the Contract Documents and with Paragraph 6.a. above. Contractor may, at its sole discretion, direct Subcontractor to make reasonable modifications and revisions in said schedule.

c. Subcontractor will coordinate its Work with the work of Contractor, other subcontractors, and Owner's other builders, if any, so no delays or interference will occur in the completion of any part or all of the Project.

7. Changes and Claims

a. Contractor may, at any time, unilaterally or by agreement with Subcontractor, and without notice to the sureties, make changes in the Work. Any unilateral order, or agreement, under this Paragraph 7.a. shall be in writing, unless an emergency requires Subcontractor to proceed without a written order. Subcontractor shall immediately perform the Work as changed without delay.

b. Subcontractor shall submit in writing to Contractor, along with substantiating evidence deemed satisfactory by Contractor, any claims for adjustment in the Subcontract Price, Project Schedule or other provisions of the Work Order claimed by Subcontractor for changes directed by Owner, or for damages for which the Owner is liable, or as a result of deficiencies or discrepancies in the Contract Documents ("Owner Claims"), at least five (5) business days prior to the time specified in the Contract Documents, otherwise such claims are waived. Contractor shall process said Owner Claims according to the provisions of the Contract Documents so as to protect the interests of Subcontractor and others, including Contractor. Subcontract adjustments shall be made only to the extent that Contractor receives relief from or must grant relief to Owner and then only based on Subcontractor's allocable share of such relief. Subcontractor's allocable share shall be determined by Contractor, after allowance of Contractor's normal overhead, profit and other interest in any recovery, by making a reasonable apportionment, if applicable, among Subcontractor, Contractor and other subcontractors or persons with interests in the adjustment. In no event shall the Contractor become or be liable to the

Subcontractor on account of any such Owner Claims in excess of the amount actually received by Contractor from Owner on account of such claim. It is expressly acknowledged that receipt of payment by Contractor from Owner on account of any such Subcontractor's Owner Claims is an express condition precedent to any obligation of Contractor to pay such claims. This paragraph will also cover other equitable adjustments or other relief allowed by the Contract Documents.

c. For changes ordered by Contractor independent of Owner or the Contract Documents, Subcontractor shall be entitled to an equitable adjustment of the Subcontract Price or Project Schedule, or both, to the extent that impact can be substantiated to the Contractor's satisfaction based on the unit rates set forth on **Exhibit C** or Project Schedule, or both, to the extent that Subcontractor can substantiate, to Contractor's satisfaction, material impact to its Work as a result of such changes.

d. Pending resolution of any claim, dispute or other controversy, nothing shall excuse Subcontractor from proceeding with prosecution of the Work.

8. Failures to Perform

a. If, in the opinion of Contractor, Subcontractor shall at any time (1) refuse or fail to provide sufficient properly skilled workmen or materials of the proper quality, (2) fail in any respect to prosecute the Work according to the Project Schedule, (3) stop, delay, or interfere with the work of Contractor or any other builder or subcontractor, (4) fail to comply with all provisions of this Subcontract, an individual Work Order or the Contract Documents as incorporated therein, (5) be adjudged a bankrupt, or make a general assignment for the benefit of its creditors, (6) have a receiver appointed, or (7) become insolvent or a debtor in reorganization proceedings, then, after serving three (3) days written notice, unless the condition specified in such notice shall have been eliminated within such three (3) days, the Contractor may at its option (i) without voiding the other provisions of the Subcontract and without notice to the sureties, take such steps as are necessary to overcome the condition, in which case the Subcontractor shall be liable to Contractor for the cost thereof; (ii) terminate for default the Subcontractor's right to proceed under the Subcontract or the Work Order, or both, or (iii) seek specific performance of Subcontractor's obligations, it being agreed by Subcontractor that specific performance may be necessary to avoid irreparable harm to Contractor and/or Owner.

b. In the event of termination for default, Contractor may, at its option, (1) enter on the premises and take possession, for the purpose of completing the Work, of all materials and equipment of Subcontractor, (2) require Subcontractor to assign to Contractor any or all of its subcontracts or purchase orders involving the Project or other Projects in the event of a termination of the Subcontract; or (3) complete the Work either by itself, or through others, by whatever method Contractor may deem expedient. In case of termination for default, Subcontractor shall not be entitled to receive any further payment until all Work shall be fully completed and accepted by Owner.

c. If the Owner terminates any portion of the prime agreement with Contractor which includes the Work which is the subject of an individual Work Order, then the Subcontract shall be similarly terminated

and Subcontractor shall be entitled to such relief as may be granted to Contractor on Subcontractor's behalf consistent with Articles 1, 7 and 8 of the Subcontract.

d. In the event of termination for default or any other reason, the provisions of this Subcontract concerning the subcontractor's liability, indemnity and insurance obligations shall remain in full force and effect in conformance with and for the period(s) specified in those provisions.

9. Settlement of Disputes

a. In case of any dispute between Contractor and Subcontractor, due to any Owner Claims, any act or omission of Owner or any entity for which the Owner is responsible, or involving the Contract Documents, Subcontractor agrees, to the same extent that Contractor is bound to Owner, to be bound by the terms of the Contract Documents, and by any and all preliminary and final decisions or determinations made thereunder by the party, board or court so authorized in the Contract Documents or by law, whether or not Subcontractor is a party to such proceedings. In case of such dispute, Subcontractor will comply with all provisions of the Contract Documents allowing a reasonable time for Contractor to analyze and forward to Owner any required communications or documentation. Contractor will, at its sole option (1) present to Owner, in Contractor's name, or (2) authorize Subcontractor to present to Owner, in Contractor's name, all of Subcontractor's claims and answer Owner's claims involving Subcontractor's Work, whenever Contractor is permitted to do so by the terms of the Contract Documents. If such dispute is prosecuted or defended by Contractor, Subcontractor agrees to furnish all documents, statements, witnesses, and other information required, and to pay for all costs, including attorneys' fees, incurred in connection therewith. The Subcontract Price shall be adjusted by Subcontractor's allocable share determined in accordance with Article 7 hereof.

b. With respect to any controversy between Contractor and Subcontractor not involving the Owner, the Contract Documents or an Owner Claim, Contractor shall issue a decision which shall be final and binding unless, within five (5) days of receipt, the Subcontractor files a notification in writing of its intent to litigate the controversy in accordance with Paragraph 9.d. Notification of any such claim under this Paragraph 9.b. must be submitted in writing within ten (10) days of Subcontractor's awareness of the facts underlying the claim. Failure of Subcontractor to submit timely its notice of claim or notice of intent to litigate shall constitute an absolute bar and complete waiver of Subcontractor's right to recover on account of such claim.

c. Subject to Subcontractor's compliance with such notice requirements, either party may request non-binding mediation of non-Owner Claims with a mediator to be agreed upon by the parties, and shall pursue resolution of their dispute in good faith through such mediation. If the Parties cannot agree upon a mediator, they shall submit the dispute to the American Arbitration Association for non-binding mediation pursuant to its rules. Any such mediation shall take place in the place where the Project is located. Any mediation costs shall be equally borne by the parties.

d. Anything to the contrary in the Contract Documents notwithstanding, any controversy between Contractor and Subcontractor not involving Owner, the Contract Documents, or an Owner Claim and which is not amicably resolved by the Parties will be submitted to either: **(Check the appropriate box.)**

(1) a court of competent jurisdiction in the State of _____; or, (2) arbitration pursuant to the Construction Industry Rules of the American Arbitration Association to be conducted at the place where the Project is located. The prevailing party in any litigation/arbitration shall be entitled to recover reasonable attorney's fees, costs and expenses incurred in connection with the litigation.

10. Termination for Convenience

a. Contractor shall have the right to terminate this Subcontract, or any Work Order issued hereunder, in whole or part, for its own convenience and regardless whether there is a termination of Contractor's contract with Owner, by providing Subcontractor with a written notice of termination, to be effective upon receipt by Subcontractor.

b. If the Subcontract or any Work Order is terminated for convenience, the Subcontractor shall be paid the amount representing costs which are due from the Owner for its Work, as provided in the Contract Documents, after payment therefore by the Owner to Contractor. The Subcontractor's remedy under this Article 10 shall be exclusive and in no event will Subcontractor be entitled to recovery of any anticipatory profits or damages.

11. Assignment

a. Subcontractor shall not subcontract any portion of the Work or the Subcontract and shall not assign or transfer this Subcontract or any Work Order, or funds due thereunder, without the prior, written consent of Contractor and Subcontractor's surety.

b. Contractor may assign the Subcontract or any Work Order without prejudice to its rights under the Subcontract, Work Order, or any surety bond issued with respect thereto.

12. Safety

The Contractor makes no representation with respect to the physical conditions or safety of any Project Site. The Subcontractor shall, at its own expense, preserve and protect from injury its employees engaged in the performance of the Work and all property and persons which may be affected by its operations in performing the Work. The prevention of accidents and/or exposure of workers and others to hazardous materials is the responsibility of Subcontractor and Subcontractor shall comply with all safety measures initiated by Contractor and all federal, state, labor and local laws, regulations and codes concerning safety as shall be applicable to the Work and to the safety standards established by Contractor during the progress of the Work. Subcontractor shall notify Contractor within three (3) days of any injury to an employee or agent of Subcontractor that occurred at the Project Site. Subcontractor shall indemnify, defend and hold harmless Contractor, Owner and their respective officers, directors, agents and

employees from any costs, expenses or liability (including attorneys' fees, fines or penalties) arising out of the Subcontractor's failure to comply with the aforesaid laws, regulations and codes.

13. Bonds

Within ten (10) days of execution of any individual Work Order, the Subcontractor shall ☐ or shall not ☐ furnish at Subcontractor's expense a Performance and Payment Bond each in the full amount of the Work which is the subject of the Work Order and in accordance with the forms attached as **Exhibit D** and in accordance with the rates set forth on **Exhibit C**. The bond form and the surety shall be acceptable to the Contractor. Failure to deliver such bonds is a material breach of this Subcontract.

14. Clean-up

Subcontractor shall clean up the areas used by Subcontractor for its Work on a daily basis and remove from each Project site, or to a specified location on the Project site as directed by Contractor, and in a manner that will not impede either the progress of the Project or of other trades, all rubbish, waste material, excess material and debris resulting from the Work.

15. Governing Law

This Subcontract shall be governed by and construed in accordance with the laws of the State of _____ without regard to conflict of law principles.

16. Presumption Arising From Authorship

Both Parties have had the opportunity to review this Subcontract with counsel and negotiate before signing this Subcontract. Therefore, there will be no presumption for or against either of the Parties arising out of the drafting of the Subcontract.

IN WITNESS WHEREOF, the Parties, by their duly authorized representatives, have hereunto executed this Subcontract, on the day and year first above written.

Exhibits:

- A - Work Order
- B - Insurance Provisions
- C - Schedule of Unit Rates
- D- Bonds

SUBCONTRACTOR:

By: _____

Name:

Title:

Date:

WITNESS: _____

CONTRACTOR:

By: _____

Name:

Title:

Date:

WITNESS: _____

Release: 3/2019

Subcontrtor Initial & Date		
_____	/	/

EXHIBIT A
WORK ORDER FORM NO.

Date:

Project:

Owner:

Dear _____:

_____ ("Contractor") would like _____ ("Subcontractor") to perform certain construction services for the above identified Project in accordance with the scope of work as set forth below ("Work"). This Work Order is being issued in accordance with that certain Master Subcontract Agreement dated as entered into between Contractor and Subcontractor ("Master Agreement").

The Work must be completed in accordance with the following Project Schedule:

Compensation:

The Contractor shall pay the Subcontractor, subject to the terms of this Work Order, the liquidated sum of _____ Dollars (\$) inclusive of any and all Reimbursable Expenses.

Scope of Work:

The following Work is required to be performed pursuant to this Work Order:

Contract Documents:

The Contract Documents include the following:

CONTRACTOR

By: _____

Name:

Title:

SUBCONTRACTOR

By: _____

Name:

Title:

EXHIBIT B: INSURANCE PROVISIONS
SUBCONTRACTOR'S INSURANCE

Before commencing the Work on any individual Project, and as a condition precedent to any payment, the Subcontractor shall purchase and maintain insurance in conformance with the provisions contained in this **Exhibit B**. This insurance will provide a defense and indemnify the Contractor, but only with respect to liability for bodily injury, property damage and personal and advertising injury caused in whole or in part by the Subcontractor's acts or omissions or the acts or omissions of those acting on the Subcontractor's behalf.

Proof of this insurance shall be provided to the Contractor before the Work commences, as set forth below. To the extent that the Subcontractor subcontracts with any other entity or individual to perform all or part of the Subcontractor's Work, the Subcontractor shall require the other Sub-Subcontractors to furnish evidence of equivalent insurance coverage, in all respects, terms and conditions as set forth herein, prior to the commencement of work by the Sub-Subcontractor. In no event shall the failure to provide this proof, prior to the commencement of the Work, be deemed a waiver by the Contractor of Subcontractor's or the Sub-Subcontractor's insurance obligations set forth herein.

In the event that the insurance company(ies) issuing the policy(ies) required by this exhibit deny coverage to the Contractor, the Subcontractor or the Sub-Subcontractor will, upon demand by the Contractor, defend and indemnify the Contractor at the Subcontractor's or Sub-Subcontractor's expense.

MINIMUM LIMITS OF LIABILITY

The Subcontractor must maintain the required insurance with a carrier rated A- or better by A. M. Best. The Subcontractor shall maintain at least the limits of liability as set forth below:

Commercial General Liability Insurance

\$1,000,000 Each Occurrence Limit (Bodily Injury and Property Damage)

\$2,000,000 General Aggregate per Project

\$2,000,000 Products & Completed Operations Aggregate

\$1,000,000 Personal and Advertising Injury Limit

Business or Commercial Automobile Liability Insurance

\$1,000,000 combined single limit per accident

Workers' Compensation and Employers' Liability Insurance (at the limit chosen in the drop down box below)

\$100,000 Each Accident; \$100,000 Each Employee for Injury by Disease; \$500,000 Aggregate for Injury by Disease

Excess or Umbrella Liability (to overlay Employer's Liability, Automobile Liability and Commercial General Liability coverages at the limit chosen in the drop down box below).

\$1,000,000 Occurrence /aggregate

Additional Insured Status and Certificate of Insurance

The Contractor and Owner, along with their respective officers, agents and employees, shall be named as additional insureds for Ongoing Operations and Products/Completed Operations on the Subcontractor's and any Sub-Subcontractor's Commercial General Liability Policy and Excess or Umbrella Policy, all of which must be primary and noncontributory with respect to the additional insureds. This insurance shall remain in effect as set forth below, in the "Continuation of Coverage" provision.

The Contractor and Owner, along with their respective officers, agents and employees shall be named as additional Insureds on the Business or Commercial Automobile Liability Policy, which must be primary and noncontributory with respect to these additional insureds. It is expressly understood by the parties to this Subcontract that it is the intent of the Parties that any insurance obtained by the Contractor is deemed excess, non-contributory and not co-primary in relation to the coverage(s) procured by the Subcontractor, the Sub-Subcontractor or any of their respective consultants, officers, agents, subcontractors, employees or anyone directly or indirectly employed by any of them, or by anyone for whose acts any of the aforementioned may be liable by operation of statute, government regulation or applicable case law.

The Contractor's Commercial General Liability policy shall not contain an exclusion or restriction of coverage for the following:

1. Claims by one insured against another insured, if the exclusion or restriction is based solely on the fact that the claimant is an insured, and there would otherwise be coverage for the claim.
2. Claims for property damage to the Contractor's Work arising out of the products-completed operations hazard where the damaged Work or the Work out of which the damage arises was performed by a Subcontractor.
3. Claims for bodily injury other than to employees of the insured.

4. Claims for indemnity under Article 4 Indemnification arising out of injury to employees of the insured.
5. Claims or loss excluded under a prior work endorsement or other similar exclusionary language.
6. Claims or loss due to physical damage under a prior injury endorsement or similar exclusionary language.
7. Claims related to residential, multi-family, or other habitational projects, if the Work is to be performed on such a project.
8. Claims related to roofing, if the Work involves roofing.
9. Claims related to exterior insulation finish systems (EIFS), synthetic stucco or similar exterior coatings or surfaces, if the Work Involves such coatings or surfaces.
10. Claims related to earth subsidence or movement, where the Work involves such hazards.
11. Claims related to explosion, collapse and underground hazards, where the Work involves such hazards.

To the fullest extent permitted by applicable state law, a Waiver of Subrogation Clause shall be added to the General Liability, Automobile, Excess or Umbrella and Workers Compensation policies in favor of Contractor and Owner, and this clause shall apply to the Contractor's and Owner's officers, agents and employees, with respect to all Projects during the policy term.

Prior to commencement of Work on any individual Project, Subcontractor shall submit a Certificate of Insurance in favor of Contractor and an Additional Insured Endorsement (in a form acceptable to the Contractor) as required hereunder. The Subcontractor's Insurance policies shall provide for thirty (30) days' notice to Contractor for cancellation or any change in coverage and be evidenced by the Certificate of Insurance. Copies of insurance policies shall promptly be made available to the Contractor upon request.

NO LIMITATION ON LIABILITY

With regard to any and all claims against any additional insured by any employee of the Subcontractor, anyone directly or indirectly employed by the Subcontractor or anyone for whose acts the Subcontractor may be liable, the indemnification obligation shall not be limited by any limitation on the amount or type of damages, compensation or benefits payable by or for the Subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts.

CANCELLATION, RENEWAL AND MODIFICATION

The Subcontractor shall maintain in effect all insurance coverages required under this Subcontract at the Subcontractor's sole expense, underwritten by insurance companies acceptable to the Contractor, until final completion and acceptance of the entirety of the Subcontract Work; or longer if so provided in the Work Order such as with respect to completed operations coverage. Certificates of insurance showing required coverage to be in force must be delivered to the Contractor prior to commencement of the Subcontract Work for an individual Project. In the event the Subcontractor fails to obtain or maintain any insurance coverage required under this Subcontract, this shall be considered a material breach of the Subcontract, entitling the Contractor, at its sole discretion, to purchase such equivalent coverage as desired for the Contractor's benefit and charge the expense to the Subcontractor, or, in the alternative, exercise all remedies otherwise provided in the Subcontract, the Work Order, or as permitted by law or equity.

CONTINUATION OF COVERAGE

The Subcontractor shall continue to carry Completed Operations Liability Insurance for at least the length of the Statute of Repose in the state where the subject work is performed after either ninety (90) days following Substantial Completion of the Work or final payment to the Contractor on any individual Project, whichever is later. The Subcontractor shall furnish the Contractor evidence of such insurance at final payment and in each successive year during which the insurance coverage must remain in effect.

ACKNOWLEDGMENT OF REFERRAL OF THIS PROVISION TO THE SUBCONTRACTOR'S INSURANCE AGENT OR BROKER

The Subcontractor represents that it has provided a copy of the "Insurance Provisions" to his insurance agent and/or broker, and that the Subcontractor has instructed the agent/broker to provide insurance in full compliance with the terms and conditions herein.

The Contractor and Subcontractor hereby acknowledge that this **Exhibit B** is considered a material term of the Subcontract.

On Behalf of the Contractor

On Behalf of the Subcontractor

Signature
Release: 3/2019

Date:

Signature

Date:

EXHIBIT C
SCHEDULE OF UNIT RATES

The following unit rates shall be used for the pricing of any non-Owner claims and changes:

<u>DESCRIPTION</u>	<u>RATE</u>

The aforementioned rates are fully burdened and inclusive of all profit, overhead, fringe benefits, taxes, etc. Such rates shall remain valid for the Term of the Subcontract

EXHIBIT D

BONDS