

# IMPORTANT NOTICE

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Respectfully,  
Shawn P. McBride  
President of Acrisure Affiliated Insurance Agencies, LLC

Contract Number # \_\_\_\_\_

## SUBCONTRACT AGREEMENT

### Labor and Materials

This Subcontract is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between \_\_\_\_\_ ("Contractor's legal name") and \_\_\_\_\_ ("Subcontractor's legal name").

Contractor has entered into a contract with ("Owner") to furnish services, labor, material, and equipment for the construction of \_\_\_\_\_ ("Project") on the property located at \_\_\_\_\_ ("Project Site"), pursuant to plans, drawings, and specifications prepared by \_\_\_\_\_ ("Architect" or "Engineer"), which contract consists of the contract, plans, drawings, specifications, general conditions, supplemental conditions, special conditions, any addenda or amendments # \_\_\_\_\_, the bond (if any), the invitation to bidders (if any), the instructions to bidders (if any), and the proposal (if any) (collectively the "General Contract").

The Contractor has made available to the Subcontractor all of the above documents, and the Subcontractor is responsible for obtaining copies of any documents pertinent to its work, and the above has been carefully examined by the Subcontractor.

### RELATIONSHIP OF PARTIES

The parties intend that an Independent Contractor-General Contractor relationship be created by this contract. Contractor is interested only in the results to be achieved and the conduct and control of the work will lie solely with the Subcontractor. Subcontractor is not to be considered an agent or employee of the Contractor for any purpose, and the employees of Subcontractor are not entitled to any of the benefits that Contractor provides for Contractor's employees. It is understood that Subcontractor is free to contract for similar services to be performed for other owners while under contract with Contractor.

### THE SUBCONTRACTOR AGREES AS FOLLOWS:

1. To furnish all labor, material, skill, and equipment necessary or required and to perform all the work necessary for:

\_\_\_\_\_  
\_\_\_\_\_

(brief scope of work) \_\_\_\_\_

2. To pay for all materials, labor, and equipment used in or in connection with the performance of this Subcontract, when and as bills or claims become due, and to save and protect the Project, the Owner, and the Contractor from all claims and mechanics' liens on account thereof, and to furnish satisfactory evidence to the Contractor, when and if requested, that it has complied with the above requirements. This provision shall not be construed as a waiver of the right of the Subcontractor to file and enforce a lien claim against the Owner in the event of the Contractor's failure to pay the Subcontractor.

3. To begin the work of this Subcontract as soon as the Project is ready for such work or, within \_\_\_\_ calendar days after being notified in writing by the Contractor. To complete the work of this Subcontract as required by job progress or within the following time limits:

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4. To proceed with the work in any orderly and reasonable sequence.
5. No extension of time for performance of this Subcontract shall be recognized by the Contractor without the written consent of the Contractor. If, however, Subcontractor is delayed in the performance or completion of the Subcontract work for reasons beyond its control, then, with timely notice, the time of the performance or completion of said work shall be extended accordingly, provided the cause of the delay is of a type set forth in the General Contract which justifies an extension of time for completion of the General Contract.
6. To save harmless the Contractor and all other subcontractors from any and all losses or damage occasioned by the failure of the Subcontractor to carry out the provisions of this Subcontract, unless such failure results from causes beyond the control of the Subcontractor. Loss or damage shall include, without limiting the generality of the foregoing, legal fees, and disbursements paid or incurred by the Contractor as part of the loss or damage or to enforce the provisions of this paragraph.
7. To the fullest extent permitted by law, the Subcontractor agrees to assume entire responsibility and liability for all damages or injury to all persons, whether employees or otherwise, and to all property, arising out of it, resulting from or in any manner connected with, the execution of the work provided for in this Subcontract, or occurring or resulting from the use by the Subcontractor, his agents or employees, of materials, equipment, instrumentalities or other property, whether the same be owned by the Contractor, the Subcontractor, or third parties; and the Subcontractor, to the fullest extent permitted by law, agrees to defend, indemnify, and save harmless the Contractor, its agents and employees from all such claims, damages, losses, and expenses, including but not limited to reasonable attorneys' fees the Contractor incurs to defend such claims, along with legal fees and disbursements paid or incurred to enforce the provisions of this paragraph, arising out of or resulting from performance of the work of this Subcontract, provided that such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease, or death, or injury to or destruction of tangible property, but only to the extent caused by the negligent acts or omissions of the Subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable. Subcontractor further agrees to obtain, maintain, and pay for such general liability insurance coverage and endorsements as will insure the provisions of this paragraph.
8. To obtain, maintain, and pay for such insurance as may be required by the General Contract, by the provisions of this Subcontract, or by law, to include without limitation, workers' compensation, commercial general liability, comprehensive automobile liability, and if specified in the General Contractor this Subcontract, builder's risk insurance, protecting the Contractor and Subcontractor against claims for bodily injury or death or for damage to property occurring upon, in, or about the Project arising out of the Subcontractor's work, whether such claims arise during Subcontract performance or subsequent to completion of operations under this Subcontract, with limits in amounts at least equal to those specified below or, if none are specified, those

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specified in the General Contract. Such insurance coverage shall include, but is not limited to: premises-operations, products-completed operations, and blanket contractual to insure the indemnification obligations contained in paragraph 8.

- a. **Commercial General Liability.** The Subcontractor's Commercial General Liability policy must name the Contractor, the Owner, and others as required in the General Contract, as ADDITIONAL INSUREDS, with ongoing operations and completed operations coverage equivalent to that provided by ISO Forms CG 20 10 04 13 and CG 20 37 04 13. The insurance policy to which this Additional Insured endorsement is added shall apply on a primary basis, and the Additional Insured's own insurance policies, if any, shall be noncontributory.
  - i. LIMITS
    - 1. General Aggregate \$2,000,000
    - 2. Products/Completed Operations Aggregate \$2,000,000
    - 3. Personal and Advertising Injury \$1,000,000
    - 4. Each Occurrence \$1,000,000
- b. **Automobile** (including coverage for any automobile, all owned automobiles, hired automobiles, and non-owned automobiles).
  - i. LIMITS
    - 1. Bodily Injury (Per Person) \$1,000,000
    - 2. Bodily Injury (Per Accident) \$1,000,000
    - 3. Property Damage \$1,000,000
    - 4. Bodily Injury/Property Damage (CSL) \$1,000,000
- c. **Workers' Compensation and Employers Liability** (must extend to every employee, including owners)
  - i. LIMITS
    - 1. Each Accident \$1,000,000
    - 2. Disease- Each Employee \$1,000,000
    - 3. Disease –Policy Limits \$1,000,000

Subcontractor agrees to furnish proper proof of above insurance within 10 days of contractor's request.

Such insurance is to be issued by a financially responsible company or companies licensed to do business in the state where the Project is located, with an A.M. Best Rating of A- or better. Before beginning any work under this Subcontract, Subcontractor will provide insurance certificates showing compliance with these insurance requirements and indicating the coverages and limits cannot be materially changed or cancelled without at least thirty (30) days prior written notice to the Contractor.

The Contractor does not represent that any builder's risk or property insurance applicable to the Subcontract Work, if any, is adequate to protect the interests of the Subcontractor. It shall be the obligation of the Subcontractor to determine whether such insurance is in effect and provides adequate protection for its insurable interests, or whether the Subcontractor should purchase and maintain supplementary property insurance that it deems necessary to protect its interests in the Subcontract Work.

9. To accept responsibility for all damage caused by the Subcontractor, to clean all surfaces soiled by the Subcontractor, and to protect the work performed by the Subcontractor, it being understood that the standards of protection shall not be less than those specified in the General Contract or required by law, and to be responsible for any defective or improper work or material caused by its failure so to do. If any dispute arises between the Subcontractor and another subcontractor as to which is responsible for any item of damage, the dispute shall be submitted to the Contractor for decision and determination as to responsibility.
10. The Subcontractor and its subcontractors shall take all safety precautions with respect to the work, shall comply with all safety measures required by the General Contract and with all applicable laws, ordinances, rules, regulations, and lawful orders of any public authority for the safety of persons or property.
11. Not to assign or sub-let this Subcontract or any part thereof, and not to assign any money due or to become due hereunder, without first obtaining the written consent of the Contractor.
12. To be bound to the Contractor by the terms of the General Contract, to conform to and to comply with the provisions of the General Contract, and to assume toward the Contractor all the obligations and responsibilities that the Contractor assumes in and by the General Contract toward the Owner, insofar as they are applicable to this Subcontract. Where any provision of the General Contract between the Owner and the Contractor is inconsistent with any provision of this Subcontract, this Subcontract shall govern.
13. That the Contractor or its authorized representative shall have the right to order in writing changes to this Subcontract as made to the General Contract by the Architect, Engineer, and/or Owner; that fair adjustments shall be made in the Subcontract price for such change; and that no change shall be allowed, or made by the Subcontractor, or paid for by the Contractor unless and until authorized by the Contractor or its authorized representative in writing before the change has begun.
14. To give written notice to the Contractor of all claims for extras, for extensions of time, and for damage for delays or otherwise in accordance with the General Contract, allowing the Contractor to give timely notice to the Owner. Timely notice shall mean five (5) working days prior to the expiration of the relevant notice period in the General Contract.
15. To guarantee the Subcontract to the same extent that the Contractor is obligated to guarantee its work under the General Contract.
16. In case the Subcontractor shall fail when and if required by the Contractor, to correct, replace, and/or re-execute faulty or defective work done and/or materials furnished under this Subcontract, or repeatedly and persistently to complete or proceed with this Subcontract within the schedule agreed to by the parties or the time herein provided for, or to make payment when due to subcontractors or suppliers for labor or materials in accordance with the respective agreements between the Subcontractor and its subcontractors and suppliers, or to comply with any substantial term of this Subcontract, then the Contractor may give the Subcontractor a written notice to cure the Subcontractor's default. If the Subcontractor fails within five (5) working days after receipt of the notice of default to commence and continue satisfactory correction of such default with diligence and promptness, then the Subcontractor shall be in default of this Subcontract and the Contractor upon an additional three (3) calendar days' notice in writing to the Subcontractor shall have the

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right to terminate this Subcontract and finish the Subcontractor's work, replace and/or re-execute such faulty or defective work or materials, either through its own employees or through a contractor or subcontractor of its choice, and to charge the cost thereof to the Subcontractor, together with any liquidated or actual damages caused by a delay in the performance of this Subcontract.

17. To comply with all Federal and State Laws, codes, and regulations and all municipal ordinances and regulations effective where the work under this Subcontract is to be performed, and to pay all costs and expenses connected with such compliance, to pay all fees and taxes, including sales and use taxes, and also to pay all taxes imposed by any State or Federal law for any employment insurance, pensions, old age retirement funds, or any similar purpose, and to furnish all necessary reports and information to the appropriate federal, state, and municipal agencies, with respect to all of the foregoing, the same as though the Subcontractor was in fact the Contractor, and to hold the Contractor, each other subcontractor, and the Owner harmless from any and all losses or damage occasioned by the failure of the Subcontractor to comply with the terms of this paragraph.
18. If any part of the Subcontractor's work depends for proper execution or results upon the work of the Contractor, any other subcontractor or any other separate contractor on the Project, the Subcontractor shall inspect and promptly report to the Contractor any apparent discrepancies or defects in such work that renders it unsuitable for such proper execution and results. Failure of the Subcontractor to so inspect and report shall constitute an acceptance of the work of the Contractor, other subcontractors, or other separate contractors, as fit and proper to receive its work.
19. The cleanup and removal of all debris left on jobsite upon completion of this Subcontract is the responsibility of the Subcontractor, and will be completed within three (3) working days of written notification by the Contractor, after which the cleanup will be done by the Contractor, with the cost of the cleanup charged to the Subcontractor.

**THE CONTRACTOR AGREES AS FOLLOWS:**

1. Contractor does hereby engage the Subcontractor to do the work described in paragraph 1 hereof, subject to the provisions of this Subcontract.
2. To pay the Subcontractor for the full and prompt performance of this Subcontract, subject to the terms and conditions hereof, the sum of \$ \_\_\_\_\_ (\$XXX,XXX).
3. Final payment including all retention becomes due and payable within 20 days after Architect's certification of final payment, subject to the terms of the deferred payment clause below. At all times the Subcontractor shall be paid to the extent that the Contractor has been paid on the Subcontractor's account.
4. Subcontractor agrees that if the Owner has not paid Contractor on account of Subcontractor's Work for reasons not caused by Subcontractor or Contractor, then Contractor shall not be obligated to pay Subcontractor any progress or final payment for Subcontractor's Work until the Contractor has completed all efforts (including appeals) to obtain a final judgment against the Owner for amounts unpaid on account of



Contract Number # \_\_\_\_\_

the Subcontractor's Work. Contractor agrees to initiate and diligently prosecute a claim against the Owner for unpaid payments on account of the Subcontractor's Work for reasons not caused by Subcontractor or Contractor within thirty (30) calendar days of receiving a written request to do so from Subcontractor. Subcontractor agrees to pay a proportionate share of Contractor's costs, including attorneys' fees incurred, and to cooperate with Contractor in prosecuting such claims.

5. If arbitration of disputes is provided for in the General Contract, any dispute arising between the Contractor and the Subcontractor under this Subcontract, including the breach thereof, shall be settled by arbitration in the manner provided for in the General Contract.
6. If notification of any claims has been made against the Subcontractor or the Contractor arising out of labor or materials furnished for the Project or otherwise on account of any actions or failures to act by the Subcontractor in the performance of this Subcontract, the Contractor may, at his discretion, withhold from such amounts otherwise due or to become due hereunder a sum adequate to cover said claims and any costs or expenses arising or to arise in connection therewith pending legal resolution thereof. This right of the Contractor shall not be exclusive of any other rights of the Contractor herein or by law provided.
7. The failure of the Contractor to make payments as and when herein provided shall, in addition to all other rights, entitle the Subcontractor to suspend all work and shipments during the continuance of such default on the part of the Contractor, and shall further entitle the Subcontractor to an extension of time for the performance of the work covered by this Subcontract.
8. Except in an emergency or to enforce safety requirements, not to issue or give any instructions, orders, or directions to any employee or workman of the Subcontractor
9. This Subcontract, together with riders \_\_\_\_\_ (attached hereto or enclosed herewith) and made a part hereof, constitutes the entire understanding of the parties and supersedes any prior proposals or agreements.
10. Subcontractor fully understands and agrees to reimburse contractor for any additional premium from general liability and workers' compensation audits created by subcontractor.

**IN WITNESS WHEREOF**, the Contractor and the Subcontractor have executed this Subcontract the day and year first written above.

\_\_\_\_\_  
**SUBCONTRACTOR (LEGAL NAME)**

\_\_\_\_\_  
**CONTRACTOR (LEGAL NAME)**

**SIGNATURE:** \_\_\_\_\_

**SIGNATURE:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

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