

SUBCONTRACT AGREEMENT

_____ herein called "Contractor" and
_____, whose address is _____ herein
called "Subcontractor", hereby agrees as follows:

1. SCOPE OF WORK AND CONSIDERATION

Subcontractor agrees to furnish all materials, equipment, insurance and incidentals; perform all labor and provide all services to complete the following project:

(Job Description Here)

Insurance Certificates are required from Subcontractors General Liability and Workers Compensation naming _____ as additional insured. Please sign and return W-9. Please reference Job Number.

2. SUBCONTRACTOR'S PRICE, PAYMENT SCHEDULE AND RELEASES

Subcontractor agrees to furnish Contractor Receipts, vouchers and releases of claims of Laborers, material men and Subcontractors performing work or furnishing material under the Subcontract, all in a form satisfactory to Owner and Contractor, and it is agreed that no payment hereunder shall be made except at Contractor's option, until and unless such releases are furnished. It is further agreed that the Contractor will only be responsible to the Subcontractor for payment of Money collected from owner or customer in behalf of said Subcontractor. Any payment made hereunder prior to completion and acceptance of the project, shall not be construed as evidence of acceptance of any part of Subcontractors work.

3. INDEPENDENT INVESTIGATION BY SUBCONTRACTOR

Subcontractor has satisfied himself, by his own investigation and research, regarding all the conditions affecting the work to be done and materials to be furnished, and as to the meaning and intention of the plans and specifications and general conditions, thereof referred to herein, and basing this conclusion to execute this Subcontract on such investigation, independent of any estimate or other information prepared or furnished by Owner, Architect, or Contractor, proposes to furnish certain completed work, herein described, as part of said project. No estimate or bid of Subcontractor preceding this Subcontract, and no verbal agreement or conversation with any representative of Owner, Architect, or Contractor, either before or after the execution of this Subcontract, shall effect or modify any of the terms or obligations contained herein.

4. GENERAL CONTRACT INCORPORATED BY REFERENCE

Subcontractor hereby certifies that they have studied and is fully familiar with the terms and conditions of the general contract, including the applicable specifications and

drawings. All Provisions of the general contract including general provisions, general, and special Conditions, Contract Document, Specifications and Drawings which are applicable to this Subcontract or which in any way affect the work herein described, shall have the same effect as if written in full in this Subcontract, except insofar as such provisions may be specifically changes by this Subcontract.

5. TIME SCHEDULE AND SUBCONTRACTOR'S DEFAULT

Commence work within 48 hours after notification from Contractor, and to conduct the work continuously and with reasonable diligence in strict accordance with Contractor's time schedule, and should said time schedule by order of Owner or Architect or Contractor, to proceed as directed by Contractor, except in case of delays caused by Acts of God, General strikes, or by Owner or Architect; and to cooperate in related work and in no manner to interfere with the work of the contractor or other Subcontractor's. To provide, at their expense, such additional shifts and/or overtime as Contractor may require, should contractor deem such additional shifts and/or overtime necessary to meet time schedule. Upon notification of contractor that this performance of this Subcontractor is in any respect unsatisfactory, Subcontractor shall promptly furnish material and employ men to complete the work as may be required by contractor or upon failure to do within tow days after such notice, Subcontractor hereby authorizes contractor, for the purpose of completing this subcontract, to eject subcontractor, to take possession of all materials, appliances, tools and equipment already on the site, as well as all materials in course of preparation, wherever located and all rights under sub-subcontracts, to go into the open market and secure materials and employ men necessary to complete said work, all at the cost and expense of the Subcontractor. The contractor may deduct from any amounts due or to become due to the Subcontractor any sum or sums owing by the Subcontractor an sum or sums owing by the Subcontractor to the Contractor; and in the event of any breach by the Subcontractor of any provisions or obligation of this subcontract or in the event of the assertion by other parties of any claim or lien against the Contractor or the premises arising out of the Subcontractors performance of this contract, the Contractor shall have the right to retain out of any payments due or become due the Subcontractor and amount sufficient to completely protect the Contractor from any and all loss, damage or expense there form, until the situation has been satisfactorily remedied or adjusted by the Subcontractor. Pay to Contractor the full amount of any loss or damage which the Contractor may sustain by reason of any delay of Subcontractor shall fail to begin, continue and complete work.

6. SURETY

If requested, and within 10 days after such request, Subcontractor will furnish surety bond, at Contractor's Expense, in any amount, an in a form and with a surety acceptable to Contractor, guaranteeing the full performance of all terms and conditions hereof. It is agreed that no change, alteration or modification in or deviation from this Subcontract or the plans and specifications whether made in the manner herein provided or not, shall release or exonerate, in whole or in part, any surety or any bond given in connection with this subcontract.

7. CONTRACTOR

Where the word "Contractor" appears in the Contract Documents, Specifications and Drawings, in connection with the work to be performed under this Subcontractor, it is agreed the party referred to is the Subcontractor. In this respect Subcontractor agrees to be bound to the Contractor in the same manner and to the same extent as contractor is bound to the owner under this contract, to the extent of the work provided for in this subcontract.

8. NON-AWARD AND PERFORMANCE

This subcontract shall become null and void and of no effect in the event the Contractor shall not be awarded the General Contract or if for any reason beyond its control, Contractor shall be unable to undertake performance of said General Contract. Should the Owner elect to cancel or terminate the General Contract and/or cessation of work Subcontractor agrees to accept a like amount as that allowed or allocated to Contractor by Owner or the Architect, as compensation for all work down under this subcontract in full settlement of all claims hereunder.

9. INTERRUPTION OF WORK

If, as a result of fire, earthquake, act of God, war, strikes, picketing, boycott, lockouts, or other causes beyond the control of the Owner, Owner shall consider it inadvisable to proceed with the work hereunder, the Subcontractor shall, upon receipt of written notice thereof from Owner, or Contractor, immediately discontinue any further work hereunder until such time as Owner may deem it advisable to resume said work. Subcontractor will resume the work hereunder promptly upon receiving notice from Contractor to do so, and Subcontractor shall not be entitled to any damages or compensation on account of any such cessation or work as a result of any of the causes aforesaid.

10. CHANGES & EXTRAS

It is understood and agreed that all labor and/or materials furnished by the Subcontractor shall be deemed to be included within the contract price stated herein, even though said labor and/or materials are not specifically required or demanded in the Subcontract, or the plans or the specification, and the same shall, nevertheless, be deemed to be included within the scope of labor and/or materials properly and necessarily required for the performance hereof, except only one condition and none other, to wit that any labor for and/or materials furnished hereunder that is authorized by Contractor in writing, together with a definite statement in said authorization that said labor and/or materials shall be deemed to be an "extra", and shall be paid for in addition to the contract price at a sum specified in said authorization. Contractor may at any time during the progress of said project order in writing deviations, additions or omissions; and the same shall not void this Subcontract, but the value thereof as agreed upon in such written authorization shall be added to or deducted from the contract price hereof.

11. INSPECTION AND SUBMISSION OF SAMPLES

To furnish Contractor, Architect and Owner every facility for inspection of material and workmanship; to provide at all times free access, for the purpose of inspection, to all places where any of the work is done; to deliver to Contractor, Architect and Owner,

upon request with out charge, properly identified test specimens of materials required by the plans and specifications, and to pay all costs incurred in preparing, wrapping, protecting, transporting and/or mailing of required specimens. Should any work required by specifications to be specially tested or approved be covered up before Contractor has given approval, it must; if required by Contractor, be uncovered for examination at the expenses of Subcontractor.

12. SUBMISSIONS OF SHOP DRAWINGS, BROCHURES, OPERATING AND MAINTENANCE MANUALS, GUARNATEES AND WARRANTIES

Where specified for the Subcontractor to furnish all and/or any of the above items shall be promptly presented to the Contractor by the Subcontractor, so that the Contractor can forward them to the Owner or Customer for approval, consideration, or information as required.

13. SUBCONTRACTOR'S EMPLOYEES

To employ only competent, careful orderly persons upon Subcontractors work, and upon notification by Contractor that the conduct of any person employed by Subcontractor is unsatisfactory, immediately to remove such person from the work; to comply with all instructions from Contractor with respect to conditions at the site, and to remove all of Subcontractors rubbish, debris, and unnecessary materials, tools and equipment, and clean up all dirt, grease, marks etc. deposited or placed on the work of other Subcontractors or the Contractor all to the satisfaction of the Contractor, and in default thereof, to permit the Contractor forthwith to proceed with the cleaning, removal etc. at Subcontractor's cost or expense. Storage of all material shall be under the supervision of Contractor, but at the expense if any, of Subcontractor.

14. SUBCONTRACTOR

Anything contained herein in the contrary notwithstanding, Subcontractor agrees that there shall be no denial of equal opportunity to an employee or applicant for employment on account of race, creed, color or national origin. Subcontractor specifically agrees to comply with all provisions of Section 310 of the President's Executive Order No. 10925 as amended by Executive Order No. 11114.

15. GUARANTEE

To guarantee Owner and Contractor against any loss or damage arising from any defect in materials or workmanship furnished under this Subcontract for a period of one year from the date of completion of the entire project unless a longer period is required by specifications. Upon Contractor's notification Subcontractor shall proceed with due diligence, at his own expense, to replace any defective material or perform any labor necessary to correct any defect in the work, and upon failure of Subcontractor so to do, Owner or Contractor may, at Subcontractor's expense, furnish such materials or labor as are necessary to bring the work up to the required standard. To save Owner and Contractor forever harmless from any claims, demands, or damages of any nature on account of the use of any patented invention, article or process, in connection with the work under this contract either in the course of construction or after completion of the

structure and Subcontractor further agrees to defend at his own expense any suits for infringement.

16. SUBCONTRACTOR FURTHER AGREES

a. To protect Subcontractors own work and is responsible under all circumstances for the condition thereof until final acceptance of the entire project. To protect adjacent property from injury arising out of Subcontractors work, and to make good any such damage or injury.

b. To indemnify and save Owner, Architect and Contractor harmless against all claims for damages to persons or to property growing out of the execution of the work, and at his own expense to defend any suit or action brought against Owner, Architect or Contractor founded upon the claim of such damage. To procure and maintain, during the entire progress of the work, full and unlimited Workmen's Compensation and Employer's Liability Insurance, Public Liability and Property Damage Insurance in limits and with a carrier or carriers satisfactory to Contractor; to furnish Contractor with certificates of said insurance before commencing work hereunder, which shall provide that the policy shall not be cancelled or reduced in coverage until (30) days after written notice shall have been given to Contractor of such cancellation or reduction in coverage

c. To pay to Contractor, in any action brought to enforce the performance of this Subcontract, or any of the terms, covenants or conditions thereof, and in any action brought against Subcontractor by third parties which Contractor is joined as a part, whether the same proceed to judgment or to an additional reasonable amount as attorney's fees, and this provision shall also apply to any suit on any bond furnished hereunder.

d. That the use of any Contractor's equipment, rigging, blocking, hoist or scaffolding by Subcontractor, given, loaned or rented to Subcontractor by Contractor, shall be upon the distinct understanding the Subcontractor uses said equipment, rigging, blocking, hoist or scaffolding at Subcontractors own risk, and takes the same "as is" and after Subcontractor has satisfied himself by examination as to the condition thereof, and Subcontractor does hereby assume all responsibility for and hold Contractor harmless from any claims or damages whatsoever resulting from the use of same, whether such damage result to his own employees or property or to the employees or properties of others.

e. To assign or sublet no portion of this Subcontract or payments there under without first obtaining permission in writing from Contractor, and then only subject to provisions of this Subcontract.

17. INSOLVENCY OR BANKRUPTCY

In the event Subcontractor commits any act of insolvency or Bankruptcy this Subcontract may be terminated at option of Contractor. Authority is hereby granted to any financial institution, material man or individual to disclose Subcontractor's financial status, credit and manner of meeting obligations.

18. HEIRS AND ASSIGNS

This Subcontract shall inure to the benefit of and be binding upon the heirs, executors, Administrators, assigns, and successors of the respective parties hereto.

19. INDEMNIFICATION (HOLD HARMLESS AGREEMENT)

To the fullest extent permitted by law, Subcontractor shall indemnify and hold harmless Owner and Contractor and their agents and employees from claims, demands, causes of actions and liabilities of every kind and nature whatsoever arising out of or in connection with Subcontractor's operations performed under this agreement. This indemnification shall extend to claims occurring after this Agreement is terminated as well as while it is in force. The indemnity shall apply regardless of any active and/or passive negligent act or omission of Owner or Contractor or their agents or employees, but Subcontractor shall not be obligated to indemnify any part for claims arising from the sole negligence or willful misconduct of Owner or Contractor or their agents or employees or caused solely by the designs provided by such parties. The indemnity set for in this Section shall not be limited by insurance requirements or by any other provision of this Agreement. All work covered by this Agreement done at the site or in preparing or delivering materials or equipment shall be at the sole risk of Subcontractor until the completed work is accepted by Contractor.

20. INSURANCE

Subcontractor shall, at its expense, procure and maintain insurance on all of its operations, with carriers acceptable to Contractor, and in amounts acceptable to Contractor and as required by the Prime Contract including the following coverage's:

- a. Workers Compensation and Employer's Liability Insurance;
- b. Comprehensive General Liability or Commercial General Liability Insurance covering all operations; and
- c. Automobile Liability Insurance, including coverage for all owned, hired and Non-owned automobiles.

All Insurance coverage's shall be in amounts and for durations acceptable to Contractor and as required by the Prime Contract. Subcontractors shall name Contractor as an additional insured under the General Liability Policy. Subcontractor shall provide Certificates of Insurance to Contractor. The Certificates of Insurance shall provide that there will be neither cancellation nor reduction of coverage without thirty (30) days prior written notice to Contractor. The failure of Contractor to enforce in a timely manner any of the provisions of this Section, Insurance, shall not act as a waiver to enforcement of any of these provisions at a later date in the performance of this Agreement.

EXECUTED AT _____, CALIFORNIA THIS _____ DAY OF _____, 20_____.

CONTRACTOR

SUBCONTRACTOR

By: _____

By: _____

Name & Title

Name & Title