



B&B BUILDERS INC.

"If You Can Dream It We Can Build It"

General Contractors

152 E Main Ste #107
Rigby, ID 83442
Phone (208) 745-0870
Fax (208) 745-1185
www.BBBuilders.com

August 4, 2011

Revision Date: March 2011

CONTRACTOR - SUBCONTRACTOR AGREEMENT

THIS AGREEMENT, made this ___ day of _____ by and between _____ hereinafter called the subcontractor, and **B&B BUILDERS INC.** hereinafter called the Contractor.

WITNESSETH:

The Subcontractor agrees to furnish all necessary materials and /or to furnish all labor, tools, equipment, and supplies necessary to perform, and to perform all work set forth in "Section 1". Hereof for the _____ Project located in _____, in accordance with the Contract Documents, Provisions of the Contract, General Requirements, Technical Specifications, Schedule of Drawings, and other Documents forming or, by reference, made a part of the Contract Documents, all of which shall be considered part of this AGREEMENT by reference thereto, and the Subcontractor agrees to be bound to the Owner and the Contractor by terms and provisions thereof.

SECTION 1: SCOPE OF WORK

It is agreed that materials to be furnished and /or work to be done by the Subcontractor are as follows:
This Contractor - Subcontractor Agreement includes all the requirements of the project plans and specifications.

1.1 Scope of Work: Supply and Install _____
complete per plans dated _____, B&B specifications dated _____ and local Building Codes.

1.2 Subcontract Exclusions

1.3 Subcontract Value

Total Lump Sum Price \$ _____ Sales/use tax included.

SECTION 2: PAYMENTS

2.1 The Contractor agrees to pay the Subcontractor for providing the materials and performing the work, as specified herein, the sum of:
_____ Dollars & _____ /100 (\$ _____)
subject to additions and deductions for changes agreed upon or determined as hereinafter provided.

2.2 Partial payments will be made to the Subcontractor each month in an amount equal to **100** percent of the value of work and materials incorporated in the construction and/or materials delivered to the site of the work by the Subcontractor, as estimated and approved by the Architect, Lender, Owner and Contractor, less the aggregate of previous payments, but such partial payments shall not become due to the Subcontractor until 10 days after the Contractor receives payment for such work and materials from the Owner.

2.3 Upon complete performance of this Contract by the Subcontractor and final approval AND ACCEPTANCE OF SUBCONTRACTOR'S WORK AND MATERIALS BY THE ARCHITECT, OWNER AND/OR CONTRACTOR., the Contractor will make final payment to the Subcontractor of the balance due under the Contract within 30 days after full payment for such work and materials has been received by the Contractor from the Owner. No partial payment to the Subcontractor shall operate as approval or acceptance of work done or materials furnished under this Contract.

2.4 **Monthly pay estimates and a completed "APPLICATION FOR PAYMENT" form are due to the Contractor by the 20th of each month.** In the event the Subcontractor does not submit to the contractor monthly pay estimates prior to the date of submission of the Contractor's monthly pay estimate, then the Contractor may include in his monthly pay estimate to the Owner for work performed during the preceding month such amount as he shall deem proper or the work of the Subcontractor for the preceding month and the Subcontractor agrees to accept such approved portion thereof as his regular monthly payment, as described above. Owner/Lender may deny pay estimates not accompanied by a completed "APPLICATION FOR PAYMENT".

2.5 The Contractor may deduct from any amounts due or to become due to the Subcontractor any sum or sums owing by the Subcontractor to the Contractor or Owner; and in the event of any breach by the Subcontractor of any provisions or obligations of this Contract, or in the event of the assertion by other parties of any claim or lien against the Owner or Contractor arising out of the Subcontractor's performance of this contract, the Contractor shall have the right to retain out of any payments due or to become due to the Subcontractor an amount sufficient to completely protect the Owner or Contractor from any and all loss, damage or expense there from, until the situation has been satisfactorily remedied or adjusted by the Subcontractor.

2.6 In no case will invoices or "Applications for Payment" submitted for preformed work be accepted or binding on the Owner or the Contractor when submitted more than 30 days after the work has been completed and/or after the final billing to the Owner

SECTION 3: CHANGES, ADDITIONS, AND DEDUCTIONS

3.1 The Contractor, may, at any time by written order of the Owner or Architect, and without notice to the Subcontractor's sureties, make changes in, additions to and omissions from the work to be performed and materials to be furnished under this agreement, and the Subcontractor shall promptly proceed with performance of this Contract as so changed.

3.2 Any increase or decrease in the Contract price resulting from such changes shall be agreed upon in writing by the parties hereto before the work is started. **Any claim for adjustment of the Contract price under this section must be made in writing and included on the "Application for Payment" for the month in which the work was done** or it is not binding on the Contractor or Owner.

SECTION 4: PROSECUTION OF WORK, DELAYS, ETC.

- 4.1 The Subcontractor shall furnish all materials, labor, tools, equipment, and supplies necessary for the performance of the Contract in a proper, efficient and workmanlike manner. The Subcontractor shall prosecute the work undertaken in a prompt and diligent manner whenever such work, or any part of it becomes available, or as such other time or times as the Contractor may direct, and so as to promote the general progress of the entire construction and shall not, by delay or otherwise, interfere with or hinder the work of the Contractor or any other Subcontractor. Any materials that are to be furnished by the Subcontractor hereunder shall be furnished in sufficient time to enable the Subcontractor to perform and complete his work within the time or times provided herein.
- 4.2 The Subcontractor agrees to substantially complete work within the time indicated on the Construction Schedule. Upon written request by the Contractor the Subcontractor shall furnish to the Contractor such evidence as the Contractor may require relating to the Subcontractor's ability to fully perform this Contract in the manner and within the time specified.
- 4.3 In the event the Subcontractor fails to comply or becomes disabled from complying with the provisions herein as to the character and time of performance and the failure is not corrected within 2 days after written request by the Contractor to the Subcontractor, the Contractor may, without taking over the work, furnish the necessary materials and/or employ the workmen necessary to remedy the situation, at the expense of the Subcontractor.
- 4.4 In the event the Subcontractor's performance of this Contract is delayed or interfered with by acts of the Owner, Contractor, or other Sub Contractors, he may request an extension of the time for the performance of same, as hereinafter provided, but shall not be entitled to any increase in the Contract price or to damages or additional compensation as a consequence of such delays.
- 4.5 No allowance for an extension of time, for any cause whatsoever, shall be claimed by the Subcontractor or be made to him unless the Subcontractor shall have made written request upon the Contractor for such extension, within 48 hours after the cause for such extension occurred, and unless the Contractor and the Subcontractor have agreed in writing upon the allowance of additional time to be made. If such extension of time is requested as aforesaid and the Contractor and Subcontractor cannot agree there upon, the Architect or Engineer shall determine by certificate in writing what, if any extension of time shall be allowed.
- 4.6 No allowances of an extension of time shall, in any event, be made to the Subcontractor, for delay by the Subcontractor in preparing drawings or in securing approval of the Architect or Engineer thereto, when such drawings are not properly prepared, or when the Subcontractor by the exercise of reasonable diligence and judgment could have anticipated and avoided the delay.
- 4.7 Should the proper workmanlike and accurate performance of any work under this Contract depend wholly or partially upon the proper workmanlike or accurate performance of any work or materials furnished by the Contractor or other Sub Contractors on the project, the Subcontractor agrees to use all means necessary to discover any such defects and report same in writing to the contractor before proceeding with his work which is so dependent; and shall allow to the Contractor a reasonable time in which to remedy such defects; and in the event he does not so report to the Contractor in writing, then it shall be assumed that the Subcontractor has fully accepted the work of others as being satisfactory and he shall be fully responsible thereafter for the satisfactory performance of the work covered by this agreement, regardless of the defective work of the others.
- 4.8 Whenever it may be useful or necessary for the Contractor to do so, the Contractor shall be permitted to occupy and/or use any portion of the work which has either been partially or fully completed by the Subcontractor before final inspection and acceptance thereof by the Contractor, but such use and/or occupation shall not relieve the Subcontractor of his guarantee of said work and materials nor of his obligation to make good at his own expense any defect in materials and workmanship which may occur or develop prior to the Contractor's release from responsibility to the Subcontractor. Provided, however the Subcontractor shall not be responsible for the maintenance of such portion of the work as may be used and/or occupied by the Contractor nor for any damage thereto that is due to or caused by the negligence of the Contractor during such period of use.

SECTION 5: INSURANCE

- 5.1 The Subcontractor shall provide and maintain in full force and effect during the term of the Contract insurance in a company satisfactory to the Contractor including, but not limited to, Worker's Compensation insurance, Employer's Liability insurance, Commercial General Liability insurance, and Automobile Liability insurance including Bodily Injury and Property Damage coverage as described below. In no event shall the required insurance be in limit, form, or in an amount less than that specified in the General Contract between the Owner and the Contractor. All insurance is to be provided under the terms of this Contract shall have the final approval of the Contractor as to limit, form, and amount.
- 5.2 The Subcontractor shall provide and maintain Worker's Compensation as required by the state in which the work is to be performed. Employers Liability insurance with minimum limits of \$100,000 each accident--- \$500,000 policy limit--- \$100,000 ea employee--- or limits set by applicable law, whichever is greater for the protection of all persons performing work at the project site including sub tier subcontractors, if any. Such insurance shall be in form acceptable to the Contractor and Owner.
- 5.3 Upon execution of this Agreement, and prior to the Subcontractor's commencing any work or services with regard to the Project, the Subcontractor shall carry commercial General Liability insurance and shall provide the contractor with a Certificate of Insurance and Additional Insured Endorsement on ISO form CG 20 10 11 85 (or substitute forms providing equivalent coverage) or on the combination of ISO forms CG 20 10 10 01 and CG 20 37 10 01 (or substitute forms providing equivalent coverage) naming the Contractor as Additional Insured on a primary basis for ongoing and completed work and listing the project there under. Additional insured coverage shall apply as primary insurance with respect to any other insurance afforded to Owner and Contractor. The coverage available to the Contractor and Owner, as Additional Insured's, shall not be less than \$1 million dollars Each Occurrence, \$2 million General Aggregate. The General Aggregate shall apply, in total to this project only. This coverage shall include products-completed operations coverage, personal and advertising injury and liability assumed under an insured contract (including tort liability or another assumed in a business contract.) Include no endorsements or modifications arising from pollution, explosion, collapse and underground property damage or work performed by subcontractors. Subcontractor insurance carriers must maintain an A.M. Best rating of "A-" or better.
- 5.4 Completed Operations coverage shall be maintained for one year after receipt of "Certificate of Occupancy". Name B & B Builders as an additional insured on a primary basis on your commercial general liability insurance for one year from receipt of "Certificate of Occupancy".
- 5.5 B & B Builders does not accept Commercial General Liability insurance written on claims made basis.
- 5.6 The subcontractor shall provide and maintain Automobile Liability insurance including Bodily Injury and Property Damage coverage for a limit of not less than \$1,000,000.00 combined single limit. This coverage shall be applied to all owned, non-owned, and hired automobiles.
- 5.7 Certificates of Insurance acceptable to the Contractor shall be filed with the Contractor prior to the commencement of any work.

- 5.8 In the event of threatened cancellation for non-payment of premium, the Contractor may withhold payment to the Subcontractor until notice is received that the insurance is in good standing.

SECTION 6: INDEMNITY

- 6.1 The Subcontractor further specifically obligates himself to the Owner and Contractor in the following respects, to wit: (a) To indemnify the Owner and Contractor against and save him harmless from any and all claims, suits, liability, expense, or damage for any alleged or actual infringement or violation of any patent or patent right, arising in connection with this Contract and anything done there-under; (b) To indemnify the Owner and Contractor, against and save him harmless from any and all claims, legal suits, or liability for injuries to property, injuries to persons including death, and from any other claims, suits or liability (including but not limited to investigative and repair costs, court costs and attorney's fees, and consultant fees and costs) on account of any act or omission of the Subcontractor, or any of his officers, agents, employees, or servants; provided however, Subcontractor shall not be obligated to indemnify and defend Contractor or Owner for claims found to be due to the sole negligence or willful misconduct of Indemnified Parties. (c) To pay for all materials furnished and work and labor performed under this Contract; (d) to obtain and pay for all permits, licenses and official inspections made necessary by his work, and to comply with all laws, ordinances, and regulations bearing on his work and the conduct thereof; (e) The Subcontractor warrants and guarantees the work and materials covered by this Contract and agrees to make good, at his own expense, any defect in materials or workmanship which may occur or develop prior to the Owners release from responsibility to the Contractor therefore; (f) The Subcontractor assumes toward the Contractor all the obligations and responsibilities that the Contractor assumes toward the Owner, as set forth in the Contract, General and Special Conditions, Drawings Specifications, and other Documents herein above referred to, insofar as applicable, generally or specifically, to the materials to be furnished and the work to be performed under this Contract.

SECTION 7: EMPLOYER RESPONSIBILITIES

- 7.1 The Subcontractor specifically agrees that he is, or prior to the start of work hereunder will become, an independent contractor and an employing unit subject as an employer, to all applicable Unemployment Compensation Statutes so as to relieve the Contractor of any responsibility or liability for treating Subcontractor's employees as employees of the Contractor for the purpose of keeping records, making reports and payment of Unemployment Compensation taxes or contributions; and the Subcontractor agrees to indemnify and hold the Contractor harmless and reimburse for any expense or liability incurred under said Statutes in connection with employees of the Subcontractor, including a sum equal to benefits paid to those who were Subcontractor's employees, where such benefit payments are charged to the Contractor under any Merit Plan or to his individual Reserve Account pursuant to any state Unemployment Compensation Statute.
- 7.2 The Subcontractor further agrees as regards: (a) the production, purchase and sale, furnishing and delivering, pricing and use or consumption of materials, supplies and equipment, (b) the hire, tenure or conditions of employment of employees and their hours of work and rates of and the payment of their wages, and the keeping of records, making of reports, and the payment, collection, and/or deduction of Federal, State, and Municipal taxes and contributions, that the Subcontractor will keep and have available all necessary records and make all payments, reports, collections, and deductions, and otherwise do any and all things so as to fully comply with all Federal, State, and Municipal Laws, ordinances, and regulations in regard to any and all said matters insofar as they affect or involve the Contractor's responsibility or liability thereof or in regard thereto.

SECTION 8: ADDITIONAL PROVISIONS

- 8.1 The Subcontractor shall not assign or sublet this contract or any part thereof without the written consent of the Contractor.
- 8.2 Subcontractor lien releases are required to the extent of partial payments and will be required before payment is issued.
- 8.3 Contracts are to be signed and returned before work starts and prior to any progress payments.
- 8.4 The Subcontractor shall review the number of days allotted for their work to be completed on the initial "Construction Timeline."
- 8.5 Bi-monthly project meetings will be held with either the homeowner or B&B Builders. Plan to attend the one preceding the start of your work and additional meetings as required to coordinate your portion of the project.
- 8.6 If you are the last one on-site you are responsible to make sure that buildings are closed up and locked before you leave.
- 8.7 Daily site cleanup is required. If not completed, the Contractor shall have the right to retain out of any payments due or to become due to the Subcontractor an amount of \$50.00 per hour to cover the clean-up costs. Smoking and animals are not allowed inside of any building. You will be charged a \$50.00 fine for smoking in any buildings, pets in any buildings, or spitting of sunflower seeds on the floors. In addition there will be a weekly job site clean-up. You will be required to provide one person from your crew during the time that you are working on the job. If you do not provide a person one will be provided for you and their cost will be deducted from your contract.
- 8.8 The Subcontractor acknowledges the existence of the rules and regulations under the Occupational Safety and Health Act (OSHA) as may be applicable and agrees to prosecute the work in conformance thereof and to indemnify and hold harmless the Contractor for any claims, fines, or expenses that might result to the Contractor by reason of the violation of the Subcontractors primary responsibility for the safety of its employees and work practices.
- 8.9 **Warranty:** Subcontractor warrants their work against all deficiencies and defects in material and/or workmanship for a period of one (1) year from the date of Certificate of Occupancy.
- 8.10 Subcontractor is responsible to comply with all manufacturer recommendations in respect to all materials supplied and/or installed by them.

SECTION 9: DEFINITIONS

- 9.1 The Contractor is the individual or entity contracted by the Owner to administer any and all work associated with the _____
The Contractor for this project is B & B Builders, Inc., Rigby, Idaho.
- 9.2 The word "Supplier" refers to the individual, partnerships, or entity contracted by the Subcontractor to provide labor materials, equipment, and supplies to the project jobsite.
- 9.3 The word "Subcontractor" refers to the individual, partnerships, or entity contracted by the Contractor for the jobsite supply and /or installation of specific materials.
- 9.4 The words "AGREEMENT" and "CONTRACT" are used interchangeably throughout this document and both designate the same.

IN WITNESS THEREOF, the CONTRACTOR AND SUBCONTRACTOR have executed this Contract by their proper officers duly authorized agents.

B & B Builders Inc (Contractor)

(Subcontractor Signature)

Company Name

Please furnish us the following information:

Subcontractor's Federal ID # _____

Phone number _____

Subcontractor's License # _____

Fax Number _____

Street Address _____

Email address _____

City, State, Zip _____

Billing contact name and phone number _____