

Subcontractor Agreement

Prepared with Signathing. Roles: General Contractor, Subcontractor.

1. Parties and project

General Contractor (name or business): _____

Subcontractor (name or business): _____

Project name and address: _____

Owner of the project: _____

Prime contract date (between the Owner and the General Contractor): _____

The General Contractor hires the Subcontractor to perform the work described below on the Project, and the Subcontractor agrees to perform it, on the terms in this agreement.

2. Scope of work

Work the Subcontractor will perform (trade, systems, areas): _____

Drawings, specifications or quote this scope is based on (title and date): _____

Excluded from the scope: _____

Materials, equipment or services the General Contractor supplies: _____

The Subcontractor furnishes all labor, materials, equipment, supervision, permits for its own trade, and everything else needed to complete the scope above in a good and workmanlike manner, following the drawings and specifications named, the manufacturers' instructions, and the codes that apply to the work. Anything not listed as excluded or as supplied by the General Contractor that is reasonably needed to complete the scope is included.

3. Price and payment

Subcontract price (\$): _____

Price basis: _____
Choices: Fixed price for the scope / Unit prices per the attached schedule / Time and materials, not to exceed the price above

Progress payments: _____
Choices: Monthly, for work in place / At the milestones listed in the scope / On completion only

Retainage withheld from each payment (% or 0): _____

Payment due within (days) of an approved invoice: _____

The Subcontractor invoices for work in place as agreed above. The General Contractor reviews each invoice promptly, approves the undisputed amount, and pays it within the stated time, less retainage. Retainage is released with the final payment after the work is complete, accepted, and the closeout items in section 9 are delivered. Disputed amounts are identified in writing within seven days of the invoice and resolved under section 10. Late payments of undisputed amounts may carry interest at the lesser of 1.5% per month or the maximum the law of the state where the Project is located allows.

4. Lien waivers

With each invoice the Subcontractor delivers a conditional waiver and release of lien rights for the amount invoiced, effective when that payment clears. After each payment clears the Subcontractor delivers an unconditional waiver for the amount paid, and obtains the same from its own subcontractors and suppliers on request. Waivers cover only amounts actually paid and never retainage, disputed items, or unpaid change orders. Where the state where the Project is located prescribes a statutory waiver form, that form is used in place of a generic one.

5. Changes

No change to the scope, price or schedule is owed or payable unless it is described in a change order signed by both parties before the changed work begins, except for work the General Contractor directs in writing to address an immediate safety or damage risk, which is priced afterward. The Subcontractor gives written notice within three working days of discovering a condition it believes entitles it to more money or time, or the claim is waived to the extent the delay in notice prejudiced the General Contractor.

6. Schedule and coordination

Start date (or the date the General Contractor gives notice to proceed): _____

Completion date for the Subcontractor's work: _____

Working days and hours on site: _____

The Subcontractor staffs the work to meet the schedule, coordinates with the other trades, attends site meetings when asked, and follows the General Contractor's reasonable directions on sequencing, access, storage and site rules. Delays caused by the Owner, the General Contractor, other trades, or conditions beyond the Subcontractor's control extend the completion date by the time lost, provided the Subcontractor gives written notice of the delay when it begins.

7. Insurance, licenses and safety

General liability, each occurrence (\$): _____

Workers' compensation carried: _____

Choices: Yes, for all workers on site / Exempt owner-operator with no employees, as the law allows

Contractor license or registration number, if the trade requires one: _____

Certificate of insurance (attach): _____

The Subcontractor keeps general liability insurance at the limit above, workers' compensation as the law requires for its workers, and automobile liability for vehicles used on the Project, for the whole of the work, names the General Contractor and the Owner as additional insureds on the general liability policy, and gives the General Contractor a certificate before starting and a replacement before any policy lapses. The Subcontractor is responsible for the safety of its own workers and work area, follows the site safety plan, reports any injury or incident the same day, and keeps its area clean and its debris removed daily.

8. Independent relationship and the Subcontractor's people

The Subcontractor is an independent contractor, not an employee, partner or agent of the General Contractor, and controls the means and methods of its work. It is responsible for its own workers, taxes, insurance and licenses, and for the work and conduct of anyone it brings onto the Project. It does not subcontract any part of this scope without the General Contractor's written consent.

9. Warranty, closeout and defects

The Subcontractor warrants that its work is free from defects in materials and workmanship for one year from the date the Owner accepts the Project, or the longer period the prime contract requires for this trade, and corrects warranted defects promptly at its own cost after written notice. Before final payment the Subcontractor delivers manufacturer warranties, operating instructions, as-built notes where the scope calls for them, and the final unconditional lien waiver.

10. Termination and disputes

The General Contractor may end this agreement for convenience with seven days' written notice, paying for work in place, materials ordered for the Project that cannot be returned, and reasonable demobilization costs. Either party may end it for the other's material breach that is not cured within three working days of written notice. The parties first try to resolve any dispute by a meeting between the people with authority to settle it; a dispute that is not resolved within thirty days may proceed under the law of the governing state below, in the courts of the county where the Project is located, unless the prime contract requires another method, in which case that method applies.

Governing state: _____

11. The prime contract and other terms

The Subcontractor has been given the parts of the prime contract that apply to its work and takes on toward the General Contractor the obligations that the General Contractor takes on toward the Owner for that work, to the extent they apply to this scope. Neither party is liable to the other for indirect or consequential damages, except for amounts owed to the Owner for the Subcontractor's work and for intentional wrongdoing. This is the whole agreement for this scope and replaces any earlier quote or proposal; changes must be in writing and signed by both. If any part is unenforceable the rest stands.

- ☐ Subcontractor has received the prime contract terms that apply to this scope
- ☐ Subcontractor confirms the insurance and license statements in section 7 are current

Signatures

General Contractor

Signature

Date

Printed name

Subcontractor

Signature

Date

Printed name