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# SUBCONTRACTOR AGREEMENT

State of Alabama

# **BACKGROUND**

A. This Subcontractor Agreement is made effective as of (the "Effective Date") by and between (the "General Contractor") (contractor's license number), of the following address:
and (the "Subcontractor") (contractor's license number), of the following address:
B entered into a contract dated (the "Original Contract") with of the following address:
C. Under the Original Contract, General Contractor has agreed to provide the following services to the Client:
D. General Contractor wishes to subcontract with Subcontractor for a portion of the services contemplated by the Original Contact. Subcontractor is willing and qualified to provide such services.

THEREFORE, in consideration of the mutual promises and covenants herein contained, the Parties hereto agree to the following:

I. DESCRIPTION OF SERVICES.
Beginning on, Subcontractor will provide to General Contractor the following services (known collectively as the "Services"):
2. General Contractor will make available to Subcontractor all plans, specifications, drawings, blueprints, and similar construction documents necessary for Subcontractor to provide the Services. Any such materials shall remain the property of General Contractor. Subcontractor will promptly return all such materials to General Contractor upon completion of the Services.
II. WORKSITE.
3. Subcontractor will provide all labor for the construction described above at the property of the Client, located at the following address (the "Worksite"):
4. Client and General Contractor will allow free access to work areas for Subcontractor's workers and vehicles and will allow areas for the storage of materials and debris.
5. Driveways will be kept clear for the movement of vehicles during work hours. Subcontractor will make reasonable efforts to protect driveways, lawns, shrubs, and other vegetation.
6. Subcontractor agrees to keep the worksite clean and orderly and to remove all debris

7. During the term of this Agreement, Subcontractor may erect one temporary sign showing its name, service mark, trade name, or another commercial name, identifying Subcontractor as performing services on the construction project. The sign must be appropriate in appearance, style, and size, and must conform to all applicable federal, state, and local laws,

as needed during the hours of work in order to maintain work conditions that do not

cause health or safety hazards.

# III. MATERIALS AND/OR LABOR PROVIDED.

- 8. General Contractor shall provide to Subcontractor a list of each and every party furnishing materials and/or labor to Subcontractor as part of the Services they shall provide. Subcontractor shall, in return, submit a list of all dollar amounts due or expected to be due with regards to the provision of the services herein described.
- The General Contractor list of materials shall be attached to this Agreement as Exhibit
   The Subcontractor list of expected labor shall be attached to this Agreement as Exhibit B.
- 10. General Contractor declares under the laws of the State of Alabama that this list is a true and correct statement of each and every party providing labor as part of the Services herein described.

#### IV. CHANGE ORDERS.

- 11. General Contractor, or any allowed person, e.g. client, lender, public body, or inspector, may make changes to the scope of the work from time to time during the term of this Agreement.
- 12. Any such changes or modifications shall only be made in a written "Change Order" which is signed and dated by all Parties. Such Change Orders shall become part of this Agreement.
- 13. General Contractor agrees to pay any increase in the cost of the construction work as a result of any written, dated, and signed Change Order.
- 14. In the event the cost of a Change Order is not known at the time a Change Order is executed, Subcontractor shall estimate the cost thereof and General Contractor shall pay the actual cost whether or not this cost is in excess of the estimated cost.

# V. BUILDING SCHEDULE.

15.	Subcontractor shall begin work on this project within 30 (thirty) days of _	
and	d shall complete the work on or prior to	

16. Time is of the essence in this Agreement.

#### VI. PAYMENT.

- 17. Payment, less retainage, shall be made to \_\_\_\_\_ in the total amount of \$2 (two US dollars) in one lump sum payment due upon completion of the services rendered to the General Contractor by the Subcontractor.
- 18. General Contractor will withhold 100% of each payment due to Subcontractor. The retained amount shall be paid by General Contractor within 2 days after completion of the Services and acceptance of those Services by the Client or Client's designated agent.
- 19. For any payment that is not paid within 30 (thirty) days of its due date, General Contractor shall pay a late fee of \$2 (two US dollars).
- 20. In addition to any other rights or remedies provided by law, the Subcontractor may treat General Contractor's nonpayment for services rendered by the Subcontractor as a material breach of this Agreement and may cancel the Agreement or seek legal remedies as the Subcontractor desires.

#### VII. LEGAL COMPLIANCE AND PERMITS.

21. Subcontractor shall provide the Services in a workmanlike manner, and in compliance will all applicable federal, state, and local laws and regulations, including, but not limited to, all provisions of the Fair Labor Standards Act, the Americans with Disabilities Act, and the Federal Family and Medical Leave Act.

#### VIII. PERMITS.

- 22. Subcontractor shall obtain all necessary building permits.
- 23. Subcontractor shall apply for and obtain any other necessary permits and licenses required by the local city/municipal government to do the necessary work, the cost thereof shall be included as part of the payment to Subcontractor under this Agreement.
- 24. General Contractor will fully cooperate with Subcontractor in the obtaining of any permits and licenses, as necessary.

#### IX. INSURANCE AND INDEMNITY.

- 25. Before work begins under this Agreement, Subcontractor shall furnish certificates of insurance to General Contractor, substantiating that Subcontractor has placed in force valid insurance covering its full liability under the Worker's Compensation laws of the State of Alabama and shall furnish and maintain general liability insurance, and Subcontractor's risk insurance for injury to or death of a person or persons, and for personal injury or death suffered in any construction-related accident and property damage incurred in rendering the Services.
- 26. Subcontractor shall maintain insurance policies, of each and every type, and with provisions and coverage amounts substantially identical to the corresponding requirements of General Contractor as described by the terms of the Original Contract.
- 27. With the exception that this Section shall not be construed to require indemnification by Subcontractor to a greater extent than permitted under the public policy of the State of Alabama, Subcontractor may agree to indemnify General Contractor against, hold it harmless from, and defend General Contractor from all claims, loss, liability, and expense, including actual attorney's fees, arising out of or in connection with Subcontractor's services performed under this Agreement.
- 28. This indemnity shall be provided even if General Contractor is partly responsible for the claim, damage, injury, or loss, but Subcontractor shall not provide indemnity against claims or losses deemed to be caused by the negligence, willful misconduct, or breach of contract of General Contractor or General Contractor's agents or employees.

### X. WARRANTIES.

29. Subcontractor represents and warrants that it will perform the Services using reasonable care and skill for a Subcontractor in their field and that any results, end products, or materials given by the Subcontractor to the General Contractor under the terms and conditions of this Agreement will not infringe on or violate the intellectual property rights or any other right of any third party.

### XI. CONFIDENTIALITY.

- 30. The term "Confidential Information" shall include any proprietary information, in whatever form, that:
  - (a) is provided by General Contractor or Client to Subcontractor, including information regarding Client or General Contractor's businesses, finances, prospects, operations, products, employees, technologies, contact lists, and

financial models (including not only written information but also information transferred verbally, visually, electronically or by any other means); or

- (b) concerns any agreements that Subcontractor may aid General Contractor or Client in entering into in the course of their providing services; or
- (c) consists of analysis and/or any other internal non-redacted memoranda or other documents prepared by the Subcontractor derived from, or including material portions of, the Confidential Information.
- 31. Confidential Information shall not include any information that:
  - (a) is already known to the Subcontractor at the time of its disclosure;
  - (b) is or becomes publicly known through no wrongful act of the Subcontractor;
  - (c) is communicated to a third party with the express written consent of General Contractor and Client; or
  - (d) is lawfully required to be disclosed, provided that before making such disclosure, the Subcontractor shall immediately give the General Contractor or Client written notice and cooperate in the General Contractor or Client's actions to assure confidential handling of such information.
- 32. The Subcontractor shall safeguard and keep confidential the Confidential Information and shall not disclose any Confidential Information to any other person or entity.
- 33. The Subcontractor shall not use the Confidential Information for any purpose other than those related to the services they provide to the General Contractor.
- 34. All such Confidential Information and any copies obtained thereof shall be returned to the General Contractor promptly upon its written request and shall not be retained in any form by Subcontractor.

# XII. DEFAULT.

- 35. The occurrence of any of the following shall constitute a material default under this Agreement:
  - (a) The failure of General Contractor to make a required payment when due.
  - (b) The insolvency of either party or if either party shall, either voluntarily or

involuntarily, become a debtor of or seek protection under Title 11 of the US Bankruptcy Code.

- (c) A lawsuit is brought on any claim, seizure, lien, or levy for labor performed or materials used on or furnished to the project by either party, or there is a general assignment for the benefit of creditors, application, or sale for or by any creditor or government agency brought against either party.
- (d) The failure of General Contractor or Client to make the building site available or the failure of Subcontractor to deliver the agreed-upon services in the time and manner provided for in this Agreement.

#### XIII. TERMINATION.

- 36. This Agreement shall terminate automatically when the Subcontractor's work has been completed.
- 37. This Agreement may also be terminated by either Party, upon notice in writing:
  - a. if the other Party commits a material breach of any term of this Agreement that is not capable of being remedied within fourteen (14) days or that should have been remedied within fourteen (14) days after a written request and was not;
  - b. if the other Party becomes unable to perform its duties hereunder, including a duty to pay or a duty to perform
- 38. No on-going relationship between the Parties is contemplated and General Contractor may not assign additional work to Subcontractor. The Parties may decide, through an addendum to this Agreement, to expand the scope of Services, but such Agreement may only be in writing and with explicit terms.

XIV.
XV.

# XVI. TRANSFER OF RIGHTS.

39. This Agreement shall be binding on any successors of the Parties.

40. Neither Party shall have the right to assign its interests in this Agreement to any other Party unless the prior written consent of the other Party is obtained.

## XVII. ENTIRE AGREEMENT.

41. This Agreement contains the entire Agreement of the parties regarding the subject matter of this Agreement, and there are no other promises or conditions in any other Agreement, whether oral or written.

#### XVIII. SEVERABILITY.

- 42. If any provisions of this Agreement shall be held to be valid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable.
- 43. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

#### XIX. AMENDMENT.

44. This Agreement may be modified or amended if and only if the amendment is made in writing and signed by both Parties.

# XX. WAIVER OF CONTRACTUAL RIGHTS.

45. The failure of either Party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that Party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

# XXI. APPLICABLE LAW.

46. This Agreement shall be governed by the laws of the State of Alabama.

IN WITNESS WHEREOF, the Parties execute the Agreement as follows:

	, Subcontractor	
Date:		
	, General Contractor	
Date:		