

SUBCONTRACTOR CONTRACT

THIS AGREEMENT, Made as of _____ In the Year of 20_____.

Between the Contractor: **J. A. Russo Enterprises, Inc.**
P.O. Box 77816
Corona, Ca 92877
951-836-0530

And the Sub-Contractor: **General Contractor**

For the Project:

ARTICLE 1. SCOPE OF WORK

1.1. Subcontractor has heretofore entered into a contract with said Contractor to furnish all **labor and equipment** to perform all work described below according to the construction documents. **See Framing (Trade) Schedule "A" attached** Description of Materials and Approved building plans.

ARTICLE 2. PAYMENT TERMS

2.1. The Contractor agrees to pay the Subcontractor according to the draw schedule and the banks releases.

2.2. Subcontractor understands and agrees that progress payment requests shall be written and given to the contractor/job superintendent and the schedule of payments shall be as follows: **See Schedule "B" attached.** Please note that a certificate of Workman's Compensation Insurance and material and labor release must be received before the first payment is made or the contractor will hold a percentage needed to cover the labor and materials portion of the job.

2.3. The Total Contract Amount shall be: \$_____

Initialed by: Builder _____ Subcontractor _____

ARTICLE 3. TIME OF COMPLETION

- 3.1. Subcontractor shall keep both an adequate size and properly trained crew on the job site so as to complete the project within days from the execution of this contract.

ARTICLE 4. CHANGE ORDERS

- 4.1. Subcontractor understands and agrees that no change orders or contract additions will be made unless agreed to in writing by Contractor. If any additional work is performed and not covered in this contract, the Subcontractor proceeds at his own risk and expense. No alterations, additions, or small changes can be made in the work or method of the performance, without the written change order signed by the Contractor and Subcontractor.

ARTICLE 5. CLEAN-UP

- 5.1. Subcontractor will be responsible for cleaning up the job on a daily basis, including all generated construction debris, drink cans, food wrappers, and/or other trash. If it becomes necessary, the Subcontractor will be back charged for appropriate clean up by deducting clean-up costs from payments. Subcontractor will be responsible to provide to Contractor all receipts from each disposal site as described in "B" attached.

ARTICLE 6. TAXES

- 6.1. The Subcontractor understands and agrees that he shall be responsible for all taxes, fees and expenses imposed directly or indirectly for its work, labor, material and services required to fulfill this contract.

Initialed by: Owner _____ Contractor _____

ARTICLE 7. INSURANCE AND INDEMNITY

- 7.1. The Subcontractor shall maintain, at his own expense, full and complete insurance on its work until final approval of the work described in the contract. The Subcontractor shall not hold the Contractor liable from any and all costs, damages, fees and expenses from any claims arising on the project. Failure of the Subcontractor to maintain appropriate insurance coverage may deem a material breach allowing the Contractor to terminate this contract or to provide insurance at the Subcontractor's expense.
- 7.2. To the fullest extent permitted by law, the Subcontractor shall indemnify and hold harmless the Contractor, Contractor's representatives, agents and employees from all claims, losses, damages and expenses, including attorney's fees arising out of or resulting from the performance of the work, provided that such claim, loss, damage or expense is caused in whole or in part by any negligent act or omission of the Subcontractor, anyone directly employed by them or anyone whose acts they are liable for, and attributes to bodily injury, sickness, disease or death, mold growth, or to injury to or destruction of tangible property (other than the work itself) including any resulting loss of use, regardless of whether or not it is caused in part by a party indemnified above.
- 7.3. See Attached Schedule "C" Insurance Requirements

ARTICLE 8. LIQUIDATED DAMAGES

- 8.1. If the project is not substantially completed on the stated completion date, the Subcontractor shall pay to the Contractor the sum of **(\$ 250.00 per day)** for each calendar day of inexcusable delay until the work is substantially completed, as liquidated damages. Permissible delays include Acts of God, material shortages, and labor strikes.

ARTICLE 9. WARRANTY

- 9.1. Subcontractor shall warranty all labor, materials and equipment furnished on the project for **TEN YEARS** against defects in workmanship or materials utilized. The manufacturer's warranty will prevail. No legal action of any kind relating to the project, project performance or this contract shall be initiated by either party against the other party after **TEN YEARS** beyond the completion of the project or cessation of work.

Initialed by: Owner _____ Contractor _____

ARTICLE 10. HAZARDOUS MATERIALS, WASTE AND ASBESTOS

10.1. Both parties agree that dealing with hazardous materials, waste or asbestos requires specialized training, processes, precautions and licenses. Therefore, unless the scope of this agreement includes the specific handling, disturbance, removal or transportation of hazardous materials, waste or asbestos, upon discovery of such hazardous materials the Subcontractor shall notify the Contractor immediately and allow the Contractor to contract with a properly licensed and qualified hazardous material contractor.

ARTICLE 11. ARBITRATION OF DISPUTES

11.1. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Construction Industry Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

ARTICLE 12. ATTORNEY FEES

12.1. In the event of any arbitration or litigation relating to the project, project performance or this contract, the prevailing party shall be entitled to reasonable attorney fees, costs and expenses.

ARTICLE 13. ACCEPTANCE

WITNESS our hand and seal on this _____ day of _____ 20__

Signed in the presence of:

J. A. Russo Enterprises, Inc.

Date

Date

Initialed by: Owner _____ Contractor _____

Attached “A”

DESCRIPTION OF MATERIALS

Subcontractor shall supply all materials pursuant to the approved building plans. Subcontractor shall work closely with the Contractor to schedule all materials.

Initialed by: Owner _____ Contractor _____

ATTACHMENT "B"
SUBCONTRACTOR PAYMENT GUIDELINES

THIS AGREEMENT, Made as of November 21st, In the Year of 2016,

Between the Contractor: **J. A. Russo Enterprises, Inc.**
P.O. Box 77816
Corona, CA 92877

And the Sub-Contractor: **General Contractor**

For the Project: _____

Draw Schedule

Non Refundable Deposit.....\$
_____ **Completed.....\$**
_____ **Completed.....\$**
_____ **Completed.....\$**
_____ **Completed.....\$**

Completion.....\$

Total: \$

Sub-Contractor understands and agrees that final or progress payments must be written and in with the attached draw schedule. No exceptions can or will be made. Contractor must receive ALL payment requests prior to the schedule listed above to incorporate them into billing and draw schedules. ALL Items within any particular draw shall need to be 100% completed prior to any release of a draw or by sole discretion of J. A. Russo Enterprises, Inc.

Acceptance:

Accepted for Sub-Contractor By:

Sub-Contractor's Signature

Date

Title

Accepted for Contractor By
J. A. Russo Enterprises, Inc.

Contractor's Signature

Date

Initialed by: Builder _____ Subcontractor _____

Initialed by: Owner _____ Contractor _____

Schedule “C”

Subcontractor shall secure and maintain throughout the job a General Liability policy prior to any work beginning and also naming on the policy J. A. Russo Enterprises, Inc. as additionally insured. Liability policy must be approved in writing by J. A. Russo Enterprises, Inc. in order for this agreement to be in full force and affect. In addition, any and all subcontractors hired by subcontractor shall provide all insurances required by law.

Initialed by: Owner _____ Contractor _____