

## SUBCONTRACT AGREEMENT

**PROJECT:**

**THIS SUBCONTRACT AGREEMENT** is made and entered into on \_\_\_\_\_, 201\_\_ by and between

\_\_\_\_\_ (“Contractor”) and

\_\_\_\_\_ (“Subcontractor”), as follows:

**1. SCOPE OF WORK.** Subcontractor agrees to furnish all labor, materials, tools, equipment and services necessary for performance of the work as described below and as further detailed in the plans and specifications:

**2. APPROVAL OF WORK.** All work to be performed in a good and workmanlike manner in accordance with industry standards, the approved plans, and City of Portland building inspectors.

**3. DEBRIS AND CLEAN UP.** Subcontractor agrees to keep any and all debris resulting from its work cleaned up at all times and to remove all waste and leftover materials from the job site at the completion of its work, leaving the premises in “broom clean” condition. Subcontractor shall also clean up and dispose of trash, coffee cups, food wrappers, bottles, cans, food, etc. generated by its workers. Should the Subcontractor fail to perform this work, Contractor will do it and back charge the Subcontractor accordingly for any associated costs.

**4. TAXES, INSURANCE, PERMITS AND LICENSES.** Subcontractor shall take out and pay for Workers’ Compensation insurance as required by the State of Oregon. Subcontractor shall pay all sales taxes, excise taxes, old age benefit and unemployment compensation taxes on labor and material furnished under this Subcontract. Subcontractor shall make health and welfare and pension payments in accordance with any applicable union contract. Subcontractor shall obtain and comply with any permits or licenses necessary for the performance of its work under this Subcontract.

**5. PRICE AND PAYMENT.** Contractor shall pay Subcontractor for its performance of this Subcontract the sum of \$\_\_\_\_\_. Invoices for completed work submitted by the 25<sup>th</sup> day of a month will be paid by the 10<sup>th</sup> day of the following month work. Additional payment details (if applicable):

**6. EXTRA WORK.** Should changes in the work occur, the Subcontractor shall, in a timely manner, submit to the

Contractor, in writing, the associated cost or credit related to the change. No claims for extra work beyond the scope of this Subcontract will be honored without prior written approval by Contractor.

**7. TIME AND COMPLETION.** Time is of the essence of this Agreement. Subcontractor shall start and complete its work under this Agreement in accordance with such reasonable schedules set forth by the Contractor. Subcontractor shall reimburse Contractor for any costs accumulated or penalties levied against Contractor due to the negligence or non-performance of the Subcontractor, and such costs or penalties may be deducted from the amount due to Subcontractor under this Agreement.

**8. DEFAULTS AND TERMINATION.** In the event Subcontractor interferes with the general progress of the general contract by negligence or delay, or Subcontractor abandons this contract or fails or refuses to furnish labor and materials at and when required under the terms of this subcontract, the Contractor may at its election take over said Subcontract, complete the same or cause the same to be completed and charge all sums of money so expended for the completion of this Subcontract against the Subcontractor, and Subcontractor agrees to reimburse the Contractor for any loss sustained thereby.

**9. GUARANTEE OF WORK.** If, within one (1) year after final acceptance of the work by the Contractor, defects should appear in materials or workmanship, the Subcontractor shall promptly repair such defects at its cost and shall leave the work as intended by the specifications. This guarantee period of one (1) year is to apply to all portions of the work on which guarantee periods of longer duration have not been specified.

**10. LIENS.** The Subcontractor shall indemnify and hold harmless and protect the Owner and/or Contractor against all laborer’, material men’s and mechanic’s liens, upon the building or premises on which the work is located, arising out

of labor or materials furnished under this Agreement. The Subcontractor agrees to provide the Contractor with a properly executed Waiver of Lien, if requested at time of payment. A signed and notarized Final Waiver of Lien will be required prior to the issuance of final payment.

**11. ASSIGNMENT AND SUBCONTRACTING.** This Agreement may not be assigned or subcontracted, in full or in part, by Subcontractor without first obtaining the written consent of Contractor. Subcontractor shall not be relieved of its full responsibility for completion of the work because of the subletting of any portion of the work. All obligations of the Subcontractor, including all insurance requirements, shall be binding on their subcontractor, insofar as they are applicable to the work sublet.

**12. INDEMNITY.** To the fullest extent of the law, Subcontractor agrees to defend, indemnify, and hold Contractor harmless and, if requested by Contractor, their consultants, agents and employees of any of them, from and against any and all claims, suits, losses or liability, including attorney’s fees and litigation expenses, for or on account of injury to or death of persons, including subcontractor’s employees, subcontractor’s subcontractors or their employees, or damage to or destruction of property, or any bond obtained for same, caused, in whole or in part, by any act or omission, or alleged act or omission, of Subcontractor, its employees or agents, but only to the extent that the “bodily injury” or “property damage” is caused by your negligence or by the negligence of those acting on the behalf of the Subcontractor.

Subcontractor’s indemnification and defense obligations hereunder shall extend to Claims occurring after this Agreement is terminated as well as while it is in force, and shall continue until it is finally adjudicated that any and all actions against the Indemnified Parties for such matters which are indemnified hereunder are fully and finally barred by applicable Laws.

**13. INSURANCE.** Subcontractor shall provide a Certificate of Insurance prior to starting work. \_\_\_\_\_ shall be added as an Additional Insured on each subcontractor GL policy, verified by a Certificate of Insurance and receipt of the Additionally Insured form. Limits on the Subcontractor’s

General Liability for Premises/Operations and Products/Completed Operations shall be equal to or greater than the Contractor’s limits of \$1 million per occurrence and \$2 million aggregate.

**14. SAFETY.** Subcontractor acknowledges and represents that he/she has made an on-site inspection of the Premises and the work area so as to be familiar with all conditions, which may affect the safety and health of its employees as well as those of its Subcontractors. Subcontractor and all of its employees shall follow all applicable safety and health laws and requirements pertaining to its work and the conduct thereof, but not limited to, compliance with all applicable laws, ordinances, rules, regulations, and orders issued by a public authority, whether federal, state or local, including OSHA and any safety measures required by Contractor. Contractor reserves the right, but not the obligation, to inspect the safety work performance of Subcontractors to ascertain their compliance with these applicable safety provisions. Notwithstanding the foregoing, Subcontractor, as an independent contractor, is solely responsible for controlling the manner and means by which it performs the Work pursuant to this Agreement. Unless otherwise agreed to by the parties in writing, Subcontractor shall provide all safety equipment, materials, tools and personal protection equipment necessary to perform the work in a safe and workmanlike manner. Subcontractor shall immediately report to Contractor all accidents, occupational injuries, and illness involving its employees or those of its Subcontractors, relating to the Work or which cause any injury to a third party or which cause damage to the property of Contractor or a third party. Subcontractor shall promptly furnish to Contractor copies of any worker’s compensation report of injury or illness forms filed by any of its employees or those of its Subcontractors and when requested, assist Contractor in any investigation it may conduct of any such accident, injury or illness.

**15. MEDIATION AND ARBITRATION.** Any dispute under this agreement shall be resolved in accordance with the mediation and arbitration rules for the construction industry of the American Arbitration Association.

**This Subcontract is accepted:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone #: \_\_\_\_\_ Fax #: \_\_\_\_\_  
E-mail: \_\_\_\_\_

\_\_\_\_\_  
By: \_\_\_\_\_, Owner  
Date: \_\_\_\_\_

Federal Tax ID # (or SSN# if sole proprietor)