



SUBCONTRACT

Job No.:
S/C No.:
Description:
Vendor No. :

Shelco, LLC

ARTICLE I:

This Agreement is made and effective this ____ day of _____, 202__, by and between the Contractor and Subcontractor to perform the work outlined in this Subcontract Agreement (the "Agreement"). The parties to the Agreement are:

"Contractor":	Contractor's Project Manager:
Shelco, LLC 2359 Perimeter Pointe Pkwy., Ste. 600 Charlotte, NC 28208	Name Telephone: XXX-XXX-XXXX Email:

"Subcontractor":	Subcontractor's Representative
Company Name Address	Name Telephone: XXX-XXX Email: email

"Project" Information:

Project Name:	Name
Street Address:	Address
City, State, Zip:	Address
"Owner":	Owner Name
"Architect":	Architect Name

"Contract Documents":

Reference/Description	No. of Pages
Subcontract	15
Exhibit "A"-Scope of Work and Project Specific Conditions	



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In witness whereof, the parties have executed this Agreement under seal, the day and year first written above

Company Name

Shelco, LLC

Subcontractor (Firm Name)

Contractor (Firm Name)

Project Manager Name,

BY: (Type or print signer's name and title)

BY: (Type or print signer's name and title)

Signature

Date

Signature

Date



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Article II:

The following are general terms of the Agreement which are more fully described and defined in the referenced sections:

A. Contract Type: Lump Sum

B. Contract Sum: _____ Dollars (\$ _____)

C. General Payment Terms (see Article XI):

- a. Bill on the 20th day of the month for work performed through the 25th day of the month.
- b. Retainage = ____%
- c. Change Order Fee for Overhead and Profit = ____%

D. Other General Requirements of the Agreement

Requirement:	Required	Comment:
a) Performance/Payment Bonds Required?		Article XV
b) Supplier lien waivers required?		Article XI
c) Joint checks required?		Article XI & Standard Form
d) Are state sales/use taxes billed outside contract amount?		
e) Sales tax certification required?		See Standard Form
f) Historically Underutilized Business Certification?		See Standard Form
g) Contractor's Project Statement Required?		See Exhibit
h) Certified Payroll Reporting Required?		See Standard Form
i) Lien Agent Information Required?		

Article III: Licensing and W-9 Information

A. Licensing: By executing this Agreement, Subcontractor affirms that it holds the following license as required by the state of the Project:

State of _____ License No. _____ Exp Date _____
 License Classification(s): _____

B. W-9 Information:

Type of Business: _____ Corporation _____ Partnership/Joint Venture _____ Individual/Sole Proprietorship

Has your company received notice or is subject to backup withholding: _____ Yes _____ No

Subcontractor's Federal Employer Identification Number (EIN): _____

(If no EIN, enter business owner's Social Security Number (SSN) above.)

Per IRS 3402(s). 31% of each payment is required to be withheld and remitted to the IRS if the EIN or SSN is not provided. This withholding amount will be in addition to the subcontractor retainage.

Under penalty of perjury, the undersigned hereby certifies that the EIN provided is correct for this taxpayer, that the answer to the backup withholding is based upon exemptions and notifications outlined in the form W-9 instructions; and that I am a U.S. person (including U.S. resident alien).

Signature: _____

Subcontractor Representative



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GENERAL CONDITIONS

Article IV: "Scope of Work"

- A. Subcontractor's Scope of work on the Project (the "Work") is set forth fully in Exhibit A hereto. The Work shall be performed as set forth herein and in accordance with the Contract Documents.
- B. "Contract Sum." The Contract Sum shall compensate Subcontractor for the specific Scope of Work set forth in Exhibit A, as well as:
 - 1. All tools, equipment, materials, labor, complete with sales tax and all items necessary for the performance of the Work;
 - 2. Drinking water for Subcontractor's forces;
 - 3. Temporary fire protection system(s) within the immediate work area as required by the local Fire Marshal and local, state, federal and insurance underwriter requirements;
 - 4. Any additional lighting required for Subcontractor's Work other than temporary lighting required by OSHA regulations;
 - 5. Any security services required by Subcontractor;
 - 6. All applicable federal, state and local taxes, including sales and use taxes;
 - 7. Receiving, loading, unloading, hoisting and distributing all subcontractor's tools, materials, equipment or any special equipment or scaffolding, unless otherwise noted in the Exhibits hereto;
 - 8. If previously approved by the Owner and Contractor, off-site storage of materials for payment required including without limitation rent, bonds, insurance, delivery, and security;
 - 9. Replacement, repair and/or remediation of any rejected or non-conforming work;
 - 10. Temporary protection for materials furnished or installed by the Subcontractor until Owner acceptance;
 - 11. Replacement, repair and/or damage caused by the Subcontractor's operations to the work or materials of other subcontractors or materialmen on the Project;
 - 12. Securing of and payment for all permits, licenses, and fees pertaining to the Subcontractor's scope of work unless otherwise excluded herein or in the Exhibits hereto; and
 - 13. Additional final cleaning for any work performed after the Contractor's "final cleaning" as set forth in the project schedule.

Article V: General Provisions:

- A. Subcontractor is NOT permitted on the Project site without the following:
 - 1. This signed Agreement, including completed Request for Tax Identification Number in Article III;
 - 2. Subcontractor Insurance Certificate (See Article XII); and
 - 3. Payment and Performance Bonds if applicable.
- B. All work shall be performed in accordance with the highest industry standards, manufacturers' recommendations, local, state and federal labor and other laws and codes and to the satisfaction of the Owner, Architect/Engineer and the Contractor. Furthermore, all work shall be performed in accordance with the Contract Documents listed in the Prime Contract between Contractor and Owner, as well as any loan documents and lender/financier requirements (the "Prime Contract").
- C. Contractor and Subcontractor are hereby mutually bound by the terms of this Agreement. To the extent that the terms of the Prime Contract apply to the work of Subcontractor, then Contractor assumes toward Subcontractor all the rights, duties, obligations and redress that Owner assumes toward Contractor in the Prime Contract. In an identical way, Subcontractor assumes toward Contractor the same obligations, rights, duties and redress that Contractor assumes toward Owner and Architect under the Prime Contract. A copy of the Prime Contract, consisting of the Agreement Between Owner and Contractor (from which



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confidential information may be redacted) and the other contract documents enumerated therein, has been made available to Subcontractor. Whether redacted or not, Subcontractor shall keep the Prime Contract confidential. In the event of any conflict or inconsistency between the terms of this Agreement and those of the Prime Contract, the terms of this Agreement shall control.

- D. Subcontractor is not guaranteed a continuous work schedule and Subcontractor acknowledges that there may be multiple mobilizations during the project schedule.
- E. Subcontractor agrees that the substantial completion date for the Work, and subsequently executed Change Orders, shall be the date set forth in the substantial completion certificate issued by the Architect for the Project. Further, Subcontractor agrees that this substantial completion date shall begin calculation of the duration of time required by the statute of repose in accordance with the laws of the state where the Project is located.

Article VI: Subcontractor Obligations

In addition to performing those duties and obligations set forth elsewhere in the Contract Documents, Subcontractor shall:

- A. Subcontractor shall designate and maintain at least one English-speaking individual as the foremen / supervisor of the Work, who shall direct the Work at all times the Subcontractor is on site, and who shall confer with the Contractor's Superintendent and Project Manager before reducing forces or leaving the Project unmanned.
- B. Ensure an authorized representative attends mandatory meetings, including: (1) scheduled subcontractors' meetings at the Contractor's field office, (2) preconstruction conferences, (3) work inspections, (4) other meetings as required by Contractor.
- C. Coordinate the Work with other trades prior to commencing the Work.
- D. Regarding Submittals:
 - 1. Furnish complete submittals including shop drawings, product data, color charts, samples, etc. in accordance with Contract Documents within fourteen (14) calendar days of the date of this Agreement.
 - 2. Include accurate dimensions, details, limitations and tolerances in its submittals to permit timely review by the Contractor and designer. Failure to include these items may result in rejection of the submittal by the Contractor.
 - 3. Resubmit any submittal rejected by Contractor within five (5) calendar days of the rejection. Resubmittals do not constitute an extension of time or approved delay in delivery of materials or equipment to the site. Contractor reserves the right to charge Subcontractor for repeated review of improperly-prepared submittals. Review and/or approval of submittals by the Contractor or designer does not relieve Subcontractor from conforming with the requirements of the Contract Documents.
 - 4. Substitutions are not allowed unless previously accepted during the bid period or with prior approval from Contractor, Architect, and Owner. Any proposed substitution must clearly indicate the substitution.
- E. Place debris generated by Subcontractor's operations in the dumpsters provided. Upon forty-eight (48) hours notice that clean-up is unsatisfactory:
 - 1. Subcontractor shall immediately supply labor to clean up the affected area,
 - 2. Subcontractor shall furnish labor for composite cleanup crew, or
 - 3. Contractor will provide clean up labor and charge Subcontractor.
- F. Obtain prior written authorization from Contractor of any work that will be subcontracted to a third party.
- G. Ensure proper supervision to coordinate with the following:
 - 1. material testing firms needed for their compliance with design requirements;



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2. regulatory inspections to ensure approved for intended use;
 3. the Owner's testing agency on site to insure quality; and
 4. not cover up any work prior to approval of the appropriate inspecting authority.
- H. Regarding Penetrations:
1. Where necessary, make own penetrations through walls and ceilings.
 2. Patch all penetrations made by Subcontractor in the course of its Work. Patches must maintain the integrity of the surface being patched, especially fire and smoke separations.
 3. Design and implement all fire-safing per approved UL design and have approved by local authorities. Complete any special testing or surface/substrate preparations required by manufacturer's requirements without delay or cost to Contractor.
- I. Provide immediate notice to Contractor of any problems with substrate material on which Subcontractor is installing its materials. Failure to notify Contractor and beginning Work acknowledges Subcontractor's acceptance of the surface conditions.
- J. Layout its own work based on control lines and bench elevations provided.
- K. Protect its materials furnished or installed from theft and vandalism. Protect any work in place from damage due to Subcontractor's operations.
- L. All materials stored onsite shall be approved in advance by Contractor's Project Manager and organized so as to not block access or egress.
- M. Regarding Permits:
1. Obtain and pay for proper permits for its Work,
 2. Arrange for permit inspections in a timely manner,
 3. Assure that in-wall installations are completed and approved by Contractor's superintendent and local authority having jurisdiction prior to drywall installation.
- N. Notify Contractor by written notice within seven (7) calendar days of first becoming aware of any schedule delay or impact from another trade. Failure of Subcontractor to provide such notice shall constitute a waiver of any claim based upon the delay or impact. Claims for additional time shall be substantiated with documentation evidencing that a critical path activity was impacted. Claims for delays will not be accepted if Subcontractor has concurrent delays in which Subcontractor is behind schedule or delayed itself.
- O. Comply with all federal, state and local laws. Additionally, Subcontractor acknowledges that it is compliant with the Wage/Hour laws and Immigration laws in effect during the Agreement's duration, including, but not limited to, the Davis Bacon Act, the Immigration Reform and Control Act of 1986, and the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, commonly known as E-Verify. Subcontractor will hold Contractor harmless for failure to comply with this provision.
- P. Subcontractor may not assign or transfer any right or obligation under this Agreement without Contractor's prior written consent; any purported assignment violating the foregoing shall be null and void.

Article VII: Schedule

Time is of the essence. Subcontractor shall provide Contractor with any requested scheduling information of Subcontractor's Work. The schedule of work on the Project, including that set forth on Exhibit B hereto, shall be prepared by Contractor and may be revised as the Work progresses. Subcontractor recognizes that changes may be made in the schedule of work and agrees to comply with such changes without additional compensation. Subcontractor shall coordinate its work with all other contractors, and suppliers on the Project so as not to delay or damage their performance, work or the Project. In addition, Subcontractor shall:

- A. Perform the Work in accordance with the schedule in Exhibit B. Each work week shall consist of a minimum of five working days (exclusive of holidays), Monday through Friday, with Saturday as a makeup day.



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- B. In the event of any deviation from the schedule by Subcontractor, Subcontractor shall recover the schedule at no cost to Contractor by:
1. Increasing the number of employees;
 2. Increasing the number of hours per shift, shifts per day, or working days per week;
 3. Increasing the amount of equipment in use on the Work.
- C. In the event that Subcontractor's failure to meet the schedule impacts other trades, Subcontractor shall be responsible for associated additional costs, if any, incurred by the affected trades, Contractor, and/or Owner. If Subcontractor's failure to meet the schedule is responsible for a delay to the critical path, Contractor may withhold monies from applications for payment to cover potential liquidated damages and other delay impact costs until the final assessment of the delay is known.

Article VIII: Safety

Subcontractor must comply with all applicable federal, state and local laws and regulations for the construction industry. In addition, Subcontractor shall:

- A. Comply with all safety policies outlined for the project site including, but not limited to, those attached at Exhibit E.
- B. Require its superintendent to attend all safety meetings scheduled by the Contractor.
- C. Conduct weekly safety meetings for all Subcontractor's employees assigned to the Project and submit signed attendance and topic sheets to Contractor within seven (7) calendar days of the date of the meeting.
- D. Provide Safety Data Sheets (SDS) to Contractor prior to: (1) beginning Subcontractor's Work, and/or (2) delivery of any new material to the project site.
- E. At its own expense, conform to the requirements of the Occupational Safety and Health Act of 1970 and the Construction Safety Act of 1969 and all standards which have been or shall be promulgated by the parties or agencies which administer such Acts (collectively, the "OSHA Regulations"), and require and be directly responsible for compliance with the OSHA Regulations on the part of its agents, employees, materialmen and subcontractors.
- F. Immediately correct any violations of the OSHA regulations whether observed by it or which is brought to its attention by any party, including or without limitation Contractor, Owner, or Architect/Engineer. Upon discovery of an uncorrected violation of the OSHA Regulations caused by Subcontractor or its agents, employees, materialmen or subcontractors Contractor may, at its sole discretion, take any of the following actions:
1. Issue written warning;
 2. Issue written warning and minimum \$500 backcharge;
 3. Issue "stop work order" until violation corrected; OR
 4. Dismiss Subcontractor from project site and terminate Agreement.
- G. Directly receive penalties and pay all fines incurred by reason of its failure or failure on the part of its agents, employees, materialmen or subcontractors, to comply with the OSHA Regulations. If an OSHA inspection results in citations and fines against the Contractor due to the Subcontractor's failure to adhere to the OSHA Regulations, all monetary penalties will be back-charged to the Subcontractor.

Article IX: Communications

Communications between the parties shall be as follows:

- A. All invoices, correspondence, submittals and notices shall be identified with the Project Name, Project Number and Subcontract Number and shall be provided to the appropriate party at the address set forth in Article I.
- B. All notices from Subcontractor to Contractor required pursuant to this Agreement must be provided in writing to the Contractor's Project Manager within three (3) calendar days, unless otherwise set forth in the



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Contract Documents.

Article X: Changes in the Work

A. Contractor Requested Changes in the Work.

Contractor, without nullifying this Agreement, may issue a field directive to Subcontractor or direct Subcontractor in writing to make changes to Subcontractor's Work. If an adjustment to the contract price or contract time results from such changes, it shall be set forth in a Subcontract Change Order pursuant to the Contract Documents.

1. Drawing Revisions - In the event that changes to the design of the Project result in a change to the Work, Subcontractor must submit pricing information and impact to schedule within seven (7) calendar days for those revisions. In the event that the Subcontractor fails to price the changes within seven (7) calendar days, Contractor may assign a value to add or deduct for changes to the Work resulting from changes to the Project design.
2. Field Directives - If Contractor and Subcontractor cannot agree on the cost or impact upon schedule, Contractor may issue a written Field Directive. Upon receipt of a Field Directive, Subcontractor shall submit unit prices and/or reasonable rates for approval for all items of work that may be impacted (i.e. labor rates, equipment rental rates, etc.) and proceed with the change in the Work and provide Daily Work Tickets itemizing the material, labor, and equipment utilized to be verified by Contractor.

B. Subcontractor Requested Changes in the Work.

Any changes in scope, time or Contract Sum requested by Subcontractor must be approved in writing by the Contractor's Project Manager and set forth in a Subcontract Change Order pursuant to the Contract Documents prior to beginning work on the proposed changes. Process for approval of changes is as follows:

1. Subcontractor must request change order within seven (7) calendar days of the occurrence giving rise to the change.
2. Subcontractor must submit its request for a change in writing in the form titled "Subcontract Change Order Request Form" or as may be required by the Contract documents and include all appropriate supporting documentation therewith.
3. Subcontractor shall not perform any work covered by the requested Change Order until it receives a Change Order signed by Contractor's Project Manager authorizing Subcontractor to proceed with work covered by the Change Order.

C. Procedure Applicable to All Changes to Scope of Work.

1. Subcontractor daily work tickets for work pursuant to a Change Order or otherwise outside Subcontractor's Scope of Work must be signed by Contractor's Superintendent on a daily basis and turned in to the Contractor's Project Manager on a weekly basis in order for reimbursement to be considered.
2. Subcontractor daily work tickets are not a contract document or a guaranty of payment, and when signed by the Contractor's Superintendent merely acknowledge receipt and verification of quantities.

Article XI: Payment Terms

Contractor agrees to pay Subcontractor for satisfactory performance of its Scope of Work.

A. Payment Procedure.

1. Prior to the first request for payment, Subcontractor shall submit to Contractor a schedule of values in sufficient detail for the Contractor to verify the value of work in place. Contractor may request clarification or changes to Subcontractor's proposed schedule of values.
- 2.



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The schedule of values approved by Contractor will be used in all pay applications by Subcontractor to reflect the value of work in place.

3. Pay requests are due on the 20th day of each month for work in place through the 25th day of that month, unless otherwise noted in Article II. Pay applications shall be legible with a visible notary stamp and made on the Contractor's combined billing and lien waiver form titled, "Subcontractor's Application for Payment."
4. Pay applications are calculated as the total value of work in place less applicable retainage less previously paid amounts less any withheld amount including without limitations any applicable backcharges.
5. Subcontractor will not be paid for any work until it is completed and accepted by Owner, Architect and Contractor.
6. Payments, including final payment, shall be made to Subcontractor for Work satisfactorily complete no later than seven (7) days after receipt by Contractor of payment from Owner for Subcontractor's work.
7. Subcontractor agrees to provide an executed lien waiver from suppliers, rental companies and lower-tier subcontractors or other forms requested relating to the pay application. These standard forms shall be provided to the Subcontractor upon request.

B. Other Payment Issues.

- 1 Subcontractor factoring of payments is strictly prohibited.
2. Sales tax certifications may be required on certain projects. If required, the sales tax certification is required monthly, even if there is no tax paid for the period.
3. Subcontractor shall promptly pay all invoices and other expenses incurred by it related to the Project with funds received from Contractor.
4. If Contractor has reason to believe that labor, material suppliers, rental companies or lower-tier subcontractors are not being paid, Contractor will give three (3) calendar days notice to Subcontractor to provide evidence that the claims have been paid or otherwise resolved in a satisfactory manner. Contractor reserves the right to issue payment directly to suppliers, rental companies and/or lower-tier subcontractors and backcharge Subcontractor or issue a joint check.
5. Joint checks are processed as follows:
 - a. Contractor's joint check agreement is executed by all parties. The joint check agreement does not constitute a guarantee of payment by the Contractor. The agreement has the sole purpose of establishing a method by which the Contractor may make payment to the Subcontractor for materials furnished by Supplier to the Project, only to the extent that the amounts paid would be otherwise due under the Subcontract.
 - b. Lower-tier joint payee must provide detail of invoices to be paid, sales taxes charged on the invoices and a conditional lien waiver.
 - c. Joint checks are written for the approved amount and mailed to the lowest-tier payee on the joint check agreement.
6. Liens from lower-tier subcontractors, rental companies or suppliers must be settled within seven (7) calendar days of notice or be bonded off. The Contractor reserves the right to directly contact Subcontractor's suppliers, lower tier subcontractors or rental companies to ensure prompt payments are made related to the project.

C. Backcharges.

Contractor may charge certain costs back to Subcontractor as set forth in this Agreement. Backcharges include, but are not limited to, costs identified in accordance with Article VII.C, damage to other's work, cleanup, replacement of non-conforming work, supplementation or termination of Subcontractor, payment to suppliers, rental companies and/or lower-tier subcontractors, fines by governmental agencies resulting from subcontractor's action or inaction, liquidated damages



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attributable due to subcontractor's failure to maintain the project schedule, costs related to Event of Default as defined in this agreement and inadequate shop drawings or submittals.

D. Final Payment.

The following are required for final payment:

1. All close-out documents including without limitation as-built drawings, warranties, operations and maintenance manuals, and test certifications;
2. Completion and acceptance of all punchlists;
3. Execution of all change orders;
4. Submission of final lien waiver from the Subcontractor;
5. Properly-executed final lien waivers from suppliers, rental companies, and/or lower-tier subcontractors;
6. If bonded, a consent of surety to final payment; and
7. If required by Contractor, a final sales tax certification.

Article XII: Insurance

Subcontractor shall maintain insurance coverage, from carriers with an AM Best rating of at least A-, as set forth below for the duration of the Project, naming Owner, Architect and Contractor as additional insureds (except on Workers' Compensation) with coverage coextensive with Subcontractor as the named insured. Such coverage shall apply as primary insurance before any other insurance or self-insurance, including any deductible, maintained by, or provided to, the additional insureds.

- A. Commercial General Liability (CGL) with limits of Insurance not less than \$1,000,000 each occurrence and \$2,000,000 aggregate.
1. If the CGL coverage contains a General Aggregate Limit, such General Aggregate Limit shall apply separately to each project.
 2. CGL coverage shall be written on Insurance Services Office (ISO) occurrence form CG 00 01 (with an edition date no earlier than 10/01) or an equivalent, providing coverage for liability arising from premises, operations, blanket contractual of a type that provides coverage for the indemnification clause in this subcontract, independent contractors, products-completed operations, and personal injury and advertising injury.
 3. The Contractor, Owner and all other parties required of the Contractor, shall be named as additional insureds on the subcontractors CGL policy using ISO Additional Insured Endorsements CG 2037 (10/01) and either CG 2010 (10/01) or CG 20 38 (04/13), or an endorsement providing equivalent coverage to the additional insureds. The coverage for the additional insureds shall provide primary, non-contributory coverage AND include completed operations coverage.
 4. Subcontractor shall be required to maintain CGL coverage for itself and all additional insureds for the duration of the project and maintain completed operations coverage for itself and each additional insured for the length of the statute of repose of the state where the project is located, or if such state does not have a statute of repose, a minimum of 10 years after the completion of the work.
- B. Automobile Liability with limits of at least \$1,000,000 per accident and coverage for liability arising out of all owned, leased, hired and non-owned vehicles.
- C. Commercial Umbrella with limits of at least \$2,000,000. Umbrella coverage shall follow form and provide coverage over CGL, Employer's Liability, and Automobile Liability.
- D. Workers' Compensation and Employers' Liability with employer's liability insurance limits of at least \$500,000 per accident for bodily injury by accident and \$500,000 per employee for injury by disease.
1. Where applicable, United States Longshore and Harborworker's Compensation Act Endorsement



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- shall be attached to the policy.
2. Where applicable, the Maritime Coverage Endorsement shall be attached to the policy.
- E. Professional Liability Insurance ("PLI"): If Subcontractor's Scope of Work includes design work excluded from the CGL, Subcontractor shall maintain or shall insure that any consultant under contract with Subcontractor to perform such design work maintains PLI with limits of at least \$1,000,000.
- F. Theft, fire and flood coverage in an amount equal to or exceeding the value of the materials shall be maintained by Subcontractor on all Project materials stored off-site.
- G. Aviation Liability: If Subcontractor uses any Unmanned Aircraft System (i.e. Drones) for their Scope of Work, Subcontractor shall maintain Unmanned Aircraft System (UAS) Liability coverage including Premises Liability and Personal Injury & Advertising Injury Liability with a combined single limit for bodily injury and property damage in an amount not less than \$2,000,000 per occurrence and in an amount not less than \$2,000,000 in the annual aggregate. The UAS Liability coverage will include an endorsement naming Contractor (should match however the contract reads) as an Additional Insured and will provide a Waiver of Subrogation on the liability and physical damage coverage in favor of Contractor. If Subcontractor self-insures their physical damage coverage, then Subcontractor agrees to Waive any rights of recovery that they may have against Contractor in the event of damage to the UAS. The insurance policy shall contain an agreement by the insurer to provide Contractor with thirty (30) days advance written notice of any deletion, cancellation or adverse material change in coverage made by the insurer.
- H. Subcontractor waives all rights against Contractor, Owner and Architect and their agents, officers, directors and employees for recovery of damages to the extent these damages are covered by insurance as set forth in this Article XII. To the fullest extent permitted by law, Subcontractor shall obtain waivers of subrogation on the CGL, Business Automobile, Workers' Compensation and Umbrella Liability policies from its subcontractors.
- I. Subcontractor's agent shall provide to Contractor a Certificate of Insurance and copy of Endorsement naming the Contractor, Owner, Architect and others required by the Contractor as additional insureds prior to commencement of the Work.
- J. Each policy for coverage listed above and issued in the name of the Subcontractor shall include an endorsement stating the policy will not be cancelled without thirty (30) days prior written notice to Contractor. The insurance certificate should state: "Should any of the above described policies be cancelled or materially changed before the expiration date thereof, the issuing insurer will mail thirty (30) days written notice to the certificate holder and all additional insureds names herein."

Article XIII: Warranty

Subcontractor warrants to Owner, Architect and Contractor that materials and equipment furnished under this Agreement will be of good quality and new unless otherwise required or permitted by the Contract Documents, that the Work will be free from defects not inherent in the quality required or permitted, and that the Work will conform with the requirements of the Contract Documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. Subcontractor's warranty excludes remedy for damage or defect caused by abuse, modifications not executed by Subcontractor, improper or insufficient maintenance, improper operation or normal wear and tear under normal usage. This warranty shall be in addition to and not in limitation of any other warranty or remedy required by law or by the Contract Documents.

If, within one year after the date of substantial completion of the Work or designated portion thereof, any of the Work is found to be defective, the Subcontractor shall correct it promptly after receipt of written notice from the Owner, Architect or Contractor to do so. Notice shall be given promptly after discovery of the defective condition. This remedy shall be in addition to and not in limitation of any other remedy allowed by law or by the Contract Documents for defective Work or for breach of this Warranty. Subcontractor obligation for liability for the defect extends until extinguished by the governing statutes of limitations and repose.



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Article XIV: Indemnification

To the fullest extent permitted by law, Subcontractor shall defend, indemnify and hold harmless Owner, Architect, Architect's consultants, and Contractor from all claims, damages, losses and/or expenses, including attorneys' fees, arising out of or in any way related to Subcontractor's performance of this Subcontract to the extent that such claims, damages, losses and/or expenses are caused in whole or in part by any breach, negligent act and/or negligent omission of Subcontractor and/or any of its agents, employees, subcontractors or suppliers. In the event that claims, damages, losses and/or expenses are caused by the joint or concurrent negligence of Subcontractor and Owner, Architect, Architect's consultants and/or Contractor, they shall be borne by each party in proportion to its negligence.

Article XV: Bonds

If requested, Subcontractor shall provide Contractor with Performance and Labor and Material Payment Bonds, using Shelco, LLC bond forms, issued by a surety licensed in the state of the Project site. The surety must have an AM Best Rating of at the least "A". Each bond shall be in the amount of the full Contract Sum set forth in this Agreement and on the standard bond forms provided by the Contractor and accompanied by a certified power of attorney for the party executing the bonds. Subcontractor shall return such bonds within ten (10) business days of receipt of subcontract.

Article XVI: Dispute Resolution

Disputes between Contractor and Subcontractor follow this procedure in order;

- A. Notice of Claim.
No formal claim shall be asserted unless the party asserting the claim has first notified the adverse party in writing of the nature and value of the claim. All parties shall endeavor to settle the dispute through direct discussions within ten (10) days of the notice of the claim.
- B. Mediation.
The parties may submit unresolved disputes to mediation under the Mediation Rules of the American Arbitration Association (AAA), but the parties are not required to mediate through the AAA.
- C. Arbitration
Disputes arising out of this Agreement that are not resolved through the sections XVI.A. and/or XVI.B. above may be submitted to binding arbitration at the sole election of the Contractor.
 - 1. The arbitration may be conducted under the Construction Arbitration Rules of the AAA at the sole election of Contractor.
 - 2. At the sole election of Contractor, arbitration proceedings may be consolidated or joined with arbitration proceedings pending between other parties if the other arbitration proceedings arise out of the Project, or the same transaction or subject matter set forth in this Agreement.
- D. Choice of Venue.
Any mediation, arbitration or litigation shall be conducted in the county where the Project is located.

Article XVII: Termination/Supplementation

- A. Events of Default
The following shall constitute an "Event of Default" by Subcontractor:
 - 1. Failure to perform any of its obligations under this Agreement;
 - 2. Failure to supply proper materials or skilled labor;
 - 3. Failure to maintain schedule;
 - 4. Failure to complete punchlist or worklist within designated time provided by Contractor;
 - 5. Failure to make timely payments to suppliers, rental companies or lower-tier subcontractors;
 - 6. Failure to timely notify Contractor of any and all IT and/or security breaches of Subcontractor;
 - 7. Disregard of laws, ordinances, rules, regulations or orders of public authority having jurisdiction; and/or



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8. Subcontractor's bankruptcy, receivership, or general assignment for the benefit of Subcontractor's creditors.

B. Remedy Upon Default.

Upon the occurrence of an Event of Default as set forth in section XVII.A, the Contractor will provide written notice to Subcontractor. Such notice may be sent via certified mail, regular mail, commercial carrier or hand delivery and shall be deemed received immediately upon mailing. Upon receipt of Notice of Event of Default, Subcontractor shall have three (3) calendar days in which to cure the default (the "Cure Period"). Without prejudice to any other rights or remedies of Contractor, after the expiration of the Cure Period, Contractor may:

1. Supplement Subcontractor;
2. Correct the deficiencies in Subcontractor's Work;
3. Terminate Subcontractor as set forth in section XVII.D and complete the Work;
4. Deduct the cost of such correction and/or supplementation including overhead and profit and reasonable attorney's fees from the Contract Sum. If the remaining balance of the Contract Sum is not sufficient, Subcontractor shall pay the difference to Contractor.

C. Termination for Convenience

1. Without waiving any other rights available to it at law or in equity, Contractor may, at any time, terminate Subcontractor for the Contractor's convenience and without cause. Contractor will provide written notice of termination for convenience to the Subcontractor. Such notice may be sent via certified mail, regular mail, commercial carrier or hand delivery and shall be deemed received immediately upon mailing and shall set forth an effective date of termination.
2. Upon written notice of termination for convenience from Contractor, Subcontractor shall: (1) cease operations as directed by the notice, (2) take actions necessary to protect and preserve the work in place, and (3) except for the work to be performed prior to the effective date of termination, terminate all existing purchase orders, rental contracts and/or lower-tier subcontracts.
3. Contractor will reimburse Subcontractor for all work performed to the effective date of the termination and reasonable costs incurred by Subcontractor as a result of such termination.
4. Subcontractor agrees that it shall not be entitled to incidental, consequential and/or special damages as a result of termination or breach of this Agreement for any reason by Contractor. Should Contractor terminate this Agreement for cause, (a) there is a dispute as to whether or not Subcontractor is terminated for cause and (b) it is ultimately determined that Contractor is not entitled to terminate Subcontractor for cause, then the damages for termination shall be determined as if the termination were for the convenience of Contractor with all incidental, consequential and/or special damages being waived by Subcontractor. Subcontractor acknowledges that it has received adequate consideration for the waiver of incidental, consequential and/or special damages.
5. Notwithstanding any termination of Subcontractor pursuant to the Article XVII.C, all rights of Contractor under this agreement, including without limitation its rights under Articles XIII, XIV, XVI of this Agreement, shall survive such termination of Subcontractor and not be affected thereby.

D. Termination for Cause.

1. Without waiving any other rights or remedies available to it at law or in equity, Contractor may terminate Subcontractor for cause if a default is not remedied within the Cure Period. Contractor will provide written notice of termination for cause to Subcontractor. Notice of termination for cause shall be deemed received upon mailing and shall be immediately effective.



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2. Upon written notice of termination for cause from Contractor, Subcontractor shall: (1) cease operations as directed by the notice, (2) take actions necessary to protect and preserve the work in place, and (3) terminate all existing purchase orders, rental contracts and/or lower-tier subcontracts.
3. If Subcontractor is terminated for cause, no further amounts will be paid to the Subcontractor until:
 - a. Work is completed by Contractor and costs are finalized, and
 - b. Any unpaid lower-tier subcontractors, rental companies and/or suppliers to the Subcontractor have been satisfied.
4. Notwithstanding any termination of Subcontractor pursuant to the Article XVII.D, all rights of Contractor under this agreement, including without limitation its rights under Articles XIII, XIV, XVI of this Agreement, shall survive such termination of Subcontractor and not be affected thereby.

E. Limitation on Damages After Termination:

If Subcontractor is terminated, whether for convenience or for cause, and Contractor is able to complete the Work for less than the remaining balance of the Contract Sum, in no event shall Contractor be obligated to pay Subcontractor any amount exceeding the value of Subcontractor's work in place as of the date of notice of termination.

Article XVIII: Miscellaneous Provisions

A. Independent Contractor.

Subcontractor shall perform its obligations under this Agreement as an independent contractor of Contractor. Nothing herein shall be deemed to constitute Contractor and Subcontractor as partners, joint venturers, or principal and agent. Contractor shall have no liability for, and Subcontractor shall remain fully liable for, the acts or omissions of Subcontractor personnel and its subcontractors.

B. Entire Agreement.

This Agreement constitutes the entire understanding of the parties hereto with respect to the matters set forth herein and in the other Contract Documents. There are no representations, warranties, agreements, arrangements or understandings, oral or written, between or among the parties hereto relating to the subject matter of the Agreement other than what is set forth herein and in the other Contract Document.

C. Mutually Drafted Agreement.

Each of the parties has had the opportunity to be fully and completely represented by counsel of their own choosing in the negotiation and drafting of this Agreement. Accordingly, the Parties agree that any rule of construction of contracts resolving any ambiguities against the drafting party shall be inapplicable to this Agreement. IN ENTERING INTO THIS AGREEMENT, EACH PARTY REPRESENTS THAT THE TERMS OF THIS AGREEMENT HAVE BEEN COMPLETELY READ AND THOSE TERMS ARE FULLY UNDERSTOOD AND VOLUNTARILY ACCEPTED.

D. No Waiver.

Contractor's decision, failure, or neglect to enforce any of rights under this Agreement will not be deemed to be a waiver of Contractor's rights. If Contractor waives a breach of this Agreement by Subcontractor, said waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other default or breach hereunder.

E. Severability.

If any provision of this Agreement is held, determined, or adjudicated to be invalid, unenforceable, or void for any reason, each such provision shall be severed from the remaining provisions of this Agreement and shall not affect the validity and enforceability of such remaining provisions.



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F. Governing Law.

This Agreement shall be governed by the law in effect at the location of the Project.

G. Counterparts.

This Agreement may be executed in counterparts. There may be two identical copies of this Agreement. The parties hereto may execute separate copies of this Agreement, which separate copies and shall constitute one Agreement binding on both parties hereto, notwithstanding that the signatories are not signing the same pages. A photocopied or electronic copy of this Agreement shall be deemed as binding and valid. Any changes to the Agreement must be executed by both parties. ALL COPIES MUST BE LEGIBLE.



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EXHIBIT "A"

SCOPE OF WORK

Project Name: _____
Subcontractor: _____

SCOPE OF WORK

Subcontractor agrees to commence Subcontractor's work herein described upon notification by Contractor and to perform and complete such Work in accordance with the Contract Documents and Contractor's Schedule.

The Contractor will be utilizing the construction software platform Procore for management and collaboration of project documentation including but not limited to Drawings, Specifications, Request for Information (RFI's), Submittals, etc. The Contractor will provide the Subcontractor with access to the project within Procore. It is the Subcontractor's responsibility to make use of this software to ensure the Subcontractor is working and coordinating with the most up to date project documents. By Subcontractor's use of Procore, Subcontractor is not relieved of Subcontractor's responsibility to fully comply with the contract documents, including, and without limitation, the need to check, confirm and coordinate all dimension and details, take field measurements, verify field conditions, and coordinate your work with other contractors for the project.