Subcontractor Agreement

This subcontractor agreement is made between, "_____(vendor name)," and **East Atlanta Painting Company, LLC (D.B.A. - Atlanta Painting Company; and hereinafter referred to as Atlanta Painting Company in this document),** "General Contractor." The remainder of this document covers expectations for work to be done and enumerates the consequences of violating these expectations or this agreement.

This agreement guarantees the Subcontractor, named above, a payment of the **approved work order amount** for the work to be done enumerated by the contract. Approval of work order amount and scope of work is implied by the subcontractor beginning work on the property. In cases of additional work to be done beyond the original scope of the contract, the Subcontractor will be granted additional pay and will have the right to negotiate the amount of additional pay. The total payment due to the Subcontractor will be paid to the Subcontractor upon completion of the entire scope of work and payment in full from the customer, with the exception of the following circumstances (special circumstances): special financing, Barter projects, pay at close customers, and any other unique circumstances where payment from the customer is not received immediately upon completion of the project. Any of these special circumstances where payment is not received in full at job completion are handled on a case by case basis and the timeliness of payment to the Subcontractor for these special circumstances is up to the discretion of Atlanta Painting Company. For all work that is paid in full by Sunday, the labor payout will be added to subcontractor payroll and paid out NET 14.

The work to be performed by the Subcontractor is limited in nature. It covers exactly and precisely the following duties: Prep & Painting of Homes or Businesses in complete accordance with approved scope of work in the contract provided to the subcontractor. The methods by which these duties are performed, insofar as the methods are safe and legal and adhere to the following expectations (listed below in next section), will be at the discretion of the Subcontractor, except for the specific forbidden methods: **Any violation of OSHA, EPA, Company Safety Policies, any government agency, or conflicting any outlined methods specified within the contract itself.** Select materials for this work will be provided by Atlanta Painting Company and have been considered in the pay rate listed above. The Subcontractor will be responsible for providing labor and equipment to properly complete and manage the project as stated above.

The standards and expectations for general conduct and the manner in which work is performed by the Subcontractor are as follows:

- No profanity or inappropriate conversation while on the job site – always assume the customer can hear you.
- Each Subcontractor must have at least 1 team member on site at all times that can communicate clearly in English. This person must be clear on the scope of work.
- No Alcohol or Drugs (this includes illegal drugs and abuse of prescription drugs, even if lawfully obtained).
- No Firearms on the premises of any customer home
- Do not use customer's tools, ladders, vacuum cleaners, or other supplies – no exceptions.
- Confirm the use and location of washout stations (drywall mud, paint, etc.) with the Project Manager or customer before using them.
- Wear appropriate clothing (no obscene sayings or gestures on clothing or accessories) at all times while on customers' property, and do not wear any clothing or accessories with other construction/painting company logos.
- *Do not post any advertisement or signage with Subcontractor logo, including on Subcontractor vehicles, on customer property - the work is being performed for Atlanta Painting Company.*
- Do not allow non-essential personnel (children, relatives, friends) on Project sites.
- Take appropriate precautions to protect customers' property at all times.
- Mask and protect floors in any instance where failure to do so may cause damage to the home, for which subcontractor will be held responsible for cost to fix any/all damages.
- Utilize containment to minimize dust throughout the house.
- Be aware and do not leave doors open unnecessarily (to conserve heat and air conditioning and to protect children and pets.)

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Failure to comply with these standards and expectations can result in, but are not limited to, the following consequences:

- Verbal warning
- Removal from jobsite
- Withholding of pay
- No further contracts given to subcontractor
- Legal recourse

It is understood that the work to be performed by the subcontractor is on a **contract by contract basis.** If unforeseen circumstances prevent the safe and effective completion of this work, extensions will be discussed but are not guaranteed. If delays are not remedied within 30 days, Atlanta Painting Company will have the right to withhold payment to the Subcontractor.

Atlanta Painting Company reserves the right to withhold pay to the Subcontractor in the case of incomplete or insufficient quality work as outlined below:
If Atlanta Painting Company elects to terminate Subcontractor's right to proceed, for the purpose of completing the work, take possession of all materials, tools, and appliances of Subcontractor, and may employ any other person or persons to finish the work and provide needed materials. In case of such termination, Subcontractor will not be entitled to receive any further payment under this Agreement until the work undertaken by Atlanta Painting Company is completely furnished. At that time, if the unpaid balance of the Subcontract Price owed to Subcontractor for work it properly completed exceeds the expenses incurred by Atlanta Painting Company in finishing the Subcontractor's work, the excess shall be paid by Atlanta Painting Company to Subcontractor. If such expense exceeds said unpaid balance, then Subcontractor shall promptly pay to Atlanta Painting Company the amount by which such expense exceeds the unpaid balance. Expenses incurred by Atlanta Painting Company in finishing the work will include expenses incurred by Atlanta Painting Company for furnishing the materials, for finishing the work, and for any damages sustained by Atlanta Painting Company or Atlanta Painting Company's customer by reason of Subcontractor's default or negligence. Atlanta Painting Company will have a lien upon any materials, tools, and appliances of Subcontractor that Atlanta Painting Company has taken possession of, to secure the payment of any amounts due under this Agreement. The subcontractor waives all rights to lien against any property at which work is being performed for Atlanta Painting Company.

The work to be performed will be outlined in the contract given to the customer and the Subcontractor. The contract explicitly outlines the scope of work to be performed by the Subcontractor. This contract will serve as the guideline for the work to be performed and failure to meet this guideline will result in removal from the jobsite and withholding of pay as aforementioned.

If legal disputes arise, the case must be arbitrated by an independent entity qualified for this position. The fees for arbitration will be paid by the party deemed in the wrong, and all charges will be voluntarily submitted once arbitration is complete.

Subcontractor agrees to being onsite at minimum 9am-5pm consecutive days (Mon-Sat) until successful completion of the contract. All trash from the jobsite is subcontractors' responsibility to remove (the dumpster at our office can be used for any job related trash so long as it is bagged & does not contain any paint). Job is not complete until it meets Atlanta Painting Company quality standards & the customer has paid their balance in full.

No Right to Subcontracting: Subcontractor may not subcontract, either part or in whole, the Services authorized under this Agreement.

Insurance: The Contractor shall require the Subcontractor, to have insurance set forth in this Section under the following terms and conditions before commencing Services:

General Liability Insurance

1. $1,000,000 Each Occurrence (bodily injury & property damage)
2. $1,000,000 Personal Liability Injury

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3. $2,000,000 Aggregate for products-completed operations
4. $2,000,000 General Aggregate

Vehicle Liability Insurance

1. $1,000,000 minimum required

Insured must match that of the LLC or individual that payments are made to.

Allowing any lapse in coverage on required insurance policies will result in Contractor not providing future work to subcontractor until documents showing current insurance coverage. Also, paychecks may be held until updated documents are provided.

Waiver of Subrogation. Subcontractor waives all rights against Contractor, Client, other subcontractors, and their agents.

Labor Relations. Subcontractor shall maintain labor policies in conformity with the directions of the Contractor and under State laws.

Indemnification. To the fullest extent permitted by law, Subcontractor shall defend, indemnify and hold harmless the Client and Contractor (Atlanta Painting Company) along with any of their agents, employees, or individuals associated with their organization from claims, demands, causes of actions and liabilities of any kind and nature whatsoever arising out of or in connection with the Subcontractor's Services or operations performed under this Agreement and causes or alleged to be caused, in whole or in part, by any act or omission of the Subcontractor or anyone employed directly or indirectly by Subcontractor or on Subcontractor's account related to Subcontractor's Services hereunder. This indemnification shall extend to claims occurring after this Agreement is terminated as well as while it is in force. The indemnity shall apply regardless of any passively negligent act or omission of the Client or Contractor, or their agents or employees, but Subcontractor shall not be obligated to indemnify any party for claims arising from the active negligence, sole negligence, or willful misconduct of Client or Contractor or their agents or employees or arising solely by the designs provided by such parties. To the extent that State law limits the defense or indemnity obligations of the Subcontractor either to Contractor or Client, the intent hereunder is to provide the maximum defense and indemnity obligations allowed by the Subcontractor under the law. The indemnity set forth in this Section shall not be limited by any insurance requirement or any other provision of this Agreement.

Warranty: Subcontractor warrants to Client and Contractor that any and all materials and equipment furnished shall be new unless otherwise specified and that all Services provided under this Agreement will be performed, at a minimum, in accordance with industry standards. All work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. The warranty provided in this Section shall be in addition to and not in limitation of any other warranty or remedy required by law or by the Prime Contract. Subcontractor agrees to a 12-month labor warranty on workmanship performed for Atlanta Painting Company.

Safety & Liability: Subcontractor agrees to abide by all applicable OHSA safety standards & Industry safety precautions while performing any services for Atlanta Painting Company. Any failure to do so resulting in but not limited to: physical injury, property damage, any other unforeseen collateral damage from subcontractors work/actions will result in pursuance of subcontractor assuming full financial liability for these situational outcomes.

Both Parties Have the Option to Terminate: Contractor or Subcontractor may, at any time and for any reason, terminate this Agreement for convenience with at least 10 business day(s) notice. In the event of termination for convenience, Subcontractor shall recover only the actual cost of work completed to the date of termination (any incomplete/ongoing projects will only be paid out at the rate of any money leftover in agreed upon payout after another subcontractor is brought in to complete the project. If this results in money owed to Contractor from Subcontractor, Subcontractor shall pay promptly in full any amounts owed).

This is the list of items we will and will not pay for on jobs. If you need to get any form of equipment/tools for a job, it must always be approved first by your project manager who will determine if we will pay for it or if we can cover the cost and deduct from your paychecks (as a loan)

If you purchase items that are not approved by your project manager these costs will be deducted from your next paycheck in addition to a $20 flat fee per occurrence.

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What we pay for: MATERIALS/SUNDRIES

- *Paint
- *Primer
- *Tape
- *Rags
- *Plastic
- *Caulk
- *Paper
- *Simple Green/Bleach
- *Stain
- *Poly
- *Sandpaper
- *Roller covers
- *Paint thinner
- *Masking liquid
- *Wood
- *nails/screws
- *Razor blades
- *Disposable Face masks
- *Drywall & drywall repair kits
- *Painter Shirts (supplied from office)

What we will NOT pay for/needs PM approval: EQUIPMENT

- * Sprayer Tips
- * Sprayer Parts
- * Ladders
- * Roller Extension Rods
- * Roller Handles
- * Spray Shields
- * Drills / Drill bits
- * Saws / Saw blades
- * Vacuums
- * Sanders
- * Heaters
- * Saw Blades
- * Knives
- * Paint Sprayer
- * Pressure Washer
- * Hoses / Nozzles
- * Tools of any kind
- * Paint Brushes
- * Water/Gatorade/drinks
- * Painter Pants/gloves

These lists are not fully inclusive, but in general we are paying for supplies and you are responsible for any equipment costs. If you have any questions, please get with your project manager.

No call/no show on jobsites & walking off job sites

Timely arrival to job sites is critical to a job's success & customer having an amazing experience. For that reason we expect our subcontractors to be timely in their arrival to every jobsite every day.

- **No call/no show to a jobsite or walking off a jobsite**
  - **$250 fine**
  - **Can result in loss of job if happens more than once**
- **Late to jobsite without prior notice to PM - expected arrival no later than 9:00a.m.**
  - **$50 fine**
- **Any fines/charges will be input into the upcoming payroll period**

By signing this agreement, both the Subcontractor and the General Contractor, Atlanta Painting Company, are acknowledging their understanding and agreement to all terms above.

_____	_____	_____
Subcontractor – PRINTED Name	**Date**	**Subcontractor - SIGNATURE**
_____	_____	_____
APC Representative – PRINTED name	**Date**	**APC Representative - SIGNATURE**

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