



Bulletin No. SC 1  
File: Subcontracts

## Suggested Subcontract Form

### Foreword

The subject of this bulletin, the "Suggested Subcontract Form," is a form of contract for letting your subcontract work. This is only a suggested form, consult your attorney before adapting it for your firm.

### TERMS AND CONDITIONS

1. The order between (your firm name), hereinafter called the Contractor, and the party to whom the order is addressed, hereinafter called the Subcontractor, shall, when accepted by the Subcontractor, become the exclusive contract between the parties, and all prior representations or agreements, whether written or oral, not incorporated herein, are superseded.
2. Work performed by Subcontractor shall be in strict accordance with all applicable plans, general conditions, specifications and addenda listed on the face as applicable thereto, and Subcontractor is bound by all provisions of these documents, and also all other documents to which the Contractor is bound and to the same extent. Where his specific work as set forth in the plans, specifications and addenda, is not described in this order, Subcontractor shall perform all work normally construed to come within the scope of his activities.
3. Subcontractor agrees to indemnify and save harmless the Contractor and/or Owner, from any loss, expense, damage, or injury caused or occasioned, directly or indirectly, by its failure to comply with any of the following:
  - a) The furnishing and paying for all necessary permits, licenses, and inspection fees as called for in the plans, specifications, and addenda as being his responsibility.



- b) The payment of all royalty and license fees and the defense of all suits or claims for infringement of any patent rights pertaining to materials or equipment furnished by Subcontractor or work performed by Subcontractor.
- c) The payment of any loss or damage arising from any defects in material or workmanship for a period, and to the extent, as set forth in the plans, specifications and addenda, or for a period of one year from date of acceptance, whichever is greater.

4. The Subcontractor hereby assumes entire responsibility and liability for any and all damage and injury of any kind or nature whatsoever to all persons, whether employees or otherwise, and to all property, arising from the labor or material or both used in the performance of this contract or occurring in connection therewith, and agrees to indemnify and save harmless the Contractor and/or Owner and their respective agents, servants and employees from and against any and all damage, injury, loss or expense, including legal fees and disbursements, arising therefrom, or occurring in connection therewith. The Subcontractor shall procure and maintain, at its own expense, the following insurance: Workmen's Compensation, including Occupational Disease within statutory limits, Comprehensive General Liability, including bodily injury and property damage and covering the contractual liability, and such other insurance as the Contractor or Owner may require in amounts satisfactory to the Contractor. Before commencing work or delivering any material, the Subcontractor shall furnish a certificate to the Contractor showing the insurance to be in force and that it will not be canceled with less than 10 days written notice to the Contractor and the Owner.

5. In the event that the Subcontractor delays the progress of the work or the furnishing of material, or fails in the performance of any of the provisions of this contract, or becomes bankrupt or insolvent, the Contractor shall have the right to terminate this contract upon three days' written notice mailed or delivered to Subcontractor at its last known address. In case of such termination, the Subcontractor shall not be entitled to receive any payment for work done under this contract through the date of termination until the remainder of the work required by the contract has been completed, at which time, if the unpaid balance due Subcontractor exceeds the cost of completion, said amount shall be paid to Subcontractor. If such cost of completion, however, shall exceed such unpaid balance, then the Subcontractor shall pay the difference to the Contractor. The cost of completion incurred by the Contractor shall include all damage and expense incurred through the default of the Subcontractor.

6. The Subcontractor shall clean up and remove from the premises all debris caused by the execution of the work or furnishing of material. Upon failure to remove its debris, Contractor may remove it and charge the cost to the Subcontractor.

7. Subcontractor shall furnish all necessary lien waivers, affidavits and other documents required to keep the Owner's premises free from liens or claims for liens of all materialmen, subcontractors or laborers, as payments are made under this contract.

8. Subcontractor shall pay all contributions, taxes or premiums which may be payable under Federal or State Unemployment Insurance Law or the Federal Social Security Act and all Sales, Use or other taxes arising out of the performance of this contract.



9. The Subcontractor guarantees the Contractor and the Owner against any loss or damage arising from any defects in material or workmanship furnished by it under this contract for a period as set forth in the plans, specifications and addenda, or for a period of one year from acceptance, whichever is greater, and agrees to replace any defective material and correct any defect in the work when requested to do so.

10. Subcontractor agrees that it will not assign this contract, or any of the monies due, or to become due under it, or subcontract portion of the work to be performed under it, without first obtaining written consent of the Contractor.

11. In the event of the termination of the contract between the Contractor and the Owner or General Contractor, this Agreement shall also be terminated upon written notice from the Contractor to the Subcontractor, and the Contractor shall be liable to Subcontractor only for labor and materials furnished up to the date of receipt of the written notice of termination, and for any materials ordered for the project, but only to the extent that the Subcontractor is liable.

12. It is understood and agreed that the Owner has the right to approve or disapprove the engagement of this Subcontractor. In the event that the Contractor does not provide to Subcontractor within ten days of the date shown above a written statement signed by the Owner (or a copy thereof) indicating that he has approved this Subcontract, this Agreement shall be of no effect, and null and void.

13. No additions, deductions or changes shall be made in the work, nor shall there be any charges for premium time, except upon written order of the Contractor, which order shall specify the amount of additional compensation or credit to be applied to the amount of this purchase order.

YOUR FIRM'S NAME AND ADDRESS:

SC No.

Job No.

Job Name

Job Address

Date

**SUBCONTRACT PURCHASE ORDER**

(Labor and Materials to be furnished)

To:

Req'n No.

Render all invoices in **TRIPLICATE**  
Order No. **MUST** appear on all invoices

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SCOPE OF WORK:

TIME OF COMPLETION:

PRICE

TERMS OF PAYMENT SHALL BE AS FOLLOWS:

ALL TERMS AND CONDITIONS AS SET FORTH ON REVERSE SIDE ARE A PART OF THIS ORDER

ACCEPTED: \_\_\_\_\_

YOUR FIRM'S NAME

By: \_\_\_\_\_  
Title

By: \_\_\_\_\_  
Title

Date: \_\_\_\_\_