**Construction Agreement**

**THIS CONSTRUCTION AGREEMENT** is made the\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20\_\_\_\_.

**BETWEEN:**

**Contractor:** **[Name]** (as an agent representative of company)

**License #:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**And**

**Subcontractor:** **[Name]** (as an agent representative of company)

**License #:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

The CONTRACTOR and SUBCONTRACTOR for good and valuable consideration Agree to the Terms set forth below.

**I. CONTRACT DOCUMENT:** The Contractor documents for this contract consist of this agreement, the agreement between the owner(s) and Contractor, the drawings and conditions including changes made before the construction work, and alterations made after construction starts between the owner(s) and Contractor and agreed upon by the parties to this contract. All of these documents form this contract and are fully part of this contract.

**II. THE WORK:** The Subcontractor shall execute all of the work and make available all of the materials required by this contract for Subcontractor's trade including but not limited to work/materials described as follows:

The work and materials are to be supplied to any and in harmony with the plans and specifications for construction site. All labor and materials shall meet and be in unity with acceptable building trade practices. No work shall be considered as acceptable until final examination and approval is received from the Contractor.

**III. TIME OF COMMENCEMENT AND SUBSTANTIAL COMPLETION:** Subcontractor will continue and complete all work and supply all materials per Contractor's agenda, based on Contractor's Superintendent/Construction Manager giving a minimum of \_\_\_\_\_\_\_\_ (xx) calendar days lead time for each activity, of Subcontractor.

**IV. THE CONTRACT PRICE:** Subcontractor will illustrate contract prices and extra(s) (if any) on all invoices. The privileges to make payments can not be practiced until Subcontractor gets an approved start order from Contractor.

**V. PROGRESS PAYMENTS:** The Contractor shall pay to the Subcontractor as close as is matter-of-fact to the \_\_\_\_\_\_\_ day of each month in full for work done and completed in agreement with the attached invoices to the subcontract.

**VI. INSURANCE:** Before actually starting any work of the contract, the Subcontractor shall obtain liability, property and casualty insurance from a responsible insurer having minimum limits of not less than \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Amount in words ($\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_) for liability and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Amount in words ($\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_) for property and casualty losses for each occurrence. Subcontractor must submit a Certificate of Insurance before starting work. A Workers' Compensation Insurance Certificate covering Subcontractors and all of their employees must also be submitted to Contractor before starting the work and kept up-to-date. General Liability coverage shall be primary and non-contributory. Waiver of subrogation is in favor of certificate holder.

**VII. WORKING CONDITIONS:** Subcontractor is to eliminate all trash from each lot and/or lodging related to its work or keep debris in onsite waste bins if provided by Contractor as the waste is generated. Failure to clean up or control scrap and wastes will result in a back charge to Subcontractor by Contractor for all costs or delays made.

**VIII. TERMINATION:** Contractor may finish this Agreement for reason, if Contractor finds out. Subcontractor is failing to timely execute scheduled work, perform or repair list items, performs warranty work, or is in breach of any term or terms of this contract. In addition, the Agreement may be finished by either Contractor or Subcontractor upon the giving of \_\_\_\_ (x) days prior notice to other party. If this Subcontractor is terminated for cause Contractor can finish any ongoing construction. A Subcontractor will have the duty to perform all warranty work for work completed by Subcontractor. If this Agreement is terminated pursuant to the notice and \_\_\_\_ (x) days provision as stated herein the Subcontractor shall be bound to the conditions of this contract as to the finishing of all ongoing construction and all work for which Subcontractor has started orders. All work to complete this Agreement by Subcontractor will be done in strict accordance with the terms and condition of this agreement.

**IX. SITE DAMAGE AND MATERIALS:** Any harm caused to the construction site, drains, paths or any building being constructed by the Subcontractor, its employees, or suppliers shall be paid for by Subcontractor upon demand by Contractor. Any work or materials, which do not meet building codes and do not pass examination will be quickly removed and replaced at Subcontractor's only expense. If Contractor guesses improper labor, materials or contract performance and the work has been covered Contractor may uncover the work and if the labor, materials, or performance by Subcontractor is determined not to be up to standards of this contract, then the Subcontractor shall pay all costs of detection, repair, replacement and the recovering of any damage. All work is to be performed in a workman like manner and materials, used in any construction for contractor is to be new and of first quality.

**X. DELAYS:** Subcontractor accepts it will use due carefulness to see that all work under this contract is carried out in a timely manner and Subcontractor makes agreement to be responsible for and pay for any damages, injuries or losses caused by Contractor due to delays in construction caused by Subcontractor. Subcontractor will not be accountable for any delays resulting from acts of nature, strikes, war or matters beyond Subcontractor's control.

**XI. EXTRAS:** Contractor shall not make any payment to Subcontractor for any work or materials required unless Contractor agrees in a written authorization, given before the providing of such labor or materials. All approvals must be in writing and given before initiation of the work or materials supplied.

**XII. INDEMNITY:** Subcontractor accepts to and does hereby hold Contractor safe from any and all claims, events, costs, expenses or Attorney's fees arising out of the acts or lapses of Subcontractor, its employees, agents or suppliers with regard to the performance or lapse of any of Subcontractor's duties in this contract. The security extends to any claims declared by any later property owner alleging improper or faulty workmanship, materials in any work done or materials supplied by Subcontractor.

**XIII. LICENSE-WARRANTY:** At all times the term of this contract Subcontractor shall continue its license and in full force and effect. Subcontractor shall have to give the warranty asked by the Registrar of Contractors on all labor provided and if there is an extended warranty beyond the requirement. Subcontractor shall provide copies of such warranties on demand to Contractor.

**XIV. PLANS:** If alterations or adjustments are made from the plans by Subcontractor to any construction, it must first be permitted by Contractor.

**XV. HOLD BACK AND COMPLETION:** Upon the termination of this Agreement for any reason. Contractor may hold back all due funds until completion of work and full provision of labor and materials by Subcontractor. If Contractor must complete work or hire others to complete any work started or contracted for by Subcontractor. Subcontractor shall be fully accountable to pay for full cost of completing such work.

**XVI. SEVERABILITY AND SURVIVABILITY:** If any term or clause of this Agreement is supposed by a court of law to be invalid, the remnants of this Agreement shall be fully enforceable. The terms of this Agreement shall be binding upon the successor executors, assignees, and trust successors of the parties hereto.

**Dated as:** DD/MM/YYYY

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| --- | --- | --- |
| **CONTRACTOR** |  | **SUBCONTRACTOR** |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |  | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| [NAME] |  | [NAME] |