

Contractor - Subcontractor Agreement

This Contractor / Subcontractor Agreement is entered into this ____ day of _____, _____ by and between _____ Contractor and _____

Subcontractor on the following terms and conditions.

Contractor wishes to utilize the services of Subcontractor to provide services to Contractor. Based upon the nature of the services provided by Subcontractor, it is anticipated that it will be impractical to enter into a separate agreement for services each time Contractor desires to use Subcontractor.

Contractor requires that Subcontractor meet certain terms and conditions before Contractor uses Subcontractor's services. These terms and conditions are set forth in this agreement.

In order to expedite the use of Subcontractor's services each time they are needed, the parties agree to enter into and comply with this Contractor/Subcontractor Agreement prior to any actual services being performed. It is the intent of the parties that these terms and conditions apply to any provision of services by Subcontractor regardless of whether these terms and conditions are referenced in any purchase order, subsequent contract memo, etc. during the term of this contract.

This Contractor/Subcontractor Agreement shall be in full force and effect from the date of signing unless canceled in writing by either party with thirty days notice. The cancellation for this agreement shall not negate any term or condition, such as the indemnity or insurance requirements.

Entering into this Contractor/Subcontractor Agreement shall not obligate either Contractor or Subcontractor to agree to any subsequent request for services or to any volume of business during the term of the policy. The intent is that if any services are procured and agreed to by both parties during the term of this agreement, the terms and conditions of the Contractor/Subcontractor Agreement shall apply. If any terms and conditions on any preprinted written form from Contractor conflicts with this Contractor/Subcontractor Agreement, the terms of this Contractor/Subcontractor Agreement apply and supercede any other terms to the contrary.

Subcontractor acknowledges that the only means by which any Contractor employee or agent is authorized to procure services from Subcontractor is in writing (purchase order, contract, memo, etc.). Any oral request for services is expressly not authorized by Contractor's corporate officers and Subcontractor may not rely upon any representation by any Contractor employee or agent to the contrary.

No request for payment by any Subcontractor will be approved by Contractor unless all terms and conditions of this Contractor/Subcontractor Agreement are fulfilled.

8. INDEMNIFICATION:

8.1 The work performed by the Subcontractor shall be at risk of the Subcontractor exclusively. To the fullest extent permitted by law, Subcontractor shall indemnify, defend (at Subcontractor's sole expense) and hold harmless Contractor, the Owner (if different from Contractor), affiliated companies of Contractor, their partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns ("Indemnified Parties"), from and against any and all claims for bodily injury, death or damage to property, demands, damages, actions, causes of action, suits, losses, judgements, obligations and any liabilities, costs and expenses (including but not limited to investigative and repair costs, attorneys' fees and costs, and consultants' fees and costs) ("Claims") which arise or are in any way connected with the work performed, materials furnished, or services provided under this Agreement by Subcontractor or its agents. These indemnity and defense obligations shall apply to any acts or omissions, negligent or willful misconduct of Subcontractor, its employees or agents, whether active or passive. Said indemnity and defense obligations shall further apply, whether or not said claims arise out of the concurrent act, omission, or negligence of the Indemnified Parties, whether active or passive. Subcontractor shall not be obligated to indemnify and defend Contractor or Owner for claims found to be due to the sole negligence or willful misconduct of Indemnified Parties.

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.

INSURANCE

8.2 Upon execution of this Agreement and prior to Subcontractor's commencing any work or services with regard to the project, the Subcontractor shall carry commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing equivalent coverage) and the Subcontractor shall provide Contractor with a Certificate of Insurance and Additional Insured Endorsement on ISO form 20 10 11 85 (or a substitute form providing equivalent coverage) or on the combination of ISO forms CG 20 10 10 01 and CG 20 37 10 01 (or substitute forms providing equivalent coverage) naming Contractor and the Owner as Additional Insured's thereunder. Additional Insured coverage shall apply as primary insurance with respect to any other insurance afforded to Owner and Contractor. The coverage available to Contractor and Owner, as Additional Insured's shall not be less than \$1 million Each Occurrence. \$2 million General Aggregate (subject to a per project general aggregate provision applicable to the project), \$2 million Products/Completed Operations Aggregate and \$1 million Personal and Advertising injury limits. Such insurance shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in business contract). There shall be no endorsement or modification of the Commercial General Liability form arising from pollution, explosion, collapse, underground property damage or work performed by subcontractors.

All coverage shall be placed with an insurance company duly admitted in the state of Maryland and shall be reasonably acceptable to the Contractor. All Subcontractor insurance carriers must maintain an A.M. Best rating of "A-" or better. Coverage shall be afforded to the Additional Insured's whether or not a claim is in litigation.

The insurance coverage required shall be of sufficient type, scope, and duration to ensure coverage for the Contractor or Owner for liability related to any manifestation date within the applicable statutes of limitation and / or repose which pertain to any work performed by or on behalf of the Contractor or Owner in relation to the Project.

Each Certificate of Insurance shall provide that the insurer must give the Contractor at least 30 days' prior written notice of cancellation and termination of the Contractor's coverage thereunder. Not less than two weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply the Contractor with new and replacement Certificate of Insurance and Additional Insured endorsement as proof of renewal of said original policy. Said new and replacement endorsements shall be similarly endorsed in favor of Contractor and Owner as set forth above.

8.3 The insurance coverage required under paragraph 8.2 shall be sufficient type, scope, and duration to ensure coverage of the Subcontractor and Contractor for liability related to any manifestation date within the applicable statutes of limitation and/or repose which pertain to any work performed by or on behalf of the Contractor in relation to the project.

8.4 Annually, the Subcontractor shall supply Contractor with a new and replacement Certificate of Insurance. Not less than two weeks prior to the expiration, cancellation or termination, the Subcontractor will provide the Contractor with a new additional insured endorsement naming the Contractor as an Additional Named Insured.

8.5 Additionally, and prior to commencement of services, the Subcontractor shall provide Contractor with a Certificate of Insurance showing automobile liability insurance coverage for the Subcontractor and any employees, agents, or sub-Subcontractor of the Subcontractor for any vehicles (owned or non-owned) which enter Contractor's premises at the direction of the Subcontractor, its employees, agents or sub-Subcontractors in relation to performance of the work.

9.0 WARRANTY AND REPRESENTATIONS:

The Subcontractor represents and warrants that all materials, labor and/or systems furnished by the Subcontractor in connection with the construction of all homes built by the Contractor shall be free of defect for a period of one year for workmanship and systems for two years.

If a defect of material or workmanship occurs within the one-year period or systems for two years, the Contractor will notify the Subcontractor of such defect and upon receipt of such notice, the Subcontractor shall immediately, at its expense, act to satisfactorily repair and/or replace the defective material and/or workmanship and/or systems. The Subcontractor will to the extent called upon by the Contractor participate in, at the Subcontractor's own expense the conciliation and arbitration mechanisms established under any homeowners warranty program of the Contractor as such conciliation and arbitration related to materials and/or labor furnished by the Subcontractor.

10.0 SAFETY STANDARDS:

Subcontractor agrees that the Subcontractor and all employees of the Subcontractor are required to fully comply with and implement all government laws (OSHA) pertaining to safety standards. Subcontractor agrees that any fines, assessments or penalties imposed upon the Contractor by failure of the Subcontractor or his employees to comply with the government standards will be fully charged back and paid for by the Subcontractor.

11.0 CANCELLATION:

Contractor reserves the right to cancel this Contractor/Subcontractor Agreement in whole or in part if Subcontractor breaches this contract by failing to provide necessary services in a timely and workmanlike manner and does not correct such failure within ten days of receiving written notice from Contractor specifying such failure or if Subcontractor in any other respect repudiates or otherwise breaches the terms hereof, including the warranties of Subcontractor.

Contractor Date

Subcontractor Date

Subcontractor (Print Name)