



## **SUB-CONTRACTOR INFORMATION SHEET/ CHECKLIST**

Dear Sub-Contractor:

*Please complete the following information sheet/checklist and return with all the documents.*

**Company:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_ **Phone:** \_\_\_\_\_

**President/CEO:** \_\_\_\_\_ **Email** \_\_\_\_\_ **Address:** \_\_\_\_\_

**Main Contact:** \_\_\_\_\_ **Title:** \_\_\_\_\_

**Email Address:** \_\_\_\_\_ **Phone:** \_\_\_\_\_

**HR Contact:** \_\_\_\_\_ **Title:** \_\_\_\_\_

**Email Address:** \_\_\_\_\_ **Phone:** \_\_\_\_\_

**Billing Contact:** \_\_\_\_\_ **Title:** \_\_\_\_\_

**Email Address:** \_\_\_\_\_ **Phone:** \_\_\_\_\_

**Total number of employees:** \_\_\_\_\_

**Please enclose the below mentioned documents in order to subcontract through Artech:**

- ☐ Signed Independent Contractor Agreement
- ☐ Signed Purchase Order (Exhibit A)
- ☐ Signed Contractor Personnel Consent (Exhibit B)
- ☐ A completed W-9 form
- ☐ A copy of Certificate of Liability Insurance per Clause No. 15 of the agreement, documenting Artech Information Systems LLC and its client as additional insured.
- ☐ A Copy of Articles of Incorporation, latest copy of officers certificate or Certificate of Formation (if you are an LLC) or similar proof of incorporation
- ☐ Client Reference List of three (3) references over the past two (2) years
- ☐ Voided copy of business check (or other proof of business bank account)
- ☐ Paystub of contractor being placed, or other proof of W2 that is approved by our Compliance department
- ☐ Consultant's I9 with Supporting documents
- ☐ A copy of M/WBE Certificates (if you are a certified M/WBE)
- ☐ Artech ACH Authorization Form
- ☐ Client specific and flow-down documents (if applicable)
- ☐ One time administrative fee of \$500.00 for access to Artech Supplier Management Portal

**Please note that Artech would not be able to process payments until we receive all of the documents mentioned above.**

Thank you for your interest in becoming a subcontractor to Artech.

**Artech Information Systems LLC**

360 Mt. Kemble Ave., Suite 2000 ▲ Morristown, NJ 07960 ▲ Tel. 973.998.2500 ▲ Fax. 973.998.2599

[www.artechinfo.com](http://www.artechinfo.com)

## **Independent Contractor Agreement**

INDEPENDENT CONTRACTOR AGREEMENT, dated \_\_\_\_\_, 201\_ (this “Agreement”), by and between Artech Information Systems L.L.C., (and its subsidiaries), a New Jersey limited liability company (“ARTECH”), with its principal place of business at \_\_\_\_\_ and \_\_\_\_\_, (the Contractor), with its principal place of business at \_\_\_\_\_

### **1. SCOPE**

The terms of this Agreement apply in situations where the Contractor agrees to provide programming, systems analysis, engineering, technical writing or other specialized services as an independent contractor to ARTECH and its subsidiaries, as assigned to work for ARTECH’s client (“Client”). Whereas Client has requested ARTECH to locate temporary staffing for the Client’s project according to the training, skills, abilities and experience required by the Client, ARTECH will examine Contractor’s background for providing services to Client, and may refer Contractor to the Client for further evaluation and possible retention of Contractor’s services hereunder. If Contractor is accepted, a Purchase Order in the form attached hereto as Exhibit A will be issued that may incorporate mandatory additional Client required terms Contractor must agree to comply with in order to provide services under a Purchase Order in the form of Exhibit E. Contractor shall pay a one-time administrative fee in the amount of \$500 in order to be admitted into Artech’s Preferred Supplier Program and obtain access to its Supplier Management Portal

### **2. TERM OF AGREEMENT**

Nothing in this Agreement obligates Contractor to accept any offer to provide services. However, all terms and conditions of this Agreement shall remain in force during any and all periods for which Contractor’s services are provided to the Client and for any other periods before and/or thereafter as stated herein. Prior to the commencement of any services, ARTECH and Contractor shall issue a Purchase Order in the form attached hereto as Exhibit A which shall be considered part of this Agreement and shall be binding on both parties. Contractor’s services under this Agreement shall terminate at the end of the minimum time requirement stated in the Purchase Order and any renewals or extensions thereof (the “end date”), or immediately if for any reason the Client no longer desires the services of Contractor. Contractor may not terminate its services before the end date unless, as stated in writing by the Client, the project has been completed or the services are no longer required. Any termination by Contractor in violation of this Section 2 (Term of Agreement) will cause Contractor to be subject to any penalty ARTECH may become subject to if such early Contractor termination puts ARTECH in breach of any of ARTECH’s Client contract provisions. In addition, if Client determines that Contractor’s personnel is not qualified for the position and is to be replaced, Contractor will forego payment for up to five days of services or longer if required by the Client.

### **3. ASSIGNMENT OF CONTRACT**

Contractor is to provide services through its personnel specified on the Purchase Order, for whom it is responsible, and may not assign its rights, nor subcontract its obligations under this Agreement or any Purchase Order to any other party. All such personnel shall be W2 employees of Contractor and Contractor shall be responsible for their supervision. Contractor shall not assign any money due hereunder from Artech without the prior written consent from Artech. Contractor shall pay a \$20,000 penalty fee if it is discovered that this clause has been breached. This penalty fee will be paid for by the Contractor to Artech within 15 days of receiving notice of breach from Artech.

### **4. RESTRICTIVE COVENANTS**

During the term of this Agreement and any Purchase Order hereto and any renewals thereof, and for a period of one year after the expiration of the initial and renewal periods, Contractor agrees that:

- i. Neither it nor any of its personnel will solicit, provide or attempt to provide (or advise others of the opportunity to provide), directly or indirectly, any services to any Client to which Contractor has been introduced to, or about which Contractor has received information about, through ARTECH or through any Client for which Contractor has performed services or to which Contractor was introduced under this Agreement.
- ii. It will not retain or attempt to retain, directly or indirectly, for itself or for another party, the services of any of ARTECH's Contractors or employees, or any of Client's personnel to which Contractor has been introduced to, or has received information about, through ARTECH or through any Client for which Contractor has performed services or to which Contractor was introduced under this Agreement.
- iii. It shall not directly contact or attempt to contact Client on any issues pertaining to this Agreement.
- iv. Contractor shall not refuse (a) Artech's Client permission to directly hire its consultant(s) at any time, (b) Artech permission to directly hire Contractor's consultant(s) after a period of twelve (12) months pursuant to a Purchase Order hereto, (c) in the event that Contractor's employees are not being paid in a timely manner in accordance with all applicable laws or if Contractor is unable to secure work authorization for such employee, Artech permission to directly or indirectly hire such employees. In the event that Artech or Artech's Client hires such consultant(s) pursuant to this section, Contractor agrees to release such Consultant(s) from the terms of any restrictive covenants or other agreement which may inhibit such Consultant from accepting an offer of employment made by Artech or its Client without payment of any fee by Artech, its Client or such Consultant.

For the purposes of this Section, the term "Client" includes any affiliates, subsidiaries and divisions of Client. Client also includes customers and clients of the Client for whom Contractor has provided services under this Agreement.

## 5. REPRESENTATIONS

Contractor represents and agrees for itself and its personnel that information provided by it (including, but not limited to, resumes and references) with respect to providing services to or on behalf of the Client is true to the best of Contractor's knowledge and that Contractor and its personnel are not restricted by any employment or other Contractor agreement from providing services pursuant to any Purchase Order hereto. Contractor agrees to comply with additional flow down requirements in order to allow Artech to comply with the terms of its agreement with Client, where such additional terms are mandatory and not subject to further negotiation. Contractor understands that any omissions, misstatements or lack of candor by Contractor of the qualifications or availability of it or its personnel constitutes a breach of this Agreement and may be grounds for immediate termination of Contractor's services by the Client.

Contractor further represents and warrants that it and its personnel are under no restriction, contractually or otherwise, to any present or former broker, client, employer, associate, partnership, corporation, business entity or person which would prevent or restrict it or its personnel in any manner whatsoever from performing its obligations under this Agreement.

Contractor will check at least three (3) references for all candidates submitted to Artech and Contractor will furnish such references (including contact information) to Artech upon request.

In addition, Contractor shall pay a \$20,000 penalty fee for any misrepresentation of their candidate(s) through "bait and switch" tactics and/or if Contractor's candidate(s) that interviews for the role is not the same person that starts on the project. This penalty fee will be paid for by the Contractor to Artech within 15 days of receiving notice of breach from Artech.

## 6. AUTHORIZATION TO WORK

Contractor represents and warrants that all of its personnel presented to ARTECH and assigned to the Client pursuant to a Purchase Order shall be duly authorized to work in the United States and at the Client.

Contractor shall be solely responsible for securing and maintaining appropriate applicable visas. Upon request, Contractor shall provide ARTECH with the appropriate documentation to support the current work authorization of any such personnel including copies of the Visa Approval (I-797) and certified Labor Certification Application covering the metropolitan area where the worksite is located.

Contractor further represents and warrants that it is in strict compliance with the statutes, rules and regulations of the Immigration Reform and Control Act of 1986 or any other rule or regulation of the Immigration and Naturalization Service concerning the provision and employment of foreign nationals. Contractor further covenants and agrees that it shall remain in compliance with any applicable statute, rule or regulation governing the employment of foreign nationals.

**7. DRUG TESTING/BACKGROUND CHECK**

Contractor's personnel assigned to work at the Client location agree to submit to required drug testing per client requirements. In addition, Contractor's personnel agree to submit to any required background checks per client requirements. Unless reimbursed by the client, the associated cost for all such checks/tests will be billed to the Contractor.

**8. PAYMENT FOR SERVICES**

At the end of each week, Contractor shall submit separate invoices to ARTECH for each calendar week synchronized with the client time-sheet cycle. Payment shall be made in the corporate name of Contractor based on the option selected below and agreed upon by Artech and Contractor. Contractor understands that although it is required to submit invoices on a weekly basis, Contractor payment terms are on a month end basis, i.e. all invoices for a particular calendar month ending with the last Friday of the month will be paid per the option selected below. No other compensation in any form, including benefits, will be provided by ARTECH or any other party. For billing and payment purposes, Contractor shall maintain records of the hours that services have been performed, have a Client representative verify those hours either electronically or by signing the records, and submit to ARTECH those records for the amount due to Contractor for the hours worked and verified. Contractor is entitled to compensation per its invoice only upon ARTECH's receipt of funds from the Client for that invoice with no ARTECH liability otherwise, because Contractor agrees that the Client controls the payment of consulting fees to Contractor. ARTECH may deliver funds to it prior to receiving funds from the Client. In that event, if ARTECH does not receive funds from the Client that cover all hours set forth in Contractor's invoice to ARTECH for which such delivery of funds was made, then Contractor must pay ARTECH an amount equal to any funds delivered by ARTECH to Contractor based upon the hours set forth in that invoice for which the Client has not made payments to ARTECH. Such repayment shall be due immediately upon written demand mailed to Contractor. Contractor agrees that Artech shall have been Contractor agrees that Artech shall have been deemed to make payment once a transaction has been initiated through ACH.

For the purpose of credit reporting, the Contractors invoice aging will accurately reflect the payment terms set forth herein. Contractor agrees that no derogatory credit reporting shall occur without prior written notice to Artech detailing the nature and details of such alleged deficiencies and providing a reasonable period to address these alleged deficiencies.

Contractor agrees that it shall not be entitled to invoice Artech for, and Artech shall not be liable for, any payment to Contractor for the labor component of work or associated travel and related expenses that are (a) not inputted in the client time reporting tool or Artech's *Beacon* system with all attached approvals in a timely manner (not to exceed 10 working days from date services were performed) or (b) invoiced to Artech more than sixty (60) days after performance of the work or the incurring of such travel and related expenses.

**Contractor Payment Terms Options (please select one option and include your initials)**

☐ **Option 1:** Month end, Pay-when-paid (PWP) based on client payment terms with Artech \_\_\_\_\_

☐ **Option 2:** Month end, Net 15 with a 2% discount to Artech \_\_\_\_\_

**9. TRAVEL, LIVING AND OTHER COSTS**

In doing business with Artech, the Contractor shall be responsible for paying the costs incurred by their candidate(s) when interviewing for positions with Artech's clients.

Consultant's Interview Expense Options (**please select one option and include your initials**)

☐ **Option 1:** Contractor will pay for consultant expenses incurred for in-person interviews nationwide \_\_\_\_\_

☐ **Option 2:** Contractor pay for consultant expenses incurred for specific locations only \_\_\_\_\_

No travel, living, entertainment or other costs of Contractor shall be paid under this Agreement unless authorized and approved in advance of occurrence by ARTECH and Client, and any such costs must be incurred in accordance with any Client specific instructions included in this Agreement or as otherwise provided by Client. ARTECH will provide no training, tools, equipment or other materials to Contractor or its personnel. Contractor's invoiced hours will not include any time spent in formal training and Contractor (for itself and on behalf of its personnel) represents that it is not being provided such formal training by ARTECH, the Client or anyone on behalf of ARTECH or Client; provided, however, that Contractor acknowledges that Contractor may have to participate in Client specific orientation sessions involving instruction in Client specific policies, procedures and processes.

**10. CONFIDENTIALITY**

Contractor agrees that neither it nor its personnel will disclose to any third party, without the prior written consent of an executive officer of ARTECH, any information relating to the business of ARTECH, the Client, any customers and clients of the Client, or other ARTECH Contractors or employees, if such information could reasonably be construed as confidential and was obtained in the course of Contractor's providing services on Client's project, interviewing with ARTECH or Client, or contracting with ARTECH. Contractor further agrees neither it nor its personnel will reproduce in any way, divulge, or remove from the premises of ARTECH, any Client, or the customers and clients of any Client, at any time during the interview, or during or after providing services, any tangible or intangible property whatsoever (except personal effects) which could reasonable be construed as confidential information of ARTECH, the Client or the customer or clients of the Client. Artech and the Contractor hereby agree that the following, without limitation, constitutes confidential information or trade secrets and agrees not to disclose to anyone during the term of this Agreement or thereafter: (1) nonpublic information acquired during the performance of this Agreement and any related Purchase Order; (2) the finances, business affairs and circumstances of the Client or ARTECH; and (3) all information and data relating to the work project under any Purchase Order and its operation.

Upon termination of the Agreement, Contractor and its personnel shall return to Artech all written, descriptive, or related matter of any type, including but not limited to drawings, blueprints, descriptions or other papers or documents which contain any such confidential information.

**11. CONDUCT, INDEPENDENT CONTRACTOR STATUS AND BENEFITS**

Contractor shall provide competent, professional services in the required disciplines, using its own appropriate independent skill and judgment, and the manner and means that appear best suitable to it to perform the work, and ARTECH shall have no right to and shall not interfere. Evaluation and acceptance of Contractor's performance is subject to Client's approval. Contractor shall not perform services on ARTECH's premises.

Contractor represents and warrants that it is a valid corporation existing under the laws of the State of and certifies its federal employer identification number is \_\_\_\_\_. Contractor further warrants that it maintains a set of books and records which reflect items of income and expenses of its trade or business.

The parties to this Agreement agree that the relationship created by this Agreement is that of ARTECH to Independent Contractor. Contractor agrees and has advised its personnel that Contractor and its personnel are not employee(s) of ARTECH or the Client and are not entitled to (and also hereby waive) any benefits provided or rights guaranteed by ARTECH or the Client, or by operation of law, to their respective



employees, including but not limited to group insurance, liability insurance, disability insurance, paid vacations, sick leave or other leave, retirement plans, health plans, premium “overtime” pay, and the like. It is understood and agreed that since Contractor is an independent Contractor, ARTECH will make no deductions from fees paid to Contractor for any federal or state taxes or FICA, and ARTECH and Client have no obligation to provide Worker’s Compensation coverage for Contractor or to make any premium “overtime” payments at any rate other than the normal rate agreed to in the Purchase Order. It shall be Contractor’s responsibility to provide Worker’s Compensation and, if applicable, pay any premium “overtime” rate for its employees who work on the projects covered by this Agreement and to make required FICA, FUTA, income tax withholding or other payments related to such employees (and to provide ARTECH with suitable evidence of the same whenever requested). In the event of any claims brought or threatened by any party against ARTECH or the Client relating to the status, acts or omissions of Contractor or its personnel, Contractor agrees to cooperate in all reasonable respects, including supporting the assertions of employment status made in this Agreement.

Contractor shall comply with the Affordable Care Act. Notwithstanding any other provision of this Agreement, Contractor agrees to indemnify Artech and Client for any and all penalties (including assessable payments under Internal Revenue Code Section 4890H (a)) that are assessed on account of Contractor’s failure to offer healthcare coverage to temporary workers as applicable under the Act.

**12. SERVICES TO OTHERS**

Contractor may provide services for others and through other brokers.

**13. LIABILITY**

Because of the independent status of the Contractor, the Contractor is solely and completely accountable for the services it provides under this Agreement, and neither the Client nor its customers and clients, nor ARTECH, shall have any liability whatsoever to any party for such services provided by Contractor or its personnel. ARTECH will not indemnify Contractor for any liability incurred by Contractor, its agents or employees. Contractor understands that ARTECH will act in good faith to describe the task requirements set forth by the Client, but that because Contractor is providing services hereunder as an independent contractor, that Contractor warrants that it has had the opportunity to request, and has received, all necessary technical specifications, requirements and directions relative to the tasks contracted for hereunder to allow Contract to properly review the task requirements prior to acceptance; further, that Contractor’s acceptance hereunder of any task is evidence of Contractor’s ability to comply with all task and associated contractual requirements contained herein. Contractor hereby releases ARTECH from any liability relating to representations about the task requirements or to the conditions under which the Contractor will be working. Contractor also agrees to release ARTECH from any liability for statements made by ARTECH, without malice, to third parties who inquire about Contractor’s performance.

**14. OWNERSHIP OF INTELLECTUAL PROPERTY, ETC**

Contractor agrees for itself and its personnel that (a) all documents, deliverables, software, systems designs, disks, tapes and any other materials (collectively, “materials”) created in whole or in part by Contractor in the course of or related to providing services to the Client shall be treated as if it were “work for hire” for the Client, and (b) Contractor will immediately disclose to the Client all discoveries, inventions, enhancement, improvement and similar creations (collectively, “creations”) made, in whole or in part, by Contractor in the course of or related to providing services to the Client. All ownership and control of the above materials and creations, including any copyright, patent rights and all other intellectual property rights therein, shall rest exclusively with the Client, and Contractor hereby assigns to the Client all right, title and interest that Contractor may have in such materials and creations, without any additional compensation and free of all liens and encumbrances of any type. Contractor affirms that the fee it has negotiated for the services performed under this Agreement includes payment for assigning such rights to the Client. Contractor agrees to execute any documents required by the Client to register its rights and to implement the provisions herein. Contractor will not include any preexisting materials in any deliverable.

**15. INSURANCE**

Contractor will obtain for itself and its personnel before providing services, at its own expense, (a) Comprehensive General liability insurance for projects covered by this Agreement, for limits of liability not less than \$1,000,000 (b) Automobile liability insurance with limits of at least \$500,000 is required if Contractor or Contractor's employees use automobiles in connection with the provision of services to ARTECH or client and/or operate vehicles on client's premises, (c) Umbrella liability insurance with limits of at least \$1,000,000, (d) Worker's Compensation coverage with limits of at least \$1000,000, (e) Employee dishonesty coverage under a crime policy or fidelity bond with limits of at least \$1,000,000 and (f) Professional liability insurance with limits of at least \$1,000,000. Contractor will name ARTECH as Additional Insured and provide a copy of the binder, the policy or a certificate of insurance to ARTECH upon execution of this Agreement. All policies of insurance shall show ARTECH as a certificate holder. Policies shall be endorsed to provide thirty (30) days advance written notice of cancellation or material change to ARTECH.

**16. AUDIT CLAUSE**

Contractor agrees to keep books and records of account for Artech in accordance with generally accepted accounting principles and practices in the industry which shall be subject to audit by Artech or Client, showing the actual cost of all items of labor, supplies, services, and other expenditures of whatever nature for which reimbursement is authorized under provisions of this Agreement. Contractor agrees that Artech or Artech's client shall have the right to audit records, registers and such other documents as may be required to check Service Provider's compliance with (i) its obligations under the Agreement, including its obligation to maintain confidentiality; and (ii) with applicable laws, including labor and insurance laws.

**17. INDEMNIFICATION**

Contractor shall indemnify and hold harmless ARTECH and Client, and their officers, directors, agents, owners, and employees, for any or all claims brought or liabilities imposed against ARTECH or Client by Contractor's employees, its agents or subcontractors or by any other party (including private parties, governmental bodies and courts), including claims related to worker's compensation, wage and hour laws, employment taxes, and benefits, and whether relating to Consultants' status as an Independent Contractor, the status of its personnel, or any other matters. Indemnification shall be for any and all loss, including costs and attorney fees.

**18. COVENANT NOT TO COMPETE**

During the term of this Agreement and for a period of one (1) year thereafter, Contractor agrees not to solicit business or accept employment (other than through Artech) of any nature with the Client, either directly or indirectly, whether on a permanent, temporary or contract basis. Should Contractor breach this provision, it would be difficult to determine the exact amount of damages to Artech. Therefore, the parties mutually agree that the Contractor shall be required to make a payment to Artech, representing liquidated damages of an amount equal to fifty (50%) percent of the compensation, wages, fees, retainer, salary or the like paid to Contractor or Contractor's consultant for any such services, during the twelve (12) month period immediately following the start of such engagement, employment or contract. The term "Client" for purposes of this paragraph is defined to include the company to whom Artech is providing services and the end client for whom the services are rendered.

**19. BREACH**

Any breach of any provision of this Agreement by Contractor or its personnel entitles ARTECH to recover from Contractor damages and injunctive relief. Contractor agrees that because monetary damages are likely to be inadequate, ARTECH shall be entitled to equitable relief. If either party breaches or fails to comply with any term of this Agreement, and any other party elects to waive same, such waiver shall not be construed as a waiver of future breaches or failures to comply.

**20. ENTIRE AGREEMENT**

This document together with any attached Exhibits and Purchase Orders represents the entire Agreement of the parties with respect to the subject matter hereof as described in Section 1 (Scope); further, such Scope specifically includes any and all active Purchase Orders that may have been executed by and between ARTECH and Contractor under any and all prior Agreements previously executed by and between the

parties hereto. Contractor expressly acknowledges and agrees that any and all such prior Agreements become null and void as of the execution of this Agreement by both ARTECH and Contractor. No waiver, change or modification of any of the terms hereof or extension of the discharge of this Agreement shall be binding on the parties hereto unless it is in writing and executed by ARTECH and Contractor.

## 21. PERSONNEL CONSENTS

Contractor agrees that all of its personnel working on Client projects pursuant to this Agreement shall sign a “Confidentiality and Non-Compete Agreement” in the form attached hereto as Exhibit B, agreeing to the terms of Sections 4, 5, 7, 10, 11, 14 and 18 of this Agreement. Contractor also agrees to accept and sign all Client specific documents required in connection with any Exhibit A Purchase Order issued under this (or as may later be modified to include such documents) that are required by the terms of ARTECH’s Client agreement without modification. The Employee Consent shall be delivered to Artech before such personnel begin work on any Purchase Order.

## 22. SURVIVAL OF OBLIGATIONS

Contractor’s obligations hereunder which by their nature would continue beyond the termination, cancellation or expiration of this Agreement, including, by way of illustration only and not limitation, those in Sections 4, 10, 13, 14, 16, 17 and 18 shall survive the termination and/or cancellation of this Agreement.

## 23. LAW OF NEW YORK

All questions arising under or in connection with this Agreement shall be governed and determined by the substantive laws of the State of New York. The U.S. federal and state courts of the State of New Jersey located in Morris County shall have sole and exclusive jurisdiction and venue to adjudicate over any actions relating to the subject matter of this Agreement. The parties consent to the exclusive jurisdiction of the courts specified above, and expressly waives any objection to the jurisdiction or convenience of such courts.

## 24. SEVERABILITY

In case any one or more of the provisions contained in this Agreement should be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall in no way be affected, prejudice or disturbed thereby.

## 25. VOLUME AND TENURE DISCOUNT

Based on the volume generated during any calendar year, Contractor shall pay Artech a volume discount as follows:

### Volume Discount Structure:

Revenue	Discount
\$0-\$1,000,000	0.00%
\$1,000,001-\$2,000,000	0.50%
\$2,000,001-\$3,000,000	1.00%
\$3,000,001-\$5,000,000	1.50%
\$5,000,000+	2.00%

For any consultant that is on assignment for over 12 months, a tenure discount will be applied and the pay rate to Contractor shall be reduced by 2.5%. After 24 months on assignment, the pay rate will be reduced by an additional 2.5%.

## 26. FORCE MAJEURE

Artech shall not be liable for any delay or failure in performing any of its obligations under this Agreement if such delay or failure is due to the events including (i) Acts of God, (ii) Fire, explosion or unusually severe weather, (iii) War, Riots or civil unrest, (iv) Restraint of governmental, and other like events that are beyond the reasonable anticipation and control of the ARTECH or those that are not attributable to Artech's failure to perform its obligations under this Agreement.





IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

**Sub-Contractor,  
Company Name:**

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

Name: \_\_\_\_\_

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

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

**Company,  
Artech Information Systems, LLC**

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

Name: \_\_\_\_\_

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

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

## EXHIBIT A - PURCHASE ORDER

Pursuant to the Independent Contractor Agreement, dated \_\_\_\_\_, 201\_, ARTECH and \_\_\_\_\_ agree as follows:

1. Contractor is contracted to perform work for \_\_\_\_\_ (“Client”) beginning \_\_\_\_\_ and terminating on the “end date” of \_\_\_\_\_ at a rate of \$ \_\_\_\_\_ per hour (“Contractor Rate”). Contractor will compensate their employee \_\_\_\_\_ (“Employee Name”) at the direct hourly wage rate of \$ \_\_\_\_\_ per hour (this is the direct wage to the employee and does not include any cost of benefits, per diem or other compensation). Contractor shall provide the first paystub of this employee after the start of this assignment and agrees to provide additional paystubs upon request. Further Contractor will notify Artech in writing if this pay rate to their employee is changed while this Agreement and PO is in effect.
2. Unless otherwise notified, when the minimum time requirement has elapsed, this Purchase Order shall be deemed to have been extended beyond the original “end date” on a month-to-month basis to a new “end date” and with a new pro-rated NTE lump sum, on the same terms and conditions stated herein and in the Independent Contractor Agreement referenced above, until such time as the above mentioned project is completed or Contractor provides 2 weeks/14 days prior written notice of a refusal to extend this Purchase Order. For purpose of this Purchase Order, “month to month” means the period beginning on the next calendar date immediately after the previous “end date”. Contractor’s 2 weeks/14 days’ notice shall commence on the actual calendar date that it is received and 2 weeks/14 days thereafter shall be the new “end date”. The purpose of this paragraph is not to extend the end date indefinitely and create a continuous relationship, but is instead to cover situations where the original estimates for project completion require adjustment.
3. At the end of each week, for billing and payment purposes, Contractor shall submit a time record in a form provided by ARTECH, signed by an authorized client official verifying the number of hours of consulting services provided by Contractor to the Client. At the end of each week, Contractor will submit an invoice to ARTECH for Contractor’s services to the Client for those hours verified by the Client on time records.
4. Contractor’s rate is a confidential matter between Contractor and ARTECH and shall not be divulged to any other party, including the Client.
5. Contractor’s rate shall remain in effect until the completion of the project or for a minimum of one year, whichever is longer.
6. The following personnel of Contractor who will work on this project have been informed and understand their obligations under this Purchase Order and the Independent Contractor Agreement:

Contractor name: \_\_\_\_\_



7. This Purchase Order is subject to Contractor's mandatory acceptance of Exhibits B, C, D of the Agreement and any Client specific Exhibit E terms and conditions associated with the Client named in this Purchase Order

The undersigned have read, understand and agree to the terms and conditions herein.

**Contractor,  
Company Name:**

**Artech Information Systems, LLC**

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

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

Name: \_\_\_\_\_

Name: \_\_\_\_\_

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

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

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

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

## EXHIBIT B

CONSULTANT ACKNOWLEDGEMENT, dated as of \_\_\_\_\_ by and between Artech Information Systems LLC, a New Jersey limited liability company ("Artech"), and \_\_\_\_\_.

**WHEREAS**, an Independent Contractor Agreement (hereinafter, the "Agreement") has been made and entered into by and between ARTECH and \_\_\_\_\_ ("Contractor") as of \_\_\_\_\_;

**WHEREAS**, the undersigned, \_\_\_\_\_, an employee of Contractor wishes to perform work pursuant to the Agreement between Artech and Contractor;

**NOW, THEREFORE**, the undersigned, as a precondition to receiving any work pursuant to the Agreement between Artech and Contractor hereby covenants and agrees as follows:

1. **General.** I understand and agree that I am an employee of Contractor and not of Artech and that I am to be compensated directly by Contractor and shall not be compensated by Artech or Artech's Client. I understand and agree that Artech shall not have any obligation or liability to me for any reason whatsoever.
2. **Confidentiality.** I acknowledge that in the course of my engagement, I will be exposed to valuable confidential and trade secret information of Artech and Artech's Client. I agree to treat all such information as confidential and to take all necessary precautions against disclosure of such information to third parties during and after the term of this Agreement. In addition, I shall not, without Artech's prior written approval, use or disclose Artech's or Artech's Clients information that could reasonably be construed as confidential information, except to the extent necessary to provide services requested by Artech. I further agree not to reproduce in any way, divulge, or remove from the premises of Artech or Artech's client, at any time during any interview, assignment or upon leaving the assignment, any tangible or intangible property whatsoever (except personal effectis) which could reasonably be construed as constituting confidential information of Artech or Artech's client. I agree to defend, indemnify and hold harmless Artech for any and all loss; costs or other liability incurred or threatened relating to violations of the obligations set forth in this provision.
3. **Non-Competition.** As to any person or entity, including but not limited to Artech's Client, to whom I have been introduced to as a result of contact with Artech or Contractor, while this agreement is in effect and for a period of eighteen months (18) months after the termination of the assignment, I will not, directly or indirectly, through any person or entity, solicit, provide or attempt to provide (or advise others of the opportunity to provide), any services to any Client to which I have been introduced to, or about which I have received information about, through ARTECH or through any Client for which I have performed services or to which I was introduced under this Agreement.
4. **Intellectual Property.** I agree that all copyrightable material, notes, records, drawings, designs, inventions, improvements, developments, discoveries and trade secrets (collectively, "Inventions") conceived, made or discovered by me, solely or in collaboration with others which relate in any manner to the business of Artech or Artech's client that I may be directed to undertake, investigate or experiment with, or which I may become associated with in work, investigation or experimentation in the line of business of Artech or Artech's client in performing the services hereunder, are the sole property of Artech or Artech's client, as the case may be. In addition, any Inventions which constitute copyrightable subject matter shall be considered "works made for hire" as that term is defined in the United States Copyright Act. I further agree to assign (or cause to be assigned) and do hereby assign fully to Artech or Artech's client all such Invention and any copyrights, patents, mask work rights or other intellectual property rights relating thereto.

I agree to assist Artech, or its client, in every proper way to secure Artech's or the client's rights in the Inventions and any copyrights, patents, mask work rights or other intellectual property rights relating thereto in any and all countries, including the disclosure to Artech or its client of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments and all other instruments



which Artech or its client shall deem necessary in order to apply for and obtain such rights and in order to assign and convey to Artech, or its client, its successors, assigns and nominees the sole and exclusive rights, title and interest in and to such Inventions, and any copyrights, patents, mask work rights or other intellectual property rights relating thereto. I further agree that I will execute any such instrument or papers and my obligation to do so shall continue after the termination of this Agreement.

I further agree that if in the course of performing the Services, I incorporate into any Invention developed hereunder any invention, improvement, development, concept, discovery or other proprietary information owned by me or in which I have an interest, Artech or its client, as the case may be, is hereby granted and shall have a nonexclusive, royalty-free, perpetual, irrevocable, worldwide license to make, have made, modify, use and sell such item as part of or in connection with such Invention.

I also agree that if Artech or its client is unable because of my unavailability, dissolution, mental or physical incapacity, or for any other reason, to secure my signature to apply for or to pursue any application for any United States or foreign patents or mask work or copyright registrations covering the Inventions assigned to Artech or its client, then I hereby irrevocably designate and appoint Artech and its duly authorized officers and agents as my agent and attorney in fact, to act for and in my behalf and stead to execute and files any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of patents, copyright and mask work registrations thereon with the same legal force and effect as if executed by me.

5. **Injunctive Relief.** Accordingly, Artech or, where appropriate a client or customer of Artech, may seek and obtain injunctive relief against the breach or threatened breach of the undertakings herein, in addition to any other legal remedies which may be available. It is expressly understood that this Agreement shall be enforceable in both law and equity, including by temporary and permanent restraining orders. If any provision of this Agreement is held unenforceable for any reason whatsoever, the parties hereto expressly authorize the court making the determination to enforce any such provision or to modify any such provision so that such provision shall be enforced to the fullest extent permitted by applicable law.
6. **Governing Law.** This Agreement shall be construed in accordance with the laws of The State of New York. Any action brought to enforce the provisions of this Agreement shall be brought in a court of competent jurisdiction within the County of Morris, State of New Jersey.
7. **General.** This Agreement contains the entire agreement of the parties relating to the subject matter hereof. This Agreement may be modified only by an instrument in writing signed by both parties hereto.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands as of the date first above written.

**Employee,**

**Artech Information Systems, LLC**

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

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

Name: \_\_\_\_\_

Name: \_\_\_\_\_

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

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





## EXHIBIT C – TIME, EXPENSE AND INVOICING OVERVIEW

In order to ensure prompt billing to the client and timely payments to the Sub-Contractor, please report time & expenses and submit invoices as follow (Instructions for your individual Contractors are provided with their *Beacon* ID at time of on-boarding)

At the end of each week within 5 calendar days, Contractor shall submit separate invoices to ARTECH for each calendar week of that month synchronized with the client time-sheet cycle. If invoices are not submitted in a timely manner, there may be a delay in payment processing

By Monday of each week, Contractors should report time worked during the prior week in the Client's Time Reporting System (if available) OR Artech's *Beacon* system (Time Reporting Code (TRC) – 9001) including uploading/attaching a screen shot of the submitted time in client's system or client approval as applicable. Expenses (TRC - 9945) for the week should be submitted with Time in *Beacon*, including uploaded approved expense receipts and approvals as required. Exact instructions will be provided to the Contractor based on the client's time reporting requirements. If the Contractor does not submit time on a weekly basis in the client reporting system or *Beacon*, as applicable, billing to the client will be delayed and subsequently payment to the Contractor may also be delayed.



## **Exhibit D**

**Code of Ethics** – ARTECH is committed to conducting its business in a lawful and ethical manner and make continuous efforts to offer highest level of integrity to all our clients, employees and all stakeholders.

Contractor and its employees must act in a manner consistent with the ethical and professional standards of Artech and Artech's clients and make efforts to keep its policies, procedures and conduct up to date at all times.

Employment Ethics - Respect human rights and not discriminate based on age, disability, equal pay/compensation, genetic information, national origin, pregnancy, race/color, religion, retaliation, sex and sexual harassment. Contractor will conduct fair and equal treatment of employees and provide safe and secure work environment free of violence, drugs or child labor.

**Business Ethics** – Operate ethically and deliver consistent value to all clients. Not engage in unfair business practices and safeguard Artech and Artech's clients' property, assets and confidential information. Contractor will not engage in bribery to influence public officials. Contractor will encourage highest standards of integrity and objectivity in dealing with Artech, clients and vendors and conduct give and take of gifts and hospitality in compliance with applicable laws, policies of the company and business customs.

**Employment and Compliance** – During the term of this agreement, contractor shall be the sole and exclusive employer of its personnel. Contractor must comply with all applicable federal, state and local laws, regulations, statutes, ordinances, orders and standards at all times with respect to the performance of services under this agreement.

Contractor must include but not limit compliance to -

1. Employment and Labor Laws, Finance, Accounts and Taxation Laws, Privacy Laws, Foreign Worker and Employment Eligibility Laws, Intellectual Property Laws, Data Privacy Laws, Worker Safety and Health Laws, Ethics Regulations, Environmental and Health Regulations etc.
2. Pay all filing fees and federal, state and local taxes ( including income tax, self-employment tax, FICA, FUTA ) and other taxes applicable to his/her services to Artech and Artech's clients under this Agreement. Contractor must withhold all required payroll taxes and insurance premiums for its personnel.
3. Pay all amounts required under local, state and federal worker's compensation acts, disability benefit acts, employment insurance acts and other employee benefits acts when due.
4. Provide all insurance and other employment related benefits to Contractor's employees.
5. Make any overtime payments to contractor's employees if required by law.
6. Fulfill employer's obligations for unemployment compensation.
7. Make legally required employment law disclosures (Wage-hour, EEOC, FLSA, OSHA, FMLA posters etc.) to its employees.

Contractor must ensure applicable compliance from its employees and its independent contractor. Contractor agrees to timely certify compliance with such laws, and will provide documented proof of such compliance and adherence to Artech and/or client when requested.

## **Exhibit E**

**Flow down of mandatory Client Specific Requirements at the following ARTECH Client:**

**Client name:** \_\_\_\_\_

**Pursuant to the Agreement, Contractor shall take all necessary steps to enable ARTECH to comply with ARTECH's prime contract with Client. Notwithstanding any other provision to the contrary, all work and/or deliverable items shall be produced and performed strictly in accordance with the provisions of ARTECH's Client agreement set forth below, without limitation. Any reference to "\_\_\_\_\_ " below shall hereby be agreed to mean "Contractor", and any reference to "\_\_\_\_\_ " shall be agreed to mean "ARTECH" or "ARTECH and Client" as would reasonably be interpreted as the appropriate designation per the nature and intent of that provision. If any of the terms in this Exhibit E conflict with the terms in the Agreement, the terms in this Exhibit E shall prevail with regard to the specific performance provided by Contractor at the ARTECH Client named in this Exhibit.**